






Children and Young People Portfolio – Summary

Performance Summary

1. The Portfolio has a number of performance highlights to report this quarter:
 - The service completed its final Ofsted Monitoring visit in September which demonstrated that it continues to improve. The senior leadership team have maintained a strong focus on the key indicators that will evidence ongoing and consistent progress as we prepare for a full inspection in early 2023.
 - The service continues with the implementation of the Family Safeguarding model (Phase 2). The service has stabilised since the initial implementation phase and performance remains within acceptable parameters. The new service model is being embedded and plans are well underway to implement Phase 2 of the model which will introduce dedicated adult service workers (mental health, substance misuse and domestic violence) into the teams.
 - There continues to be a strong focus on improvement and the Director will undertake further a 'deep dive' performance those to support progress in those teams that require it. The quality assurance activity and performance reporting ensures that senior managers are able to understand where there are issues in performance and to implement improvement activity immediately.
 - Staff turnover and difficulties in recruitment at a time of service change, coupled with a period of high demand, have put significant pressures on the service. Last quarter we reported on the plans for a range of recruitment activity (both permanent and interim) to provide immediate staff where required whilst a longer-term approach is being implemented. This has resulted in 36 qualified social workers being recruited from our overseas project who will be starting in the service in January 2023.
 - The quality assurance and performance frameworks remain fully embedded and provide evidence that our social workers are child focused and the quality of practice continues to improve. This work is enhanced and supported by our partners in improvement (Hampshire County Council) who continue to provide independent oversight and quality assurance work within the service.

Our Council Performance Measures

2. The following section provides updates of the performance KPIs agreed in Our Council Plan and the action taking place, comprising a wider performance view, with KPI measures comparing performance over the last three periods - this may be quarterly, annually or other time periods (depending on how regularly data is released); however, each measure will explain the reporting period.

Children and Young People		2022/23 Target	Performance Over The Last 3 Periods			DoT	Year End Forecast
1	Measure: Percentage of re-referrals to Children's Social Care within 12 months of the previous referral Reporting Frequency: Quarterly	22.0%	Mar-22	Jun-22	Sep-22		G
			23.0%	25.0%	24.0%		
Performance Analysis: Sep-22: Re-referrals have decreased further in the last month and remains an area of scrutiny as we work to achieve our target. Actions: There will always be a level of fluctuation within this area, however close scrutiny will ensure that any significant increase will be identified quickly, and remedial action taken as identified.							
2	Measure: Percentage of Early Help Plans closed with outcomes met Reporting Frequency: Quarterly	74.0%	Mar-22	Jun-22	Sep-22		A
			68.0%	69.3%	69.2%		
Performance Analysis: Sep-22: Slight increase but still under target. Actions: Supporting Families Criteria changed on 3 rd October 2022, and we anticipate that this may have an impact on this target in the short term but have put training around this for staff.							
7	Measure: Stability of children looked after placements – (3 or more placements during the year) - WSCC position in national stability index Reporting Frequency: Quarterly	10.0%	Mar-22	Jun-22	Sep-22		A
			10.6%	10.5%	10.1%		
Performance Analysis: Sep-22: This figure decreased in September. Work has been ongoing since January in respect of scrutinising at Entry to Care Panel that children are in the right placements with the right support in place. It is planned that the new Solutions Service will go live in November, working across a number of cohorts including teenagers at risk of entering care (a cohort more prone to multiple moves) and those at risk of placement disruption or who could return home. Actions: Placement sufficiency is an ongoing challenge locally and nationally, a placement recovery plan has been conceived to address challenge in the system including actions around supporting families, improving practice and work from commissioning.							
8	Measure: Support for care leavers to achieve their aspirations – Percentage of care-leavers aged 17-21 who are in Employment, Education or Training Reporting Frequency: Quarterly in arrears	64.0%		Mar-22	Jun-22		A
			No Data Available	63.0%	64.0%		
Performance Analysis: Jun-22: We have seen a slight percentage increase because 12 more young people are now in education, employment or training. Actions: Positively we have also recruited two care leavers to apprenticeship post in the participation service, and we are also setting up a working group to look at supporting our specific cohort of asylum-seeking young people with access to education and employment in light of some geographic discrepancies.							
9	Measure: Positive outcomes on child protection in 12 months - percentage of Child Protection Plans that result in 'step-down' within 12 months Reporting Frequency: Quarterly	83.0%	Mar-22	Jun-22	Sep-22		R
			70.0%	57.0%	67.0%		
Performance Analysis: Sep-22: This measure continues to be an area of improvement. Actions: We continue to scrutinise this measure and ensure that these children have appropriate management oversight. The impact of this is evident in a significant improvement in performance in the last month.							

