

<p align="center"><b>London Borough of Hammersmith &amp; Fulham</b></p> <p align="center"><b>CABINET</b></p> <p align="center"><b>7 NOVEMBER 2016</b></p>	
<p><b>SMARTER BUDGETING, BEST START IN LIFE OUTCOME 2</b></p> <p><b>MAXIMISING CHILDREN'S SOCIAL CARE EFFECTIVENESS' BUSINESS CASE</b></p>	
<p><b>Report of the Cabinet Member for Children and Education – Councillor Sue Macmillan</b></p>	
<p><b>Open Report</b></p>	
<p><b>Classification - For Decision</b></p> <p><b>Key Decision Yes</b></p>	
<p><b>Wards Affected: All</b></p>	
<p><b>Accountable Directors:</b> Steve Miley / Dave Mcnamara</p>	
<p><b>Report Author:</b> Kevin Gordon Strategic Commissioner (Interim)</p>	<p><b>Contact Details:</b>  Tel: 07739 317283  E-mail: <a href="mailto:kevin.gordon@rbkc.gov.uk">kevin.gordon@rbkc.gov.uk</a></p>

## **1. EXECUTIVE SUMMARY**

- 1.1 Maximising Children's Social Care Effectiveness' is a programme of work that brings together a series of efficiency projects and invest to save proposals that support embedding of Focus on Practice and achieve a step change in how Children Social Care Services are delivered in Hammersmith & Fulham.
- 1.2 The programme incorporates a number of complimentary projects across two broad themes, managing demand and increasing capacity and effectiveness.
- 1.3 The Smarter Budgeting Member challenge panel on 27<sup>th</sup> June 2016 agreed for the business case for Maximising Children's Social Care Effectiveness' to be taken forward and developed. This report seeks agreement to fund the full business case seeking Cabinet approval/authority to proceed.

## **2. RECOMMENDATIONS**

- 2.1. To approve the business case for Maximising Social Care Effectiveness BC2 (appendix 1) as part of Outcome 2, Best Start in Life, Smarter Budgeting Programme.
- 2.2. To approve the resources required to deliver this invest to save programme. The investment requirement will need to be funded from the Efficiency Projects Reserve.

## **3. REASONS FOR DECISION**

- 3.1 Significant efficiencies have already been achieved in Family Services with combined savings of over £8.7m in the last four years. But there it still much to accomplish in order to stabilise demand and improve services. The rate of children in care reductions has stalled, and the cost base for providing statutory Children's Social Care services remains disproportionately focused on a small number of high need children. Further budget reductions need to be tactical, ensuring safe withdrawal of high cost support, enabled by effective demand management and preventative & divisionary activity.
- 3.2 Without concerted action to reduce LAC and placement costs, options for budget savings are limited to cutting staffing in front line teams. Further falls in social work capacity will result in a downward spiral of reduced intervention, with family's needs not being addressed and managed safely in the community leading to more Children coming into care. The Looked After Children placement budget received growth of almost £1.5 million in 15/16 to stabilise costs and meet demand, this was preceded by an overspend of £700k in 14/15. Similar growth requirements and pressures are anticipated over the medium term if the measures outlined in the programme are not implemented.
- 3.3 This Business case have been through extensive internal, Member and Smarter Budgeting challenge sessions, which have helped develop and improve the proposals and plans.
- 3.4 The projects within this business case have been worked up following extensive engagement and idea generation activity, they represent the best opportunities for achieving savings in this area of Children Services.

## **4. PROPOSAL AND ISSUES**

- 4.1 Rather than cutting budgets incrementally, Smarter Budgeting has nine outcomes, listed below, that reflect what residents tell us matter most. This programme will see us better align our strategy and resources with those outcomes, ensuring we deliver the best possible services for our residents and customers. Being the Best Council, providing Value for Money and promoting Social inclusion are the three common themes that underpin everything we do.

