

Slough Borough Council

Report To: Corporate Improvement Scrutiny Committee

Date: 29 October 2024

Subject: Slough Children First (SCF) Annual Report 2023/24 and draft Business and Improvement Plan 2025.26

Chief Officer: Will Tuckley, Chief Executive

Contact Officer: Sarah Wilson, Assistant Director, Legal and Governance

Ward(s): All

Exempt: NO

Appendices: Appendix A: SCF Annual Report 2023/24 (pp 8-31)

Appendix B: Budget Proposals for inclusion in draft Business and Improvement Plan 2025/26 (pp 32-end)

1. Summary and Recommendations

1.1 This report provides an opportunity for the Committee to review SCF's Annual Report for 2023/24 and use this to inform scrutiny of its emerging updated business and improvement plan.

Recommendations:

1.2 Committee is recommended to:

- (a) Comment and note on the performance of SCF as noted in its Annual Report 2023/24
- (b) Scrutinise the proposed workstreams to be included in the draft Business and Improvement Plan 2025/26 for approval by Cabinet in December 2024.

Reason:

1.3 Children's services is one of the three pillars of improvement work in the Council. Children's social care functions are delivered by SCF under statutory intervention of the DfE. SCF has a governance cycle of reporting to the Council, which includes producing an Annual Report looking back at the previous financial year and producing a draft Business and Improvement Plan looking forward for at least 3 years. Approval of the Business and Improvement Plan is a reserved function for Cabinet. Due to the critically important nature of the services provided by SCF, both in terms of the Council's improvement journey and to enable some of the Borough's most vulnerable children and families to be supported it is a key element of this Committee's scrutiny work programme.

Commissioner Review

MHCLG Commissioners - Commissioners supports this report being referred to Scrutiny for further consideration.

DfE Commissioner – the Commissioner supports this report being referred to scrutiny given the recent work undertaken by SCF Board and Executive following the 'substantial' request to reduce its budget next year and the recent HMIP inspection of the Youth Offending Services both which impact on the overall trajectory of improvement.

2. Report

Introductory paragraph

2.1 The Council's Corporate Plan 2023-2027 sets out a purpose to close the healthy life expectancy gap by focusing on children. This overarching purpose will be delivered by being resident focused, providing financial sustainability, enabling communities, strengthening partnerships and building trust. A previous scrutiny task and finish group made recommendations to SCF, the Council and the wider partnership, emphasising the need for the whole system to work better together.

Options considered:

Option 1: Do not report to scrutiny – This committee determines its own work programme, however Cabinet has recommended that the Annual Report is presented to this Committee and the MHCLG commissioners have supported this. The Committee has decided to include review of the business and improvement plan on its work programme. **This is not recommended.**

Option 2: Scrutinise the draft business and improvement plan having reviewed the Annual Report – sight of the Annual Report allows this Committee to understand current performance, risks and issues and use this information to make recommendations to Cabinet in relation to the emerging updated business and improvement plan. This report focuses on the high level proposals to deliver financial savings and improvements in service as opposed to asking Committee to do a line by line review of the plan. **This is recommended.**

Background

2.2 Cabinet received SCF's Annual Report for 2023/24 in September 2024 following the contractual annual review process. It also has responsibility for approving SCF's annual business plan, which is planned for December 2024.

1.3 CISC has a key role in relation to governance of SCF and scrutiny of the services it provides. This includes the following:

- reviewing and scrutinising delivery of strategic outcomes and the overall financial performance of the Council and accordingly holding the Cabinet to account;
- reviewing the Council's progress in the delivery of its corporate priorities;

- scrutinising the performance and effectiveness of the Council's commissioning and monitoring arrangements; and
- making reports and recommendations on the potential for improvement to policy and improvement of services and use of resources.

1.4 Reviewing the Annual Report (Appendix A) allows CISC to consider how the performance and priorities of SCF align with the Council's corporate plan, the evidence base to demonstrate whether SCF is delivering cost effective and efficient services, the extent to which the commissioning and monitoring arrangements are adequate and to consider what areas should be prioritised in the emerging business and improvement plan.

