

## 2020/21 Summary Saving and Pressure Proposal Form

The Senior Responsible Officer (SRO) for the proposal should complete forms.

Proposal Title	Managing the budget pressure within Children's Services	Lead/Responsible Officer:	Jane Rodgers
Your Ref No:	CSCH006	Directorate:	SCH
Version No:	1	Section:	Children's Services
Date:	4/12/19		

**1. Proposal Description** Please include a brief description of the proposal being explored and the core objectives. Please also include supporting evidence for the identified saving and/or pressure

There is a projected £2.6M overspend for 2019/20 which will continue into 2020/21, as a result of increasing demand, with the LAC population rising from 173 at the start of this financial year (1<sup>st</sup> April 2019) to 197 at month 7 (31<sup>st</sup> October 2019). During the year we have had 4 new high cost residential placements, and the average LAC annual unit cost has increased to £44,000, with the annual unit cost for a residential placement at £300,000.

With the increase in demand not only drives up the provision costs, but also all the support costs such as contact, legal, staffing and transportation, all of which are in overspend situations as at month 7 2019/20.

However, the present 2019/20 overspend projection has been offset by some one off single year funding of £234,000 from the Intermediate Care Fund and £90,000 from Transformation funding derived from Health, which makes the 2019/20 projected overspend £2,924,000 going into 2020/21. Please see the risks section as a decision has been taken not to recognise these one off funding streams as a pressure on the premise that further negotiations can be had with Health to access equivalent amounts in 2020/21.

This mandate proposes how operational activity might effect a *best case scenario* on the budget pressure through:

1. High Cost Placement Review and Progression work to look at individual cases where there may be opportunity to get both better outcomes for the child / young person AND generate cash savings.
2. Reduction in legal costs through reducing the need to send work to private practice and reducing the reliance on Counsel in Court, estimated by Matt Phillips the Head of Law at a saving of £100,000

A worst and most likely case scenario is also considered in section 7.

In addition we are adding in the MyST team and bringing forward the £184,000 pressure from 2021/22 to 2020/21. We are also proposing to add a further £103,000 to this pressure to increase the staffing structure to create additional capacity within the MyST team to:

- Take on new cases as demand grows to avoid expensive out of county residential placements, which is a cost avoidance strategy and;
- Identify and bring back suitable current out of county placements to reduce costs, as part of the high cost placement review.

Therefore the total additional cost pressure for MyST for 2020/21 will be £287,000.

A table below illustrates the value of this combined mandate: -

2019/20 Current overspend at month 7	£2,600,000
MyST pressure	£287,000
LESS Legal savings	(£100,000)
MyST/High cost placement review	(£250,000)
<b>TOTAL</b>	<b>£2,537,000</b>

2. **Budget Impact** In this section please include the savings and pressures identified and the overall budget impact resulting from this proposal. This must cover each year implicated.

Service area	Current Budget £	Proposed Cash Pressure £	Proposed Cash Efficiencies £	Target year				Total Budget Change Proposed
				20/21	21/22	22/23	23/24	
Children's		2,887,000		2,887,000				2,537,000
MyST/High Cost Placement Review			(250,000)	(250,000)				
Legal			(100,000)	(100,000)				

3. **External Funding:** Has this proposal considered the opportunities for external funding? If yes, what funding avenues have been identified?

Funding Identified	Source	Current status (i.e. confirmed, in application, etc)

4. **Corporate Alignment:** How does this proposal contribute and align with the current Corporate Plan objectives and have the relevant evaluations been considered and completed? Please consider any implications this proposal may have on our current policies.

Question	Y/N	Comments/Impact
Does this proposal align with the MCC <a href="#">Corporate Plan</a> ?	Y	Supporting Looked After Children get the best start in life
Has this proposal been included in your current Service/Business Improvement Plans?	Y	
Has a Future Generation Evaluation been commenced?	Y	
How will this proposal address MCC's Climate Emergency commitment.?	Neutral	
Is an Option Appraisal required? (Please refer to MCC Standard Option Appraisal Process/Template)	N	
Will this proposal require any amendments to MCC policy?	N	

5. **Additional Impacts** What are the expected impacts of implementing this proposal? Please include the potential impact on other service areas

Description	Who is effected?	Is this impact positive or negative?