- Economic growth
- The Best Start in Life for Children
- Safer & Healthier place
- Supporting Vulnerable Adults
- Reducing Homelessness and Overcrowding
- Decent Homes
- Resident Involvement
- Cleaner, Greener, Sustainable borough
- Enabling Services

- 4.2 Smarter Budgeting seeks to replace the percentage cuts approach to budgeting with an innovation-led approach to the design and delivery of potentially new activities and services which best deliver strategic outcomes. In this way substantial savings across the council can be achieved by rooting out duplication, and ceasing activities that are no longer resident/customer-responsive or present good value for money.
- 4.3 Each outcome has a cross-functional team, supported by a corporate Smarter Budgeting programme team, Finance and Innovation & Change Management. The Smarter Budgeting programme is led by the Director of Delivery & Value and the Chief Executive and Strategic Finance Director are active on the governing Programme Board.
- 4.4 The Smarter Budgeting Programme has enabled Children's Services to examine its activity and spending across all service lines. This analysis has strengthened our existing plans to implement more sustainable and relevant interventions with Families in the Borough. Focus on Practice has been the primary change vehicle to support these changes. Focus on Practice ensures Families have more effective, relational, systemic and structured interventions from Social Workers and that this will promote parents' functioning and responsibility for their children, who will be safer and better nurtured.
- 4.5 The Maximising Children's Social Care Effectiveness programme is an enabling and complimentary programme of change to Focus on Practice. It aims to lever maximum benefit from the investment in enhancing staff capabilities, ensuring every hour of social work time and every contact with families is focused on securing effective and sustainable change. The Maximising Children's Social Care effectiveness programme has projects designed to increase the net time spent in direct contact with families as well as ensuring throughput of work is organised better. The programme will also pilot models to improve communication and relationships with former and potential users of the service, bringing flexibility to the traditional open or closed case work model of providing a service.
- 4.6 The demand management element of the programme will build upon the successful 'Family Assist' model of intensive interventions, which has already demonstrated its effectiveness, diverting a number of children from care and reducing budget pressures. A scaled up programme of diversion and de-

escalation of children into lower cost placements will help stabilise the Council's Looked after Children placement budget.

## 5. OPTIONS AND ANALYSIS OF OPTIONS

The options appraisal is;

- 5.1 **A) Do nothing** - The placement budget makes up a significant proportion of the Council budget for delivery of statutory Children's Social Work, the remainder of the budget is primarily made up of staffing costs. Therefore, the only viable alternative to making placement savings is reducing capacity in front line Social Work teams, by cutting the numbers of staff.
- 5.2 **B) Increase budget** envelope year on year to manage demand pressures.
- 5.3 **C) Implement a programme** to release efficiencies with a focus on demand management.
- 5.4 **The preferred option C**, implementing this programme to release capacity through more efficient delivery; alongside targeted demand management initiatives to stabilise and reduce Looked after Children numbers and placement costs.

## 6. CONSULTATION

- 6.1. Maximising Children's Social Care Effectiveness is an extensive change programme and we anticipate significant consultation and participation with staff groups and trade unions. Designing change with and around children and families will also be important and project evaluation will be developed alongside users. These will build upon existing feedback mechanisms, which include customer care surveys and regular feedback on practice quality.

## 7. EQUALITY IMPLICATIONS

- 7.1. This paper seeks authorisation to develop a series of projects, many of which will have equality implications as services change or are redesigned. Individual projects will need impact assessments carrying out as part of the change process. The programme board will ensure that a combined view of equality dimension and impact is considered.

## 8. LEGAL IMPLICATIONS

- 8.1. There are no legal implications at this stage of the process. Subject to approval to develop the projects within the Business case, the Programme team and Legal Services will work closely together to fully assess current and possible future legal implications.

Implications verified/completed by: Andre Jaskowiak, Senior Solicitor, Shared Legal Services

## 9. FINANCIAL IMPLICATIONS

- 9.1 Up-front investment of £1.701m is required to deliver the savings set out in the report. These are expected to be £797,000 in 2017/18 increasing to £1,365,000 per annum by 2020/21. A detailed breakdown of how the savings are to be achieved is set out in both the full Business case in appendix 1 and the 2017/18 Invest to Save Bid finance template appendix. The up-front funding will be met from the Efficiency Projects Reserve. Monthly monitoring will be required on the use of the funding and delivery of the savings

<b>Invest to Save Funding Required</b>			
<b>16/17 £000s</b>	<b>17/18 £000s</b>	<b>18/19 £000s</b>	<b>Total £000s</b>
446	1,055	200	1,701

