

Report to: **Children’s Services Scrutiny Committee**

Date: **17 November 2014**

By: **Chief Executive**

Title of report: **Reconciling Policy, Performance and Resources (RPP&R)**

Purpose of report: **To enable the Committee to continue its engagement in the Council’s business and financial planning process (Reconciling Policy, Performance and Resources) for 2015/16 and beyond.**

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**RECOMMENDATIONS: The Scrutiny Committee is recommended to:**

- (1) consider the responses to any outstanding points from the September scrutiny committee deliberations on RPP&R;**
  - (2) agree the membership of the RPPR Scrutiny Board to meet on 8 December 2014; and**
  - (3) identify any further work or information needed to aid scrutiny’s contribution to the RPP&R process for consideration at the RPPR Board.**
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**1. Financial implications**

1.1 The *State of the County 2014* report was agreed by Cabinet on 22 July 2014. That report initiates the Council’s business and financial planning process known as *Reconciling Policy, Performance and Resources* (RPP&R) for 2015/16 and beyond. It outlines the national and local policy, financial and performance context and provides the background for the development of the detailed business and financial plans that will eventually be agreed by the County Council early in 2015. It is available at [www.eastsussex.gov.uk/yourcouncil/about/committees/meetingpapers/cabinet/2014/22july](http://www.eastsussex.gov.uk/yourcouncil/about/committees/meetingpapers/cabinet/2014/22july).

1.2 The Council Plan encompasses four cross-cutting **priority outcomes** for the Council as a whole. The priority outcomes provide a focus for decisions about spending and savings and will direct work across the Council. The priority outcomes are:

- Driving economic growth;
- Keeping vulnerable people safe from harm;
- Helping people help themselves; and
- Making the best use of our resources.

**2. Scrutiny engagement in RPP&R**

2.1 When developing portfolio plans for next year, Cabinet Members are focusing on how services we and our partners provide contribute to the four priority outcomes. With diminishing resources available in future, the Council needs to develop ever more innovation in achieving efficiencies and ‘providing more for less’. The kinds of strategies that are becoming increasingly apparent include: ensuring fair and effective demand management for the services we wish to provide; and focusing on earlier intervention, where appropriate, to prevent more costly intervention ‘further down the line’.

2.2 Scrutiny's engagement in the RPP&R process is vitally important. The **September 2014 scrutiny committees** examined the current portfolio and savings plans to become familiar with the scope and functions of the Cabinet portfolios within their remit. The committees assessed how services were performing against previously agreed targets and budgets, and questioned Lead Members and senior officers about the impacts of previous spending decisions. An updated savings plan for the Children's Services Department is contained in **appendix 1**. The committee identified a number of questions and further information that will be required by the RPPR Board. These are:

- Management and Support – Further information on the £165,000 saving identified in the savings plan.
- Resources - Further information on the reduction in the resources section, marked as reduction in Broadband and IICT

A verbal update relating to these points will be presented by the Director of Children's Services.

2.3 The committee is asked to agree the Membership of its RPP&R scrutiny review board which will consider the developing portfolio plans and savings proposals in more detail as they emerge in December. Members are invited to volunteer to be on the Board.

### 3. Next steps

3.1 Each scrutiny committee will provide commentary and recommendations to be taken into account by Cabinet and Council before a final decision is taken on next year's budget and Council Plan early in 2015. In recent years, the messages sent by scrutiny to Cabinet have predominantly highlighted the *impact* of proposed spending plans on services provided by the County Council and its partners. Increasingly, however, scrutiny has also:

- proposed mitigating action to offset perceived negative impacts of spending reductions in some cases
- recommended shifts in the balance of priorities between different activities, giving prominence to priorities that have emerged from the evidence scrutiny has uncovered;
- made judgements about value for money for areas of above-average costs;
- sought to identify additional efficiencies; and
- challenged performance targets to try to ensure better return on investment through increased performance.

3.2 The **RPP&R scrutiny review boards** will meet in December 2014 to agree the detailed comments and any recommendations on the emerging portfolio plans and savings proposals to put to Cabinet on behalf of their parent scrutiny committees. The Chairs of all the scrutiny committees are invited to attend all the scrutiny review boards.

3.3 The **March 2015 scrutiny committees** will review the process and their input into the RPP&R process, and make recommendations for improvements for the future RPP&R process.