Finance Summary

Portfolio in Year Pressures and Mitigations

Pressures	(£m)	Mitigations and Underspending	(£m)	Year end budget variation (£m)
Placement costs for Children We Care For (mainstream)	£11.200m	In-house residential staffing underspend	(£1.350m)	
Homecare and transport costs for Children with Disabilities.	£1.400m	Early Help staffing underspend	(£1.200m)	
Delays in saving deliveries – Local House Project	£0.400m	Savings to be delivered through planned improved placement commissioning	(£1.170m)	
One-off implementation costs and part-year adult staffing costs for Family Safeguarding - DFE funding not awarded.	£0.460m	Reduction in Intentionally Homeless families requiring accommodation support	(£0.600m)	
Family Safeguarding –Section 17 and Children We Care For Non-Placement Costs	£0.680m	Review of child psychology arrangements	(£0.700m)	
Family Safeguarding – additional agency staffing	£0.185m	Delays in appointing to new posts within the Fostering Service redesign.	(£0.500m)	
Proposed fostering allowance increase to 6.4% - inflationary pressure	£0.300m	Other variations	(£0.185m)	
King’s Counsel legal costs	£0.150m			
Children and Young People Portfolio - Total	£14.775m		(£5.705m)	£9.070m

Key Financial Issues and Risks Arising

Narrative	Cost Driver	Baseline	Q1	Q2	Action	Trajectory
<p>Despite the overall number of Children We Care For being lower than forecast during budget setting, there are more children than budgeted for in more costly external residential placements than budgeted for.</p> <p>This is leading to a pressure on the placement budgets. Baseline shows the % upon which the budget was set.</p>	% mainstream children in external residential placements	10.8%	14.3%	15.1%	<p>At the end of September 2022, there were 27 more children placed in external residential than the number on which the budget was set. This alone adds a pressure of c£6m to the placement budgets, however when also taking into account the expenditure on external placements costing more than £9k per week, and the number of unique care and support arrangements which have had to be arranged, then the full scale of the budget pressure is projected to be c£11.2m.</p>	

Key:

Arrow:	Decreasing ↘	Increasing ↗	Static ↔
Colour:	Improving 	Worsening 	Static

Financial Narrative on the Portfolio's Position

3. At the end of September 2022, the forecast for the Children's budget is a projected overspend of £9.1m which is an increase of £4.9m from the June 2022 position.
4. **Mainstream Placement Costs.** The total overspend against the mainstream placement budgets is £11.6m in total as at the end of September, which is an increase of £5.0m from the position reported at the end of June. £0.4m of this increased overspend is attributable to a forecast shortfall in savings for the Local House Project, where the first young people are anticipated to move into the new accommodation from November 2022. This is slightly later than originally estimated, hence the slippage in savings delivery.
5. The placement overspend position has been reduced by £1.2m of in-year mitigation actions which are expected to be delivered through initiatives to increase the number of children and young people stepping down to less expensive placements before the end of the year. However, given the majority of these mitigations are not profiled to take effect until the third quarter, there remains a risk that this mitigation may not be achieved in full.
6. The biggest issues within the placement budgets remain:
 - the placement mix;
 - placements costing more than twice the average; and
 - unique care and support arrangements which are not budgeted for.
7. At the end of September, the number of mainstream Children We Care For (CWCF) being looked after was 35 lower than the demand modelling upon which the budget was set.
8. In relation to the placement mix, the table below shows the difference between the budgeted and actual number of CWCF in key placement types.