<b>MTFS Savings to be Delivered</b>			
<b>17/18 £000s</b>	<b>18/19 £000s</b>	<b>19/20 £000s</b>	<b>20/21 £000s</b>
797	1,261	1,365	1,365

	<b>£'000s</b>
<b>Total savings year 1 to 5</b>	6,153
<b>Total savings year 1 to 10</b>	13,978
A further £350k saving may be possible from 19/20. This sum is currently held as contingency to fund elements of family assist to sustain placement reductions in the long term.	350

<b>Payback Period (years before investment recovered)</b>	1.72 years (against agreed)
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*Implications verified/completed by:*

Implications verified/completed by: (Andrew Lord, Head of Strategic Planning and Monitoring, Corporate Finance, Extension 2531).

## 10. IMPLICATIONS FOR BUSINESS

- 10.1 There are no immediate implication for Business.

## **11. OTHER IMPLICATION PARAGRAPHS**

- 11.1. There are no other immediate implications for Procurement, IT strategy, risk management, property, business intelligence, health and wellbeing, Section 106 and PREVENT, although these will be reviewed regularly as the projects in the programme develop.

## **12. BACKGROUND PAPERS USED IN PREPARING THIS REPORT**


**None**

### **LIST OF APPENDICES:**

Appendix 1) Maximising Social Care Effectiveness BC2

Appendix 2) 2017/18 Invest to Save Bid Finance template

## Appendix 1) Maximising Social Care Effectiveness BC2

		
<h3>Smarter Budgeting Programme – Outcome 2 Business Case 2 ‘Maximising Children’s Social Care Effectiveness’</h3>		
<p>By signing this document the signatories below are confirming their acceptance of the detail contained within this document.</p>		
Programme / Project Sponsor	Name: Clare Chamberlin	Signature and Date:
Service Director (Accountable Person)	Name: Steve Miley	Signature and Date:
Accountable Member (Sponsor)	Name: Cllr Macmillan	Signature and Date:

Contact Details	Name	Job Title / Role	Contact Details
Sponsor			
Business Contact			
Document Author	Kevin Gordon	Strategic Commissioner (Interim)	07739 317283
Accountable Member			
Document Details			
Version Number	1.4		
Issue Date	15 <sup>th</sup> September 2016		

### CHANGE HISTORY

Version Number	Date	Details of changes made to the business case	Author(s)
1.3	14 <sup>th</sup> Sept 16	Changes made to Outcome section following Members briefing	Kevin Gordon

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## **1 MANAGEMENT SUMMARY**

'Maximising Children's Social Care Effectiveness' is a programme of work that brings together a series of efficiency projects and invest to save proposals that support embedding of Focus on Practice and achieve a step change in how Children Social Care Services are delivered in Hammersmith & Fulham.

The programme incorporates a number of complimentary projects across two broad themes, managing demand and increasing capacity and effectiveness.

Children's Social care are fortunate to be participating and shaping initiatives nationally like Focus on Practice and Partners in Practice, the challenge now, is to lever maximum benefit from the investment in enhancing staff capabilities, ensuring every hour of social work time and every contact with families is focused on securing effective and sustainable change. The Maximising Children's Social Care Effectiveness programme has projects designed to increase the net time spent in direct contact with families as well as ensuring throughput of work is organised better. The programme will also pilot models to improve communication and relationships with former and potential users of the service, bringing flexibility to the traditional open or closed case work model of providing a service.

The demand management element of the programme will build upon the successful 'Family Assist' system of intensive interventions, which has already demonstrated its effectiveness, diverting a number of children from care and reducing budget pressures. A scaled up programme of diversion and de-escalation of children into lower cost placements will help stabilise the Councils Looked after Children placement budget.

### **1.1 Stakeholders**

In addition to front line staff, leaders and managers in Family Services, the project will rely on support from enabling teams including Commissioning, Projects & Portfolio support, HR and ICT. Designing change with and around children and families will also be important and the projects and evaluation will be developed alongside users. These will build upon existing feedback mechanisms, which include customer care surveys and regular feedback on practice quality.