6. **Additional Considerations:**

Question	Y/N	Comments/Impact
Will this proposal have any staffing implications?	N	
Will this project have any legal implication for the authority?	Yes	Yes through identified changes within legal services

## 7. Key actions required to deliver this proposal

Describe the key activities that will be undertaken to deliver the proposal and the responsible action holders. This includes any actions contributed to by other services (i.e. Finance/HR/DPO/Procurement/Legal etc.). Give the timescales to complete the work. This must also factor in any business activities that will need to be done differently or cease in order to achieve the proposal.

Action	Officer/ Service responsible	Timescale
Operational activity regarding the care and progression planning for individual children and young people monitored through monthly meetings	Jane Rodgers	As per individual case
Restructure and recruitment within legal services	Matt Phillips	
Negotiate with Health for similar funding of £324,000 obtained in 2019/20	Julie Boothroyd	

## 5. Additional skills/ business needs

Describe any additional skills, resource and capability needed in order to carry out the proposal successfully. For example new expertise that will require additional investment etc.

Any additional capability required	Where will this come from	Any other resource/ business need (non-financial)
Business and Practice support for high cost placement review work	In-house	

## 6. Consultation

Describe any initial consultation that has been undertaken in order to inform this proposal and any further consultation that will be required throughout proposal delivery

Consultee	Description	Date (delivered/planned)

## 7. Key Risks and Issues

Are there any potential barriers and risks that will need to be managed in delivering the outcomes expected from investing in the pressure identified, including any negative impacts identified in section 3 that need to be accounted for. Also, set out the steps that will be taken to mitigate these risks.

Barrier or Risk	Strategic/ Operational	Reason why identified (evidence)	Risk Level (High, Medium or Low) Based on a score assessing the probability & impact	Mitigating Actions
LAC continues to increase at current trend	Operational	If the LAC population increases by the current trend this will mean an increase in 25 children	<b>Pressure plus unit LAC cost @ 25 children equates to 25 at £44,000 = £1,100,000</b>  <b>MEDIUM RISK</b> <b>(worst case scenario)</b>	ACT, BSF and full range of family support offer at all tiers as per CS plan Increase fostering Sufficiency
A new cohort of children with complex needs continue to require placements	Operational	There are at least 6 children with complex and escalating needs whom we are attempting to maintain within current placements through	<b>Pressure remains the same</b>  <b>MEDIUM RISK</b> <b>(most likely scenario)</b>	MyST deployed in preventing placement breakdown for children with complex and escalating needs  ACT deployed in preventing placement breakdown for children with complex and escalating needs

		intensive support and increased support plans		System in place to track and identify this cohort of children i.e. with complex / escalating need so that a preventative approach can be adopted as early as possible.
High cost placement review and progression work is not achieved in some or all of cases.	Operational	Risks / barriers are identified within each case and are highly dependent on a range of case related issues including: <ul style="list-style-type: none"> <li>- Availability of appropriate alternate provision</li> <li>- Best interests of children</li> </ul>	<b>Pressure remains the same</b> <b>MEDIUM RISK at £250,000</b>	Continue to implement high cost placement progression and review work
Obtain £324,000 of similar funding for 2020/21	Strategic	We have been successful in obtaining one off funding in 2019/20, decision taken to work on obtaining similar funding for 2020/21	<b>HIGH RISK at £324,000</b>	Negotiate with Health to obtain funding similar to that of 2019/20
<b>All 4 of the above happen</b>			<b>VERY WORST CASE SCENARIO will cost £4,211,000</b> <b>LOW RISK</b>	

## 8. Assumptions

Describe any assumptions made that underpin the justification for the option.

Assumption	Reason why assumption is being made (evidence)	Decision Maker
Negotiation of additional funds from Health for 2020/21	Based on one off funds in 2019/20 successfully obtained	Peter Davies

## 9. Measuring and monitoring performance

How do you intend to measure the impact of this proposal? This will include budget measures and further possible measures that cover process, staff and customers. Targets need to be set over the duration of the proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24
Reduction in residential placements					
Reduction in cases going out to private law					
Reduction in legal spend on counsel					

The proposal will be monitored through directorate budget monitoring. This will lead into corporate budget monitoring. In addition, the action plan, performance measures and the risk assessment must be transferred into the service plans for the business area in order to monitor and challenge the delivery of the pressure proposal, including the performance being achieved and the level of impact.

**10. Additional considerations:**

Question	Y/N	Comments/Impact
Will this proposal require procurement of goods, services or works?	N	
Will this proposal impact on the authorities built assets?	N	
Will this proposal present any collaboration opportunities?	Y	<b>With health, education, potentially housing, potentially SP</b>
Will this project benefit from digital intervention?	N	