Type of Placement (Excluding Asylum)	Budgeted Number of Children We Care For (CWCF)	Budgeted Average Weekly Cost (£)	Current Number of Children We Care For (CWCF)	Current Average Weekly Cost (£)	CWCF Variation	Projected Overspend (£) (Based on Budgeted Cost and CWCF Number)
External Residential *	81	£4,474	108	£4,623	27	£5,986,000
Independent Fostering	209	£963	192	£999	-17	(£851,000)
Independent Parent & Child Fostering	5	£1,450	9	£1,525	4	£186,000
In House Fostering	210	£386	204	£391	-6	(£104,000)
In House Parent & Child Fostering	2	£731	3	£1,091	1	£85,000
Kinship	97	£209	83	£217	-14	(£149,000)
Placed for Adoption/Placed with Parents	60	£0	48	£0	-12	£0
External Residential Family Unit	3	£3,958	2	£2,733	-1	(£95,000)
Secure Unit	2	£7,211	4	£7,415	2	£773,000
Other Placement Types	79	N/A	60	N/A	-19	N/A
SUBTOTAL	748		713		-35	£5,831,000
External Residential - Additional Costs. 12 of the External Residential cases (included in the table above), cost significantly more than the average placement rate. The extra cost of these placements over the average £4.6k per week is reported separately. The weekly cost of these 12 placements range from £9.3k to £14k.						£2,260,000
Unique Cost and Support Arrangements for specific CWCF. Costs range between £11.1k and £27.6k per week.						£3,109,000
TOTAL						£11,200,000
Note: * There are 108 CWCF External Residential placements as at the end of September. This cohort includes 12 children whose placements cost in excess of £9k per week (statistical outliers). The £6.0m overspend reported as External Residential only includes up to £4.6k of these costs to demonstrate a comparable average unit cost against the budget set. The cost over the £4.6k for these 12 children (£2.3m), is shown separately to illustrate the financial impact of these specific cases.						

9. Taking into account the average unit cost of these placement types, this differential in the placement mix is contributing £5.8m to the budget pressure.
10. Also shown in the table is the additional cost of 12 external residential placements where the cost is over £9k per week which is around twice the average weekly cost of £4.6k. Whilst some of these young people are expected to be able to step down to lower costing placements, and in fact some of the 12 have already ceased, even a part-year effect has a significant impact on the budget. The additional cost above the average rate of these placements is adding a pressure of £2.3m to the budget.
11. This month, this includes alternative placements for two young people who had to be moved at short notice after Ofsted closed their (external) residential home. The costs for these two placements are £22k and £29k per week respectively, compared to £10k per week previously. All such placements require Assistant Director oversight and approval before being made and the plans are then monitored by senior managers to ensure that costs are kept to a minimum and reduced as soon as possible.
12. The remaining pressure is due to the high cost of unique care and support arrangements put in place for a small number of children and young people whose needs have required an urgent response, and for whom searches for longer-term more appropriate arrangements are underway. These types of

placements are volatile by the very nature of the issues being managed and it is not possible to predict them. Where there is more certainty about the next arrangements, the financial projections have taken into account these planned moves and the associated change in cost. There has been an increase in these types of arrangements during September, following a rise also during the summer holiday period.

13. **Children With Disability Home Care and Transport Costs.** The projection for these budgets has increased by £0.6m since June, leading to an overspend of £1.4m now being forecast. The primary reason for this increase is a rise in the number of care at home packages being put in place, however it should be noted that some of these have health-related elements to them and hence contributions to the cost from Health are being sought. Should these contributions be agreed, then there is potential for this overspend to reduce. Equally if more of these arrangements are put into place then the projection could yet increase further still.
14. **Family Safeguarding Implementation and Adult Workers.** The initial projections for the one-off implementation costs and the in-year cost of the adult-facing workers have been revised in September to reflect the likely start dates of the adult workers. This has resulted in a reduction of £0.190m in the projection.
15. **Family Safeguarding Additional Agency Staff.** The initial projections for additional agency staff to support the transition to family safeguarding assumed that all agency positions would be able to be filled. Over the first half of the year, this has not transpired to be the case and hence a review of the projection has enabled a significant reduction in the forecast such that only a small overspend of £0.185m is now being forecast.
16. **Family Safeguarding Section 17/ Children We Care For non-placement costs.** The primary reason for the projected overspend of £0.680m is a number of care at home arrangements which have been put into place for children and young people who are not cared for, in order to try to stabilise their home situation.
17. **King's Counsel Legal Costs.** One particular court case has required the Council to engage the services of a King's Counsel. The cost is expected to be in the region of £0.150m and is not budgeted for either within the Children's budget or within that of Law and Assurance.
18. **Fostering Allowances Inflationary Pressure -** The annual inflation increase applying to in-house foster care, special guardianship and adoption allowances is linked to the staff pay awards for the NJC staff group, and in previous financial years these allowances have been uplifted by the same percentage as the staff pay award. The allowances were last increased from 1st April 2021 in-line with the NJC pay award for that year. Although the NJC pay award is not yet formally resolved for 2022/23, indications are that it is likely to take the form of a flat rate uplift of £1,925.
19. For the average annual fostering allowance, this would equate to a 6.4% increase. Within the 2022/23 budget, there is an allowance of 3.75% built in for the allowances uplift.