## **2 NEED FOR CHANGE**

Significant efficiencies have already been achieved in Family Services with combined savings of over £8.7m in the last four years. But there it still much to accomplish to stabilise demand and improve services. The rate of children in care reductions has stalled, and the cost base for providing statutory Children's Social Care services remains disproportionately focused on a small number of high need children. Further budget reductions need to be tactical, ensuring safe withdrawal of high cost support, enabled by effective demand management and preventative & divisionary activity.

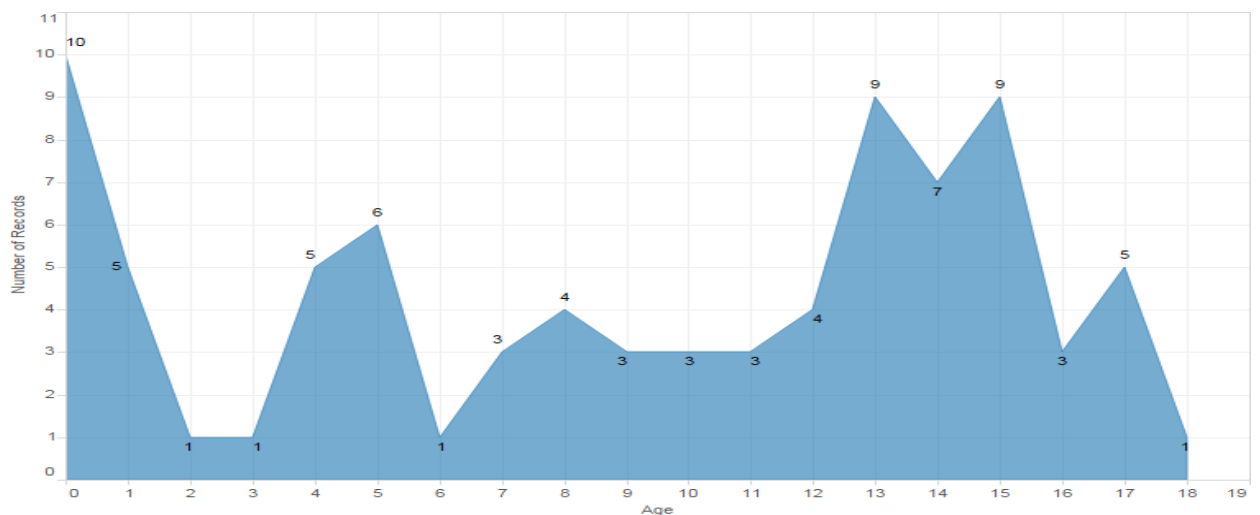
The Smarter Budgeting business case one proposal for Integrated Family Support provides a long term sustainable approach for earlier intervention and better support for families at tiers 1,2,3, (before the statutory social care threshold). However, in the short to medium term, there are families whose needs and risks will reach beyond Integrated Family Support and Early Help Services, requiring a statutory/Children’s Social Care intervention.

## 2.1 Current Situation

Recent case file analysis indicates that over 50% of young people entering care are aged 11+. The reasons for entering care and the level and complexity of need are far more diverse amongst this age group: many will have experienced abuse or neglect and a mixture of acute family stress, family dysfunction and socially unacceptable behaviour. Many face challenges with mental and emotional health, special educational needs and substance misuse.

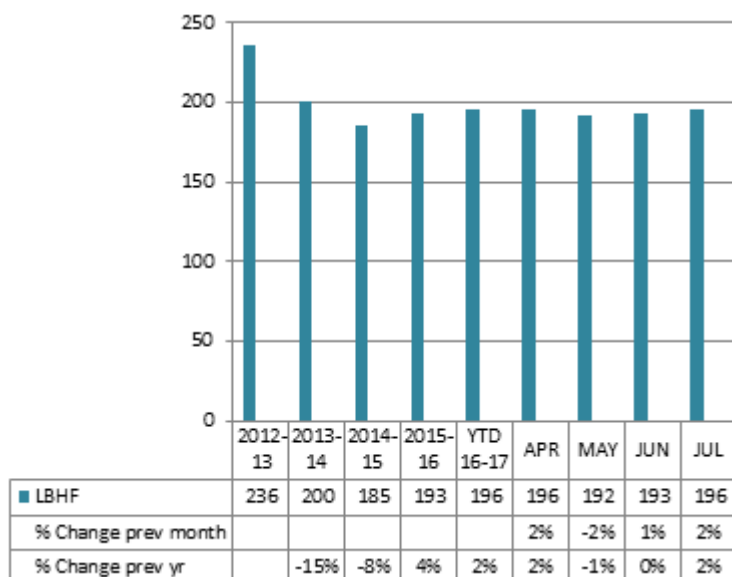
Adolescents entering care tend to experience a larger number of placements, a more disrupted experience of care, poorer outcomes in education and are at increased risk of struggling when they leave care. This often results in higher placement costs due to the young people’s complex needs, with many having experienced difficulties over some years requiring support beyond that which can be provided by our in-house foster carers.