BECKY SHAW  
Chief Executive

Contact Officer: Paul Dean, Members Services Manager (01273 481751)  
Local Member: All

Background Documents  
None

No.	Service	Description	Impacts	Savings targets (£000)			Savings Projections (£000)			2012/13 Gross budget of service area (excl DSG)	£000	Total MTFP savings targets for service area 2013/14 - 2015/16 <sup>1</sup>	£000	Total MTFP Savings targets as % of 2012/13 budget <sup>2</sup>
				14/15	15/16	Total	14/15	15/16	Total					
1	SEN & Disability	Reallocation of SEN Agency costs to the Dedicated Schools Grant	Impact dispersed over a large budget area with low impact in any one budget line.	236	0	236	236	0	236					
2	SEN	Reduction in staffing posts	Future configuration of posts will be linked to SEND reform agenda for March 2014. Therefore future structure will have to be robust enough to manage the change whilst delivering this proposed saving.	31	90	121	31	90	121					
3	Disability	Reduction in agency foster care and greater use of in house foster care placements	Reduction in respite care. The impact of this will be partially mitigated by the move to greater personalisation allowing families more choice and control over the support they receive. Evidence from other areas of the country shows that when given this range of flexibility there is less pressure on overnight respite services.	200	297	497	200	297	497			1,960	19.8%	
4	SEN	2012/13 residual savings target	Reduction in SEN flexibility and disability agency placements.	0	754	754	0	754	754					
			<b>Total SEN &amp; Disability</b>	<b>467</b>	<b>1,141</b>	<b>1,608</b>	<b>467</b>	<b>1,141</b>	<b>1,608</b>					
5	Locality Social Work & Family Assessment		Reduction in number of care proceedings; and in Parent & Baby placements savings are ahead of schedule because of the changes to SWIFT and the Public Law outcome.	433	332	765	765	0	765	16,587	2,018		12.2%	

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				14/15	15/16	Total	14/15	15/16	Total					
6	Looked After Children (LAC)	<p>By the end of year three savings achieved by pursuing the Thrive programme including:</p> <ul style="list-style-type: none"> <li>- Increased investment in Early help Services.</li> <li>- Reduce care proceedings by 10% to 102 per year</li> <li>- Reduce court directed external specialist assessments</li> <li>- Reduce number of Parent &amp; Baby placements to 22 per year</li> </ul>	<p>1) Despite the reduction in the LAC population these savings cannot be achieved in full. A range of strategies is being developed to achieve savings including: a) review of all LAC aged 14+ to actively consider whether they can be discharged from care, including actively considering a return to birth family for children subject to care orders; b) review all LAC to identify a plan for discharge from care with clear timetable; c) review all agency residential placements and develop a plan to move them to less expensive placement options; d) ensure all LAC have a target discharge date that is actively reviewed in management supervision; e) review all accommodation arrangement for individual care leavers.</p> <p>2) Actively manage the expectation of courts, CAF/CASS and legal services team by developing standard policy position statement in relation to: Placement of siblings group; Placement searching and matching; Use of agency placement; and Purpose and frequency of contact.</p> <p>3) In the medium term improve practice in response to placement disruptions for teenagers who 'vote with their feet', including consideration of FGC to actively facilitate consideration of return home in a positive way.</p> <p>4) Accelerate step down from social care teams to Early Help.</p>	459	1,473	1,932	0	500	500	23,134	3,513	15.2%		

*Impact: This will result in placements for some children being ended earlier than originally planned if this is possible. Individual plans being risk assessed and signed off at DCS level. Mitigating plans include ensuring that risk assessments for changes to the plans for children pay due regard to equality and include the needs, wishes and feelings of children and young people through discussions with the independent reviewing Officers. The potential positive impacts include better and more efficient targeting of appropriate resource.*

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				14/15	15/16	Total	14/15	15/16	Total					
7	Locality Social Work & Family Assessment	<p><b>Remodel social work capacity</b> - We will use the investment in Early Help services to transfer (step down) some cases that are currently held within social care to family key work services in the Early Help service. This will enable a reduction to be made in social work posts in locality services.</p>	<p>Cases that are currently being managed by qualified social workers and managers will be managed by family key work services. Approximately 230 cases would need to be transferred. Risk assessments will need to be undertaken on which cases can be "stepped down". More risk will need to be managed by non social work qualified staff. Social workers may be required to move location/team. The Early Help development programme is supporting managers and staff in early help services to develop skills and confidence to work with more complex and challenging children and young people and their families. The QA framework will be used to ensure that these changes are managed safely.</p>	297	0	297	297	0	297	16,587	2,018	12.2%		
8	Locality Social Work & Family Assessment	<p><b>Move Duty and Assessment Team (DAT) West</b> - The current location of Duty and Assessment Team West (Eastbourne) results in social workers spending significant amounts of time travelling to clients in the west of the county. In order to reduce DAT by two social work posts suitable accommodation in Lewes needs to be identified.</p>	<p>Staff would be required to change location however the efficiency of the service would be dramatically improved. Social workers will have more time to assess and form meaningful relationships with families within an appropriate timeframe.</p>	80	0	80	80	0	80					