Key outcomes from annual review process

- 1.5 The contract monitoring process involves reviewing performance against the key performance indicators. These indicators include performance of Council functions where these are led by or contributed to by SCF officers. Performance was assessed in September with satisfactory progress made against the following indicators:
- Effectiveness of corporate parenting panel – satisfactory progress made against LGA review recommendations and Ofsted feedback.
 - Effectiveness of Council's scrutiny function – contribute to at least one scrutiny topic per year leading to evidence-based recommendations or improvements.
 - Effective governance – compliance with contractual requirements.
 - Business improvement – evidence of supporting children to stay at home, family led decision-making and strengthening of oversight of children missing from home and vulnerable to exploitation.
 - Financial sustainability – annually – production of regular financial forecasting reports and evidence of actions being taken to mitigate pressures where identified.
 - Quality of practice – quality assurance reports demonstrating robust RAG rating and showing improvement over time.
 - Participation in CLA reviews – year to date performance is well above target.
- 1.6 The following are areas where performance is rated as Amber:
- Effectiveness of statutory partnerships – issues and next steps include ensuring effective assurance reporting to the safeguarding partnership, implementation of a new exploitation strategy following Cabinet approval (programmed for October 2024) and transparent reporting on findings and action plan following youth justice inspection.
 - Effective commissioning strategies – whilst this is seen as a key area of strength, there is a need to include commissioning strategies and benchmarking data in the business and improvement plan to evidence improvements and value for money.
 - Effective inter-agency working – evidence of embedding local priorities across wider partnership and delivering clear improvements in working with VCS and faith leaders.

- Culture leading to outcomes focused improvements – evidence of positive feedback from staff and children, young people and families and complaints data systems embedded focusing on listening and learning.
- Improved participation of children and young people at strategic level – evidence that participation strategy’s aims are delivering improved outcomes and positive feedback and evidence of involvement from harder to reach groups.
- Evidence of value for money – effectively managing all external placements, reducing spend on legal cases and cost of independent assessments and robust arrangements for determining unit costings and value for money comparisons.
- Financial sustainability – medium term – to deliver a MTFS which aligns with the Council’s MTFS and ensure plans to repay loan at end of contract.
- CLA placed over 20 miles away – the figure is higher than the target of 20%.
- Workforce supervision – evidence of management information on HR performance.
- Workforce diversity – evidence of effective workforce strategy, staff networks and mentoring and support programmes.
- Children with disabilities – ensuring assessments undertaken and care needs met to enable children to engage in social activities on an equal footing to their peers.

- 1.7 There are two areas that were Red RAG rated: effective risk management system and care experienced young people in education, employment and training. For risk management this is a focus of the new company secretary to ensure reporting to board is effective and the Director of Children’s Services, with wider CLT, to ensure the system aligns with the Council’s risk management processes. Proposals in relation to supporting children and young people in education, employment and training are set out below.
- 1.8 There is better understanding of the metrics behind funding assumptions and more robust data to evidence demand analysis. There is also evidence that the investment in early help and improved practice are delivering cost savings earlier than predicted. SCF is managing within its cost envelope for 2024/25 due to variances in demand versus forecast expectations. This has resulted in SCF robustly reviewing the balance sheet and adjusting its provisions for placements, agency and other costs and increasing its assumptions for income from the Home Office. This is likely to lead to a reduction in the contract sum for 2024/25 of £2m.
- 1.9 Consideration was given to opportunities to merge services or move services to the Council to better align them with Council services. This includes detailed reviews of services that are currently provided by the Council, including ICT and reviews of those services that are partly provided by the Council and partly by SCF, such as performance, commissioning, complaints, finance and HR. It also includes early consideration of opportunities to move services into Council directorates, including the virtual school and services to reduce children and young people not in education, employment and training.