20. Potentially, if it is decided that a link to the NJC pay award is maintained for 2022/23, and the £1,925 NJC award is agreed by unions, an additional £0.3m would be required from the Inflation Contingency budget to cover this additional cost.

Mitigations

21. **In-house Residential Staffing.** The projected underspend in relation to in-house residential staffing has reduced by £0.350m since June and now stands at £1.350m. Recruitment is still actively taking place and proposals to extend the employee referral scheme to this service are currently being considered.
22. **Improved Commissioning – In-year Mitigations Profiled To Be Delivered By Year End.** £1.170m of in-year mitigations are currently profiled to be delivered before 31st March 2023. These savings relate to the commissioning projects of 16+ step down from residential, Local House Project, and under-16 step down to fostering. For each of the strands, young people have been identified and dates for step downs or placement moves have been estimated, leading to the forecast of £1.170m being achieved before year end.
23. **Early Help Staffing.** The underspend against Early Help staffing has increased by £0.2m since June and now stands at £1.2m. Although there has been some recent success in recruiting to vacancies, some staff have been promoted from within Early Help, creating new vacancies within the structure. Recruitment is still actively taking place and proposals to extend the employee referral scheme to this service are currently being considered.
24. **Intentionally Homeless.** There has been no change to the projection for Intentionally Homeless since June, with the projected underspend remaining as £0.6m. A small increase in the number of families being supported has been experienced in September, but the future level of families requiring support still remains very uncertain.
25. **Review of Child Psychology Arrangements.** There has been no change to the projection for child psychology arrangements since June.
26. **Fostering Redesign.** The underspend on the fostering redesign which had been due to delays in recruiting to the new structure has reduced by £0.250m and now stands at £0.5m. The reason for the movement in the forecast is primarily that agency staff were employed to temporarily cover the vacancies, given the interdependency of the redesign and the delivery of savings in 2023/24.
27. **Conclusion.** The finance situation for the Children's portfolio remains very uncertain. Whilst there is clarity about the reasons for the projected overspend particularly against the placement budgets, being able to effect sufficient change to recover some or all of the current position in year remains a considerable challenge. Benchmarking with other local authorities reveals that West Sussex is a significant outlier for the proportion of children we care for placed in external residential homes. Excluding children with a disability or seeking asylum, 15% of Children We Care For are currently in such arrangements compared with 10% on average in the South East. However, that same benchmarking has also indicated that other local authorities are also

seeing an increase in the number of unique care and support arrangements that they are having to put into place at high cost.

28. This situation is a priority for the Children’s Leadership Team, with monitoring of the effectiveness of the placement recovery plan taking place on a monthly basis and exceptions being reported weekly. The main ambition of the recovery plan is to reduce the proportion of children and young people in external residential placements to a level more in keeping with our neighbouring authorities, but this will take time to impact and is dependent on the sufficiency of other placement arrangements such as fostering, given that the number of children we care for per 10,000 population is in keeping with our statistical neighbours.