**Figure 1: Age on entry to care 2015-16**



The looked after children population reductions have plateaued after a reduction in the last 5 years (figure 2), the cost base remains disproportionately focused on a small number of high cost children reducing our ability to invest earlier and prevent family's needs intensifying.

**Figure 2: Children in Care 2010 - 2016**



The strong focus on permanency planning and successfully supporting children and young people to exit care through use of adoption, special guardianship arrangements, has been the main contributor to this reduction. However, figure 3 illustrates that the demand for care placements has not fallen, and without provision of alternatives, this demand will result in an increased cost base and further pressure on the Councils Looked after Children placement budget.

**Fig3 Children entering care 2005 - 2016**

Year ending March	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Number of children	165	135	125	100	95	80	75	86	105	134	97	116

## 2.2 Consequences of Inaction

Without concerted action to reduce LAC and placement costs, options for budget savings are limited to cutting staffing in front line teams. Further falls in social work capacity will result in a downward spiral of reduced intervention, with family's needs not being addressed and managed safely in the community leading to more Children coming into care. The Looked After Children placement budget received growth of almost £1.5 million in 15/16 to stabilise costs and meet demand, this was preceded by an overspend of £700k in 14/15. Similar growth requirements and pressures are anticipated over the medium term if the measures outlined in the programme are not implemented.

### 3. Vision

Through Focus on Practice, systemic practice will support better life chances. Families will have more effective, relational, systemic and structured interventions from social workers and that this will promote parents' functioning and responsibility for their children, who will be safer and better nurtured.

This programme will support the freeing up of resources including placement costs and time taken in supporting Children in Care. Valuable social work capacity will be freed up to enable Focus on Practice to further flourish.

The aims of Maximising Children's Social Care Effectiveness programme bring to life the Corporate Plan/Manifesto commitments to *Provide the best start for young people* in tandem with *Delivering greater efficiencies in public spending*.

#### 3.1 Measuring Success & Effectiveness/Outcomes

The programme will use a mixture of existing and new measures to track delivery of savings and benefits. The Monitoring and tracking systems be focused on a suite of outcome indicators that measure the impact of the programme in diverting Children from care and moving others to more appropriate less intensive placements.

<b>Programme indicators</b>	<b>How they will be used to measure impact</b>
Net reduction in numbers of looked after children	Global indicator of programme success, currently 196 or 57.1 per 10,000 of child population - we would anticipate this figure reducing
Net reduction in placement costs	Global indicator of placement success, will be used to measure the financial impact of less admissions into care and the savings made by providing support to Children to sustain or move to a less intensive placement.
Reduction in rate of entries into care	Key performance indicator measuring effectiveness of the Family Assist 1 Demand management team.
Placement status of cases 3,6,12 months following Family Assist interventions	This second key performance indicator will help assess if the interventions applied by Family assist result in sustainable change and prevents entry into care or maintains placement stability.
Reduction in Residential placements Reduction in high cost Fostering placements	These indicators measure the extent to which intervention by Family Assist are successful in providing support for Children's needs to be met in lower tariff/ less intensive placements

Outcome measures for the capacity increases and Social Work effectiveness side of the programme will include;

Programme indicator's	How they will be used to measure impact
Increase in social worker time & capacity	Key determinant of social work effectiveness is the actual time spent in engaging and carrying out interventions with Families. A historical audit provides a baseline of 20%. This indicator will measure how social workers time is freed up to enable more face to face contact.
Improvement in case management performance as measured by the existing Children's social care performance measures.	The existing comprehensive suite of Govt. indicators provides a baseline to measure improvements in case flow, timeliness and outcomes.
Improvement in applied Focus on Practice.	Work will take place with the Clinical Focus on Practice (FOP) team to develop methods that measure how increased social work capacity improves the application of FOP practice methodologies (MST, Signs of Safety etc.)

