

Children's Trust Joint Committee

1st May 2024

Report Title	NCT Transformation and Efficiency Board Update
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Executive Member	<p>Cllr Fiona Baker – Cabinet Member for Children, Families & Education, WNC</p> <p>Cllr Scott Edwards, Executive Member for Children, Families, Education & Skills, NNC</p>

Key Decision	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972	

Contributors/Checkers/Approvers

Approver	Officer Name	Date Officer Approved Report
Lead Members	<p>NNC – Cllr Scott Edwards</p> <p>WNC – Cllr Fiona Baker</p>	<p>Enter approval date:</p> <ul style="list-style-type: none"> • NNC – 19/4 no comments received • WNC – 19/4 no comments received
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List of Appendices

Appendix A - T&E Programme Overview

1. Purpose of Report

- 1.1. The purpose of the report is to provide an update on Transformation and Efficiency activity that has been agreed at the Transformation and Efficiency Board and work that has commenced in the Trust relating to improving operational efficiency. All activities relate to improving outcomes for children and young people.

2. Executive Summary

- 2.1. The Transformation and Efficiency Board was introduced in December 2023 as part of the informal step in arrangements. The remit of the board has three core responsibilities:
- 2.1.1. Transformation – providing strategic capacity and support to progress core children’s and joint Councils/NCT transformation projects and programme.
 - 2.1.2. Programme Oversight and Management – robust governance, plans and business cases.
 - 2.1.3. Right sourcing – considering/changing the delivery model or commissioning of services.
- 2.2. All are managed with a 3-way shared ownership and oversight of spend, benefits realisation and end user experiences and impacts.
- 2.3. Since the last report there have been two additional meetings of the Transformation Board alongside day-to-day operational support provided by seconded in transformation support. Appendix A provides a summary of the work programme.

3. Recommendations

- 3.1. To note the contents of the report and progress made to date.

4. Report Background

- 4.1. North Northamptonshire Council (NNC) and West Northamptonshire Council (WNC) are committed to supporting Northamptonshire Children's Trust (NCT) and ensuring a whole system approach to transformation and efficiency.
- 4.2. Additional capacity to the Trust has meant that in the past few months, more capacity has helped to better understand the operations of the Trust and the inter-relationships with both councils alongside wider partners.
- 4.3. The Transformation and Efficiency Board was created in November 2023 and oversees the Transformation and Efficiency Programme which looks at NCT Core Transformation as well as Council and NCT Transformation activities.
- 4.4. In terms of spend within the Trust, the key significant areas of spend are Placements (approximately 50% of the Trust's budget) and Staffing (30%) with smaller percentages relations to Children's Homes and Adoption (approximately 6.5%).
- 4.5. To develop a comprehensive work programme, the work has been split into six key themes and they also align to the inspection framework supporting the improvement plan for both West and North's future Ofsted inspections of Children's Services.
- 4.6. **Commissioning and Procurement** – projects looking at how we deliver services, who delivers services and different models that deliver better outcomes, meet our needs and are more cost effective. This picks up the highest level of spend relating to placements.
- 4.7. **Demand Management and Early Help** – projects considering how we can reduce, delay or prevent demand and do more to stop escalating need. This picks up the work to help avoid more children and young people going into the Children's Trust and preventing demand as well as looking at how best to manage demand in NCT from front door to fulfilment of services and advice.
- 4.8. **Workforce** – projects that consider the development and makeup of the workforce. Again, this is one of the higher spending areas.
- 4.9. **Technology and Innovation** - systems and innovations that can support greater productivity through automation and reduced duplication.
- 4.10. **Operational Efficiency** – Reviewing how we do things to establish areas where we could reduce costs, optimise processes and reduce administrative burdens.
- 4.11. **Policy and Practice** - consideration of changes in approach, policy or practice interventions to drive improvement.

5. Progress on Improvement and Efficiency Activity

5.1 Commissioning and Procurement Update

Context - The average cost of a residential placement in 2023/24 is £281,000 or £5,400 per week with some plans costing over £1m and in the English marketplace there has been a 25% hike in prices in the past 2 years. Numbers of children going into care are vastly outrunning population growth, up 25% in 12 years. This correlates to rising poverty levels, impact of Covid and the national reductions to early intervention services.

NCT Overview - The number of placement packages in January 2024 was 682 with 135 being residential placements. There were also 92 placements being supported accommodation (Additional residential placements for 16–17-year-olds). In terms of fostering placements there were 346 and for over 18s there were 109 packages of care. During 2023/24 there were also a number of remand placements which were significantly more expensive placements due to the nature of the work.