Covid-19 Expenditure Update

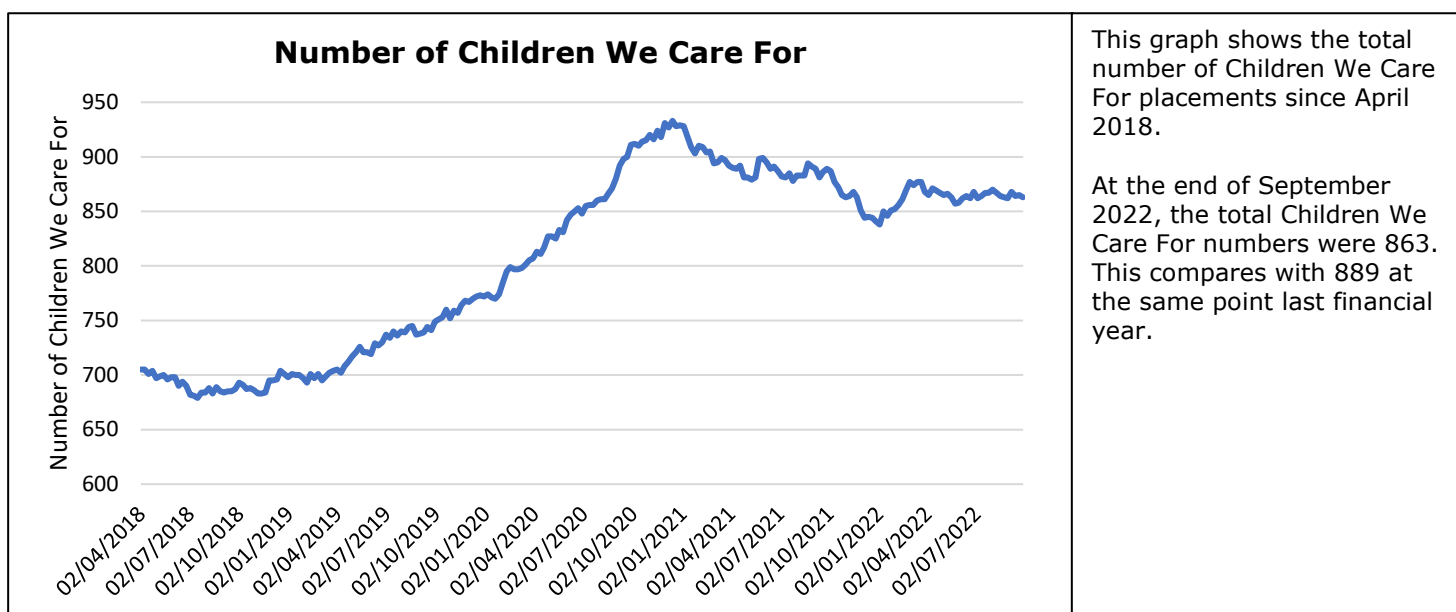
29. Within the Children’s and Young Peoples Portfolio, a project to recruit qualified social workers from overseas to assist the recruitment and retention challenges within social care has commenced. Offers of employment and resettlement have been made to 36 workers, with the new staff expected to start to come onboard in January 2023.

30. Looking forward and reviewing likely future staffing vacancy levels, it is clear that a significant vacancy gap is likely to remain in 2023/24, therefore, the Children’s Leadership Team are planning to repeat this exercise and attempt to recruit further overseas workers in January 2023 with an expectation of the second tranche of workers starting in the summer of 2023.

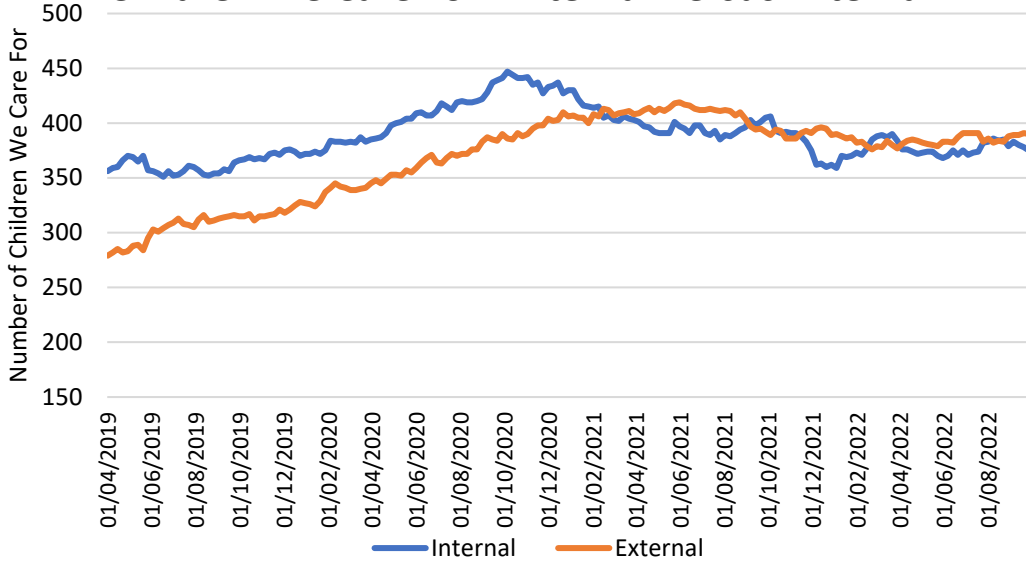
31. The project cost to recruit the first cohort of workers was £0.6m; with a further £0.6m estimated for the January 2023 scheme.