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				14/15	15/16	Total	14/15	15/16	Total					
9	Looked After Children (LAC)	<p>Removal of one off funding to cover loss Although LAC numbers have continued to reduce the estimated cost has not reduced for the following reasons: a) on-going care placements for children already in stable agency placements; b) a small number of unavoidable high cost agency residential placements; and c) the use of alternatives to care, including for example, court orders that place a child permanently with family members or with foster carers who go on to adopt or gain a SGO/RO (Special Guardianship/Residence Order) for a child.</p> <p><b>Close the rapid response team and move the work to Family Key Workers</b></p> <p>The rapid response team works with young people aged 13+ on the edge of care. Properly supervised and carefully located Family Key Workers are well placed to respond to the needs of these vulnerable teenagers.</p>	<p>The rapid response team have been successful in reducing 13+ LAC admissions. However, Family Key Workers will be able to work with these young people and secure positive outcomes.</p>	120		120	120	0	120	23,134	3,513	15.2%		
10	Looked After Children (LAC)	<p><b>Close Rose Cottage residential home</b></p> <p>The proposal is to close Rose Cottage a four bedroom residential home for boys. The accommodation would not be needed so could be sold. In addition the staff savings amount to £370k. Rose Cottage has not been in operation since June 2013. Existing staff are already redeployed into other residential units to minimise use of agency elsewhere.</p>	<p>There is a risk that as a result of reducing in house residential provision that there may be a need to place a young person in more expensive agency provision outside their home area. In addition the bargaining power we have to negotiate competing rates on the market may be compromised.</p>	370		370	370	0	370					

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				14/15	15/16	Total	14/15	15/16	Total			
11	Safeguarding Unit	Service reconfiguration	This assumes success of Thrive which will enable management structure changes. There is an increased risk that this will weaken the Quality Assurance (QA) function of the unit. There is a vulnerability in terms of future Ofsted inspections if we do not have a robust QA framework supported by audits of the child's journey through the continuum of need. This saving has not been achieved in full as there is still more work to be done to safely reduce the number of CP Plans before staffing can be reduced. Mitigating actions are set out below.	167	0	167	0	0	0	1,531	191	12.5%
12	Thrive (Reserves)	Draw down of Thrive reserve agreed in medium term financial plan		(29)	(3,455)	(3,484)	(29)	(3,455)	(3,484)	N/A	N/A	N/A
13	Locality Social Work & Family Assessment	Service reconfiguration - Savings across demand led budgets achieved through change in culture	Changes in culture are being modelled through THRIVE initiative.	123	73	196	123	73	196	16,587	2,018	12.2%
14	Education of Looked After Children (LAC)	Review the virtual school with stakeholders to determine possible future structure and models of delivery.	The school improvement service and virtual HT will need to work more closely with schools.	0	212	212	0	212	212	23,134	3,513	15.2%
15	Children's Centres	Close 7 Children's Centres previously identified as possibilities for mergers. Services could continue from other centres – this line is for savings generated purely from releasing the premises	4 of the buildings could helpfully be used to provide additional two year old nursery places. Services currently delivered from centres proposed for merger could still be provided at alternative centre buildings.	0	160	160	0	80	80			