Actions being Taken -

The biggest area of focus has been the use of **Circle to Success** to reduce the cost of placements by stepping children down and reducing the impact of children coming into care. The original savings target for 23/24 was £4.023m which has been taken off the contract sum but has now been increased to **£8.072m**.

Additional work has also been done looking for better value out of placements with independent foster carers and charging rates. This has identified another **£740k** of savings.

Regarding Care Leavers, additional work has been done looking at housing benefit usage and the saving target increased from £173k to £483k.

Work is also being done on sufficiency of placements and looking to provide alternatives from within Northamptonshire such as supported housing and care leavers accommodation. There are also plans to increase the number of children's homes - in 2023/34 19 new beds were established.

In terms of commissioning in the marketplace, the Trust is also pursuing the option of developing a strategic partnership with a provider as a way of stabilising placements and Value for Money (VFM).

There is also a work stream looking at the recruitment of foster carers with a saving target of **£300k**.

5.2 Demand Management and Early Help

Context – Demand within NCT often starts with a referral, often from other services in the community. There are key thresholds linked to a child being a child in need or a child looked after. By working earlier with families around early help and

signposting and support, it is likely that over time this will reduce demand coming into children's services.

National research indicates that key factors that impact of children's services are alcohol and drugs misuse, domestic violence, mental health and physical and learning difficulties – either directly with the child, the parents or other connected families/friends. The steep social grade t associative with all types of demand and particularly with child protection cases in relation to neglect, highlights the importance of polities that improve the financial circumstances of families - particularly around the cost-of-living crisis.

NCT Overview – Demand into the NCT is through one front door - the MASH and nearly 50,000 demands are seen each year. Most of the contact into MASH in 23/24 to date has been through the police (23%), education (19%) and health (19%). Out of 100 referrals which are all assessed by social worker teams, 18 result in a social work assessment and 67 result in signposting and advice (which could be done at a lower outside of the Trust as part of the early help system). There are also 25 cases that are likely to be re-referred which indicates need rising to then meet social work thresholds.

Actions being Taken -

The biggest area of work being done is on the **front door and redesign of MASH**. A business case and demand modelling are being conducted for May 24 with an aim to increase efficiency and raise the conversion rate from 18% to 34%. This work then links to the develop of the Early Help offer in both councils including the work with partners and development of online and face to face services. Work will also consider the out of hours arrangements (Emergency Duty Team) which is currently a combined service with adults out of hours service.

Work has also commenced looking at the **Supporting Families** programme and opportunities to draw down a greater percentage of the grant available through the development of the early help offer.

5.3 Workforce

Context – There are considerable national challenges about the recruitment and retention of social workers and in 2022 national figures showed the number of professionals had fallen for the first time, despite rising demand. A third of local authorities in 2022 cited staff recruitment and retention as a challenge with 5400 social workers leaving the progression, a 9% rise on the previous year and 21% increase in vacancies.

The changing needs of children and young people and families has also led to children's social work caseloads growing increasingly complex alongside a sharp rise in concerns relating to mental health.

NCT Overview – The budget for staffing has been under considerable pressure over the past few years and is impacted by the number of agency social work employed. 130 agency staff equate to the equivalent of an additional 39 staff (30% premium paid for agency staff). Within MASH agency workers equates to 38.5% and in Duty and Assessment it equates to 57%. There are fewer agency social workers in West

and North teams which then work with children and young people once assessed and through the court system (18%).

Actions being Taken - Work has commenced to support NCT to review workforce make-up and to review agency working, including initial conversation with OPUS to look for more direct agencies and strategies to try and move more staff to permanent roles. Work has also commenced to look at non-social work staff and look to opportunities to align teams and deliver better VFM. This includes also the maximisation of grow your own staff and the use of the apprenticeship levy.

5.4 Technology and Innovation

The new **Foster Care system, Charms** was successfully rolled out and the recent re-inspection by Ofsted resulted in the good rating. Work continues with the procurement of a **new case management system** for children's. There are significant benefits from implementing a new system immediately and opportunities for process improvements following roll out in 2025.

There is also work commencing looking at **automation and the use of AI** which could help with reducing and managing demand (MASH/early help) and with the considerable administrative burdens of activities such as Child Family conferencing.

Finally, work is also continuing with the deployment of appropriate **hardware** for staff and aligning this with the roll out of the new case management system.