32. It is proposed that non-ringfenced Covid-19 grant is utilised to fund these one-off project costs following the impact of the pandemic on the social work profession.

Cost Drivers Information

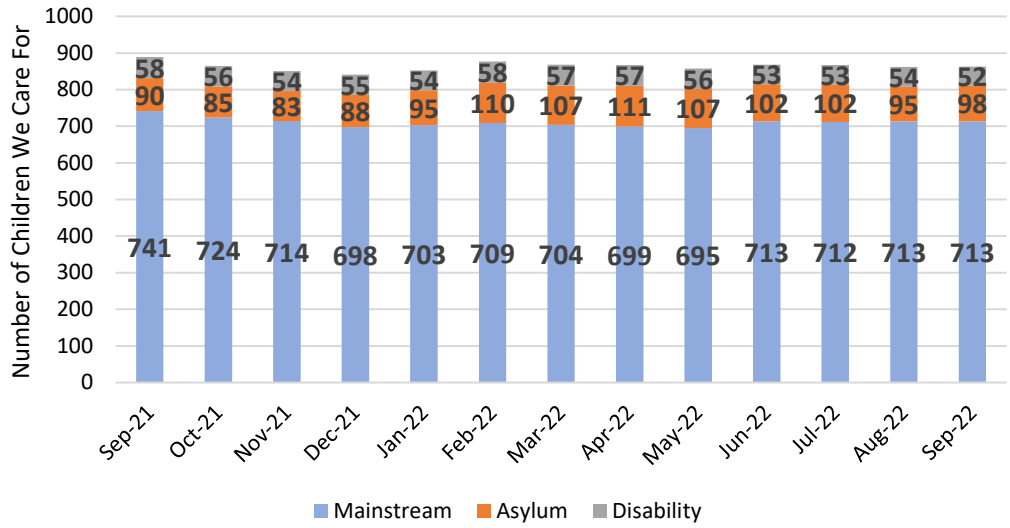


Children We Care For - Internal Versus External



This graph shows the internal and external placement mix of Children We Look After since April 2019.

Children We Care For Volumes - Rolling 12 Months

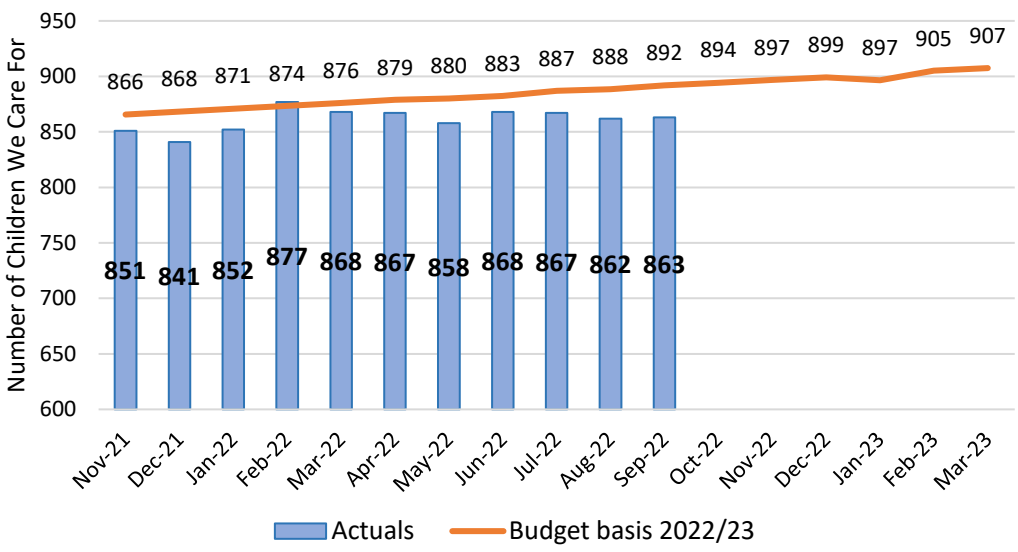


This graph shows the total number of Children We Care For placements by:

- mainstream placements
- asylum seeking children and,
- children with learning disabilities.