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				14/15	15/16	Total	14/15	15/16	Total			
16	Children's Centres	Reduce the community and employment support offer. There are a range of options eg: - ending the "Fun Van" VCS contract for mobile services in Rother - review roles and responsibilities at cluster level with a view to reducing the overall number of posts - review the hours of work for some posts - decreasing the values of contracts in Hastings and Rother let through the Commissioning Grants Prospectus (reducing the current differential in investment between these areas and other areas of the county)	The impact is different for each option but overall it amounts to a reduction in the level of activity in which families can participate. Ending the "Fun Van" mobile service in Rother will reduce rural access to services. Reducing overall numbers of posts at cluster level will reduce the range of services and community activities the service can support. The proposals would impact on voluntary and community sector capacity in the east of the county, which is currently contracted to provide a significant proportion of the Children's Centre community and employment support offer.	0	500	500	0	820	820	7,311	2,581	35.3%
17	Children's Centres	Integrate the management of health visiting and Children's Centre keyworking	We believe it would in theory be possible to achieve efficiencies in the current management arrangements through integration. There are a number of commissioning and employment hurdles which would need to be overcome.	0	200	200	0	0	0			
18	Children's Centres	Discontinue contract for Additional Support Midwives	A new approach to supporting vulnerable expectant mothers is being developed in partnership with NHS commissioners and providers, that will be more sustainable, drawing on the Children's Centre keywork service as well as midwifery.	240	0	240	240	0	240			
19	Children's Centres	Streamlining the service model for supporting vulnerable young parents and reducing central management costs	The operation and funding of the Family Nurse Partnership programme will be reviewed and efficiency savings made across services for young parents. In addition central management costs will be reduced.	300	219	519	300	142	442			
20	Early Help Investment	Additional investment in new early help services to assist demand management	Additional investment in new early help services to assist demand management.	(287)	0	(287)	(287)	0	(287)	N/A	N/A	N/A
<b>Total Children's Social Care</b>				<b>2,273</b>	<b>(286)</b>	<b>1,987</b>	<b>1,979</b>	<b>(1,628)</b>	<b>351</b>			
21	Secondary Behaviour Support	Reduce the numbers of children and families supported by the service	There is a risk that the numbers of children out of school are likely to increase and this would impact on the demand for interventions from Targeted Youth Support (TYS), social care and Youth Offending Team (YOT) and the cost of alternative provision.	53	20	73	53	20	73	2,101	327	15.6%



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				14/15	15/16	Total	14/15	15/16	Total			
22	Early Help & Commissioning	Reduced commissioning capacity including joint commissioning with NHS	The reduction would require a restructure across the division to focus commissioning capacity in a way which meets joint ESCC/NHS needs.	119	45	164	119	45	164	3,111	223	7.2%
23	Inclusion Support Service (ISS) & Educational Psychology Service	Reconfigure ISS to achieve management savings Review staffing deployment across service	Continue to align services in ISS to secure savings in management and support costs.	21	8	29	21	8	29	2,101	327	15.6%
24	Targeted Youth Service	Reduce provision of group activity and some targeted 1:1	This may increase the number of young people who later require intervention from social care and YOT.	229	81	310	229	81	310	5,407	956	17.7%
25	Standards & Learning Effectiveness Service (SLES)	Re-prioritisation of resources for school improvement and intervention	Impact will be managed through the re-alignment of roles within the service, introducing more traded services and the re-prioritisation of resources for school improvement and through work to build capacity for school improvement within the local community of schools. Schools requiring improvement to: - move to 'good' will have no support; - move out of risk of an Ofsted category will have a reduced package of support (approx 50% reduction); - move out of an Ofsted category will have a reduced package of support (approx 25% reduction). This could mean that pace of school improvement may be slower, more schools will go into Ofsted categories.	300	316	616	300	316	616	4,729	842	17.8%
26	Early years improvement - SLES	Reduce the number of schools and settings receiving statutory moderation of the Early Years Foundation Stage Profile	There will be less opportunities to assess and quality assure the provision and this may lead to a greater risk of poorer EYFS outcomes.	39	0	39	39	0	39			
27	Targeted Youth Service	Reduce Youth Offending Team and statutory case management	The impact of reductions within the YOT will mean providing a model of intervention with a focus on the more persistent and challenging young people that are within the Criminal Justice system whilst still maintaining our full statutory responsibilities.	91	88	179	91	88	179	3,306	629	19.0%

No.	Service	Description	Impacts	Savings targets (£000)			Savings Projections (£000)			£000	£000	£000
				14/15	15/16	Total	14/15	15/16	Total			
28	Transport & Admissions	Reviews and procedural revisions to facilitate structural change	Savings are now being made from restructuring; re-interpretation of the existing policy to the nearest school only; and to provide smaller grants for students from lower income families.	60	20	80	60	20	80			
29	Transport & Admissions	Personalised Transport Budgets	New transport initiative for the families of children with statements of Special Educational Need. The modelling of savings is based on evidence on savings achieved elsewhere in the country through personalised budgets.	89	378	467	89	378	467			
30	Transport & Admissions	Reduction in cost of procurement by utilising Adult Social Care vehicle pool for Home to School Transport	These savings are not achievable. Mitigating actions are set out below.	97	0	97	0	0	0			
31	Transport & Admissions	Reduction in Home to School Transport budget attributable to income recovered from Other Local Authorities	Reduction in Home to School Transport budget.	220	220	440	220	220	440			
32	Transport & Admissions	Parental contribution for post 16 SEN where public transport cannot be accessed (except for low income families)	Parents of children and young people with SEN will need to pay a contribution to Post 16 SEN transport costs (except for low income families).	15	16	31	15	16	31			
33	Transport & Admissions	Discretionary Transport for LACs following change of care placement	Additional saving from increase in parental contributions from September 2015. Parents on lower incomes, not on FSM may be negatively affected.	0	30	30	0	30	30			
34	Transport & Admissions		Costs for LAC discretionary transport met by LAC service.	37	37	74	37	237	274			
<b>Total Learning &amp; School Effectiveness</b>				<b>1,370</b>	<b>1,259</b>	<b>2,629</b>	<b>1,273</b>	<b>1,459</b>	<b>2,732</b>			
										10,132	1,504	14.8%