5.5 Operational Efficiency

Office Optimisation roll out is continuing in both West and North. Within West there will be improvements made to OAS accommodation and more defined space for the NCT. The associated improvements made at Towcester will also lead to the development of the first physical Family Hub. Accommodation plans are progressing in the North with the development of improved office space across key sites and developing a leaving care site for North.

Legal Services work has commenced to accommodate the change in the model, moving from a service provided by Pathfinder Legal Services to a service provided by both councils.

5.6 Policy and Practice

There are considerable pieces of work associated with improving practice and quality of the offer and ensuring that there is sufficient support for both West and North. A key piece of work is the roll out of the new **Practice Model** – working with DfE.

Additional capacity has been agreed for 24/25 about independent review officers, independent visitors, work to capture the children's voice and life story experiences and supporting disabled children.

There has also been investment agreed for 24/25 about the development of a **Northamptonshire Exploitation hub** – to support families and children impacted by

exploitation including organised crime and sexual exploitation and the work linked to knife crime.

Additional external expertise has also been awarded by DfE for both councils about their early help and leaving care offers as well as some support around VFM This has been through the **successful bid for a sector led improvement partner (SLIP)**. this will be with North Yorkshire.

6. Issues and Choices

- 6.1 The work to date has been in response to the informal step in arrangements.
- 6.2 Following approval of business cases, progress is monitored by the Transformation and Efficiency Board.

7. Next Steps

- 7.1 Further business cases and updates on improvement activity and informal financial step in will continue and robust monitoring arrangements developed to ensure full benefit realisation are realised.

8. Implications (including financial implications)

8.1 Resources and Financial

- 8.1.1 When the Trust was being developed, detailed work was completed to calculate how costs would be split between North and West Northamptonshire Councils. This was based on the relative populations and demand for children's social care services in each council area. It was agreed that WNC would contribute 56% and NNC would contribute 44% exclusive of any specific grants that are given directly to NNC or WNC to passport to the Trust.
- 8.1.2 To support the Trust to deliver their business plan the Councils and NCT have agreed a provisional Contract Sum of £180.009m made up of block 1 core funding (£177.429m) and Block 2 transformation individual items (2.580m).
- 8.1.3 Block 2 transformation individual items funding of £2.580m includes £2.363m which is non-recurring.
- 8.1.4 WNC and NNC have made provision for a block 3 transformation costs totalling £3.291m. Use of this funding will be subject to business cases being presented to and approved by the Transformation and Efficiency Board.

8.2 Legal and Governance

8.2.1 The relationship between NCT and the Councils is governed by a series of contractual and legal agreements.

8.2.2 There are no immediate legal implications arising from the proposals. Consideration for specific legal implications is reviewed as part of the business case development and approval.

8.3 Relevant Policies and Plans

8.3.1 NNC has identified 'Brighter, Better Futures' as a key priority in its Corporate Plan recognising that children, young people and their families may need help at different stages in their lives. They will aim to provide help as early as possible and provide the right support, at the right time in the right way to ensure that children are safeguarded and get the best start in life.

8.3.2 WNC has identified 'Improved life chances: Best Start in Life' as a key priority of its Corporate Plan, including a focus on early help services to ensure children have the best start in life and parents have the right support at the right time from the right service, to enable families to thrive.

8.3.3 Both NNC and WNC's identified priorities will be achieved by supporting NCT to provide higher standards of support.

8.4 Risk

Risk summaries have been completed for each project and a programme risk register is being developed.

8.5 Consultation

Appendix A which details the project summary has been approved by the Transformation & Efficiencies Board has been reported at both the Children's Trust Operational Group and Strategic Group in March 2024.

8.6 Consideration by Executive Advisory Panel

This report has not been considered by NNC's Executive Advisory Panel.

8.7 Consideration by Executive Leadership Team (WNC)

This report has not been considered by WNC Executive Leadership Team

8.8 Consideration by Scrutiny

This report has not been considered by the Overview and Scrutiny Committees of either NNC or WNC.

8.9 Equality Implications

There are no specific equality implications arising from this report.

8.10 Climate Impact

There is no specific climate impact arising from this report, however as NNC and WNC committed to considering impact on the environment which is managed via the individual strategic lead partnership organisation via organisational policy and commitments.

NNC, WNC and NCT are aware there are emissions associated with publishing web content and will seek to minimise the impact where possible.

8.11 Community Impact

There is no specific community impact arising from this report.

8.12 Crime and Disorder Impact

There is no specific crime and disorder impact arising from this report.

9. Background Papers

None