Emerging priorities in business and improvement plan 2025/26

- 1.10 The draft budget model for 2025/26 (**Appendix B**) assumes reductions in assessments and children in need, similar numbers of children in child protection and an increase in children looked after to 2023/24 levels, but significantly below 2022/23 levels. This is based on demographic growth of 1.3% and the investment in early help and in particular the edge of care approach has continued to reduce numbers in children looked after. The increase in children looked after figures are mainly based on assumptions around unaccompanied asylum-seeking children (UASC). Council officers have asked that further work is undertaken to test this assumption.
- 1.11 The placements budget is broadly based on 2024/25 figures, although assumptions are made that the UASC placements budget will increase based on numbers increasing. There is an assumed increase in in-house foster carers resulting in a corresponding drop in use of external fostering agency. This is deemed achievable by use of the new regional recruitment and retention hub. The service has also developed Resilience fostering, a highly supported foster carer position to support older children where, without such an offer there is a risk of residential care. fostering. It should be noted that both are in early stages of implementation and therefore there is a risk to delivery.
- 1.12 It is expected that membership of the Southeast Regional Fostering hub will generate additional enquiries for carers wanting to foster with Slough, enabling children to be placed more locally at a lower weekly rate than through external foster carer agencies.
- 1.13 SCF is targeting the recruitment of resilience foster carers towards the public sector caring profession, e.g. teachers, nurses, emergency services, who can offer a home for children with complex needs as an alternative to residential care. The enhanced carer rates reflect the additional skills and training such carers will require.
- 1.14 Legal costs associated with proceedings has dropped mainly as a result of the reduction of cases, although this is also contributed to by a reduction in the use of independent social workers and use of barristers to conduct advocacy.
- 1.15 Staff budgets are largely based on current establishment with the ratio of permanent to agency and the vacancy factor staying the same. However the forecast for 2024/25 is showing a high agency rate. Despite this the figures for 2025/26 are deemed achievable due to a new cohort of junior social workers (AYSE) starting in role and new heads of service being appointed leading to increased stability.
- 1.16 There are assumptions around loss of income in relation to DfE grant, pupil premium due to lower children looked after volumes and Council contribution towards the virtual school. The virtual school and staff supporting work on children and young people being in education, employment and training has been managed by the Director of Education, despite the service sitting in SCF and it is proposed that there is a formal transfer and a focus on opportunities to reduce the cost of the service by aligning it with existing education teams. Income generating proposals include selling surplus capacity in fostering and short breaks respite where SCF does not need this capacity. These services are rated as good and therefore likely to be in demand by other boroughs.

- 1.17 There are also future proposals that require more work, but could deliver savings over the medium term. These include merging services with SBC and increased use of technology to reduce business support requirements, reconfiguration of social care teams and implementation of the family hub model to manage demand and increase preventative and targeted support, relocation of the contact centre, investment in resource to search and bid for grant and other external funding opportunities and adopting a more regional approach to tackling exploitation.

3. Implications of the Recommendation

Financial implications

- 3.1. SCF's current contract sum for 2024/25 is £39.044m. The SCF balance sheet review and adjustments based on current forecasts is likely to reduce this by approximately £2m. The current draft contract sum for 2025/26 is £38.274m, as reduction from the MTFS assumption of £38.522m. This figure assumes that inflation for pay and contracts is 2% in 2025/26.

Legal implications

- 3.2. The Secretary of State for Education has powers to issue a direction in relation to specified social services functions relating to children under s.497A of the Education Act 1996. Various directions have been issued in relation to statutory functions in Slough since 2014. The seventh statutory direction was issued in August 2023, alongside a direction in relation to SEND services. The direction requires that the Council secures that prescribed children's services functions are performed by SCF and the Council jointly and other prescribed children's services functions are performed by SCF on behalf of the Council. The Council has an appointed DfE commissioner to oversee the improvements required for children's social care and SEND services.
- 3.3 SCF is wholly owned by the Council and as such the Council is responsible for making key decisions in relation to it. This includes approval of an annual business plan. Cabinet approved the 2024/25 Business and Improvement Plan in December 2023 and intends to approve the 2025/26 Business and Improvement Plan in December 2024.

Risk management implications

- 3.4 The Council's corporate risk refers to risk of failures to appropriately safeguard children and support families to ensure that children are kept safe and well and to improve services for children and young people with SEND. In addition, the Council has a significant risk around financial sustainability and a significant proportion of its general fund is used to fund children's social care services.

Corporate Parenting implications

- 3.5 Section 1 of the Children and Social Work Act 2017 sets out statutory corporate parenting principles which the Council must have regard to when exercising its functions in relation to looked after children and young people. These include acting in their best interests and promoting their physical and mental health and well-

being, encouraging the expression of views, wishes and feelings and ensuring these are taken into account, ensuring these children and young people are safe, stable in their home lives, relationships, education and work and preparing them for adulthood and independent living.

- 3.6 The statutory guidance emphasises that these principles must not be seen in a vacuum and should shape the mindset and culture of every part of the local authority and are intended to ensure that councils have high aspirations for children in their care and young people who have experienced being in care.

Equality implications

- 3.7 The Council has a duty contained in section 149 of the Equality Act to have due regard to the need to: a) eliminate discrimination, harassment, victimisation, and other conduct that is prohibited by or under this Act; b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 3.8 The broad purpose of this duty is to integrate considerations of equality into day-to-day business and to keep them under review in decision making, the design of policies and the delivery of services.
- 3.9 High quality and cost-effective children's services are critical to supporting both the Council and SCF to meet their equality duties, particularly in relation to advancing equality of opportunity by way of reducing inequalities that exist between certain groups of vulnerable children and their families and the wider population.