No.	Service	Description	Impacts	Savings targets (£000)			Savings Projections (£000)			£000	£000	£000
				14/15	15/16	Total	14/15	15/16	Total	2012/13 Gross budget of service area (excl DSG)	Total MTFP savings targets for service area 2013/14 - 2015/16 <sup>1</sup>	Total MTFP Savings targets as % of 2012/13 budget <sup>2</sup>
35	Resources		Reductions in ICT project related activity; reduction in cost of contribution to schools broadband connectivity; reduction in management contingency; and reduction in trade union officer facilities time contribution.	333	799	1,132	333	799	1,132	3,188	1,569	49.2%
36	Planning & Performance	Reconfiguration of services following consolidation and service reviews enabled by the Agile programme and new ways of working	Reduction in the use of consultants, and admin support; staff savings in Data, Research and Information Management team; reduction in equalities & engagement activities; reduction in social work trainee scheme; and staffing reduction in Information for Families team.	164	116	280	164	116	280	2897	541	18.7%
37	Management & Support		Agile savings	0	165	165	0	165	165			
38	SMT	Secretariat restructure	Reduction in staffing levels.	10	8	18	10	8	18			
39	Legal	Bring more Counsel work in house for children's social care cases as a result of the service review conducted by Legal Services	Improved case management and cost control, reduced reliance on external providers.	59	0	59	59	0	59			
			<b>Total Management &amp; Support</b>	<b>566</b>	<b>1,088</b>	<b>1,654</b>	<b>566</b>	<b>1,088</b>	<b>1,654</b>			
			<b>Total Savings</b>	<b>4,676</b>	<b>3,202</b>	<b>7,878</b>	<b>4,265</b>	<b>2,060</b>	<b>6,345</b>			
			Mitigations (detailed overleaf)				<b>391</b>	<b>1,142</b>	<b>1,533</b>			
			<b>Total savings (including mitigations)</b>	<b>4,676</b>	<b>3,202</b>	<b>7,878</b>	<b>4,676</b>	<b>3,202</b>	<b>7,878</b>	<b>92,613</b>	<b>15,115</b>	<b>16.3%</b>

<sup>1</sup>Total MTFP savings targets for service area - the individual savings for a service area are combined to give the gross savings for the service area.

<sup>2</sup>Percentage savings are based on the 2012/13 budget for the service areas against which the savings were originally identified.

**MITIGATIONS**

No.	Service	Description	Impacts	New Savings Projections (£000)			Protected characteristics								
				14/15	15/16	Total	Age	Disability	Gender/ Transgender	Ethnicity	Marriage/ Civil Partnership	Pregnancy/ Maternity	Religion/ Belief	Sexual Orientation	No significant relevance
41	Looked After Children (LAC)	Reduction in placement costs	Negotiating with Independent Fostercare Association to reduce placement costs	50	0	50	✓	✓	✓					✓	
42	Comms, Planning & Performance	Reduction in ICT expenditure	Reduction of department's contribution to network costs and in ICT development costs.	135	0	135									✓
43	Safeguarding Unit	Reduce agency expenditure	Reduction in the need for agency staff to chair child protection conferences and LAC reviews.	0	20	20									✓
44	Across CSD	Management controls, making savings against holding vacancies, pending service reconfiguration	Delaying the filling of vacancies or not replacing staff when they leave. Not enhancing some budgets for LMG pay award.	206	622	828	✓	✓		✓			✓		
45	Early Help and Commissioning	Troubled Families payment by results income	Using new sources of funding derived from Troubled Families Payment by Results.	0	500	500									✓
<b>Total mitigations</b>				<b>391</b>	<b>1,142</b>	<b>1,533</b>									