The Council's revised allocation of Unaccompanied Asylum-Seeking Children (UASC) under the National Transfer Scheme is 177. As at the end of September, the number of UASC was 98.

Number of Children We Care For - Actual Versus Projected



This graph shows the number of Children We Care For placements compared to the budgeted expectation.

The graph depicts that growth in numbers has not transpired as expected, however the shift in placement mix has led to the overspend reported.

Savings Delivery Update

33. In addition to the £2.150m of 2022/23 planned savings, there remains £1.050m of savings from the 2021/22 financial year which were not delivered on an on-going basis. To ensure that these savings are monitored and delivered, all of these savings are detailed in the table below:

Saving Activity	Savings to be Delivered in 2022/23 £000	September 2022		Narrative
National House Project	1,000	600	A	Based on the current plan, the first young person is expected to move into their tenancy in November 2022. Given this, it is unlikely that these savings will be delivered in full in 2022/23 and may slip to 2023/24.
		400	R	Due to slippage from the originally estimated start date, £0.4m of savings will not be achieved in 2022/23 but is expected to be delivered in 2023/24.
In-house Residential Programme: Reduced independent placement costs	300	300	G	Delays in re-opening Blue Cove (formerly May House) mean that the permanent delivery of this saving will be delayed and may even fall into 2023/24. The saving can be mitigated in year however, through underspending within the residential staffing budget given the current problems being experienced in recruiting sufficient staff to be able to safely re-open.
Improved Commissioning for Children's Social Care Service: Improved Joint Commissioning	400	400	A	It is understood that Health intend to implement a pan-Sussex Resource Allocation System for children's continuing health care, the potential financial implications of which for WSCC are not yet clear. This saving will remain a risk in 2022/23 until clarity can be brought about its achievability, in discussion with Health partners.
Improved Commissioning for Children's Social Care Service: Under 16's Step Down to Fostering	700	700	A	17 young people have been identified as suitable for step-down, however, only two children have stepped down to date. The profiled dates for the cohort would indicate the saving can be achieved, however more certainty is required before the saving can be seen to be on track.
Improved Commissioning for Children's Social Care Service: Over 16's Step Down from Residential	500	500	G	Four young people have already been stepped down, which will lead to a saving of c£0.460m by the end of the financial year. A further two young people have been profiled to step down before the end of the financial year, meaning that this saving is on track to deliver as planned.
Improved Commissioning for Children's Social Care Service: Over 16's Recommissioning	100	100	B	Saving delivered by recommissioning of contracts for accommodation and support for young people aged 16+.
Early Help Restructure	200	100	B	Saving delivered.

Savings Key:

R Significant Risk
 A At Risk
 G On Track
 B Delivered

Capital Programme

Performance Summary - Capital

34. There are eight schemes within this portfolio. One scheme in delivery is rated green, indicating that the project is reporting to plan. Three schemes are rated as amber, indicating that there is an issue influencing the project, but that it can be dealt with by the project manager or project delivery team and four schemes are within their final retention phase. An update on the progress of the schemes not rated green are detailed in the table below:

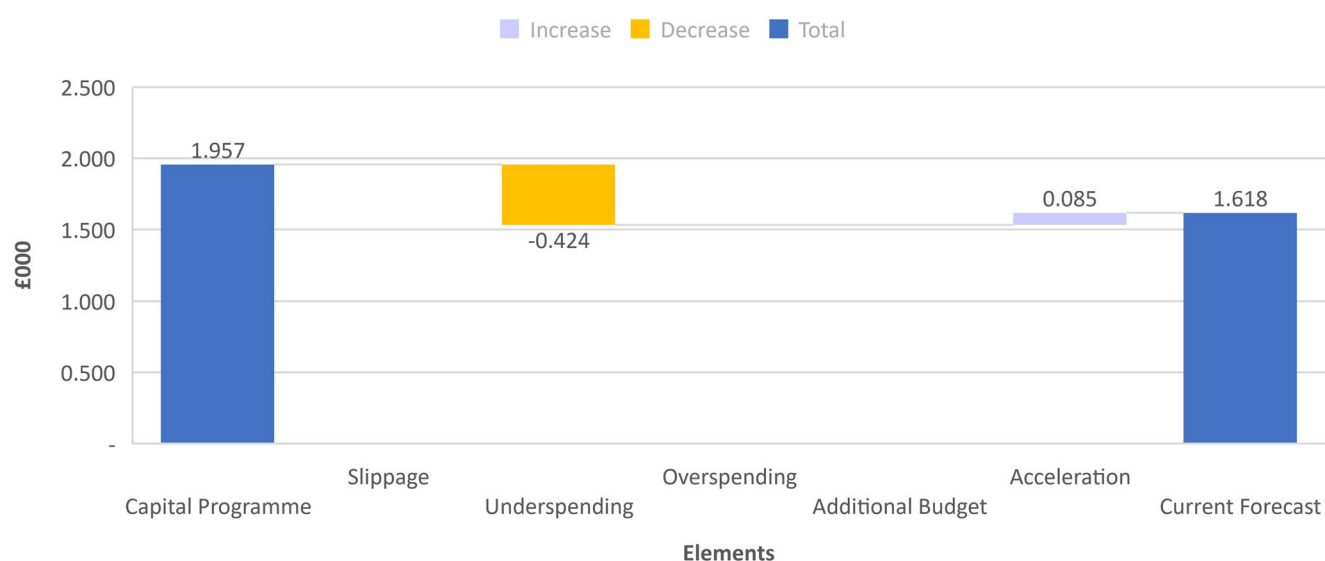
Scheme	RAG Status at Sep 2022	Reason	Latest RAG Status	Updated Position
Children's In-House Phase 2 - High Trees and 40 Teasel Close	AMBER	Higher than expected pre-tender estimates and timeline delays	AMBER	Service to draft a Change Request setting out options.
Children's In-House Phase 2 - 18 Teasel Close Design Stage	AMBER	Higher than expected pre-tender estimates and timeline delays	AMBER	Service to draft a Change Request setting out options.
Children's In-House Phase 2 - Orchard House	AMBER	Higher than expected pre-tender estimates and timeline delays	AMBER	Service to draft a Change Request setting out options.

Finance Summary - Capital

35. The capital programme; as approved by County Council in February 2022, agreed a programme totalling £5.230m for 2022/23. £3.273m of budget, originally profiled to spend in 2022/23, was accelerated into 2021/22, revising this year's capital programme to £1.957m.

36. Since this time, the profiled spend has decreased overall by £0.339m, to give a current year end projection for 2022/23 of £1.618m. Of this decrease, -£0.424m relates to underspending on schemes where funding will be returned to enable future projects and £0.085m relates to a project where funding has been accelerated from future years.

Capital Programme - Children and Young People 2022/23



Key:

Capital Programme – The revised planned expenditure for 2022/23 as at 1st April 2022.

Slippage – Funding which was planned to be spent in 2022/23 but has since been reprofiled into future years.

Underspending – Unused funding following the completion of projects.

Overspending – Projects that require further funding over and above the original approved budget.

Additional Budget – Additional external funding that has entered the capital programme for the first time.

Acceleration – Agreed funding which has been brought forward from future years.

Current Forecast – Latest 2022/23 financial year capital programme forecast.

37. There has been no changes to the financial profiling this quarter. The latest Capital Programme Budget Monitor is reported in **Appendix 3**.

Risk

38. The following table summarises the risks within the corporate risk register that would have a direct impact on the portfolio. Risks to other portfolios are specified within the respective portfolio sections.

Risk No.	Risk Description	Previous Quarter Score	Current Score
CR61	A 'serious incident' occurs resulting in the death or serious injury of a child where the Council is found to have failed in their duty to safeguard, prevent or protect the child from harm.	15	15
CR69	If the council fail to make the necessary improvements to progress from the previous 'inadequate' rating, there is a risk that children's services will fail to deliver an acceptable provision to the community .	15	15

Risk No.	Risk Description	Previous Quarter Score	Current Score
CR72	<p>The government have stipulated that from 9th September 2021, children in care under 16 will not be allowed to be accommodated in unregulated placements. This has strengthened existing regulations that stipulate that all children and young people who require residential care must be placed within registered children's homes. Due to a local and nationwide shortage of registered provision there is a risk that these children and young people will not be cared for in settings that best meet their needs, which could lead to safeguarding concerns and enforcement action against the providers of unregistered homes and local authorities.</p>	12	12

39. Further details on all risks can be found in **Appendix 4** - Corporate Risk Register Summary.