### 3.2 Future Operating Model & Change Impact

The Future Operating Model will include a set of enhanced capabilities that will include;

- Direct work with families increased to 40%. We want to reduce the time that social workers spend on bureaucratic and administrative tasks, which although sometimes important, takes time away from face to face work.
- A decrease in failure demand rates and re-referrals as methods for maintaining contact with families who are likely to be future services users are embedded.
- The rate of children and young people entering care is reduced because of increased intensity of provision earlier in their lives.
- Demand on the Looked after Children placement budget is stabilised for the next 5 years.

## 4 PROJECT/PROGRAMME STRUCTURE

The Programme is made up of a series of individual **Projects (A-G)** that collectively will reduce demand and reshape how Children's Social Care is delivered.

## 4.1 Details of the Projects

Project	Description
<p><b>Project A</b> - Release Social Work capacity to increase direct interventions and face to face time with families.</p>	<p>Pilot to create ‘social work support’ posts that free practitioners to do more direct work with families.</p> <p>Development of a test bed for other ideas to release social workers from non-value added activities, including deploying technology to drive time savings and efficiencies.</p>
<p><b>Project B</b> Maintenance – Allocated for life</p>	<p>Developing new ways of working to contact families after their case has been closed to offer a ‘top up’ service in order to reduce re-referrals and sustain change.</p>
<p><b>Project C</b> Relationships Break/Reduction in Hand offs</p>	<p>Examination and improvement of work flow using lean process methodology to reduce hand off points and inefficiencies caused by re-assessment and changes of worker.</p>
<p><b>Project D</b> Focus on Parenting</p>	<p>Increase parenting interventions, particularly for under 11’s this will include examining and reshaping existing provision increasing capacity for Family Coaches and/or Practical Parenting support workers.</p>
<p><b>Project E</b> Predicting earlier the Cohort who may become adolescent LAC</p>	<p>Develop and implement proposals to identify children and young people who are likely to become looked after earlier.</p>
<p><b>Project F –</b> Family assist mk1 preventing care entry</p>	<p>Establish a family support team to work directly and intensively with young people and their families at the edge of care to keep families together and prevent entry into care.</p>
<p><b>Project F –</b> Family assist mk2 – supporting LAC/CL to step down and stabilising placements</p>	<p>Establish an invest to save team to work directly and intensively with Looked after and Care leavers to stabilise existing placements, support others to move into lower cost provision and independent living.</p>
<p><b>Project G</b> Action for Change</p>	<p>A team that works with birth parents who have gone through care proceedings in order to reduce future removals and associated costs. (Growth bid)</p>
<p><b>Project H</b> Placement Commissioning</p>	<p>Reduce unit costs of placements by better procurement and market management</p>

## 4.2 Cost and Timescales

The main programme activity is anticipated to take place over the next two to three years starting in September 2016. The one off investment cost is **£1701,000** to deliver an ongoing saving of **£1365,000**. The business case has a payback period of less than 2 years and the savings are net/cashable savings and do not include any calculations for cost avoidance. Future cost avoidance is likely to be in the region of £2-3 million based upon historical cost pressures in the Looked after Children's Placement budget.

Type of Savings/MTFS Savings to be Delivered Cumulative	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	Comments
Placement budget reduction in usage – mainly attributable to Family Assist 1, Increasing Capacity & Maintenance, Parenting Support, Action for Change		£530	£920	£920	£920	Includes £90k net savings from Action for Change from 18/19
Placement budget reduction in usage and in unit costs i.e. high tariff & need– mainly attributable to Family Assist 2		£267	£591	£695	£695	
<b>Project H</b> Placement Commissioning - - Reduce unit costs of placements by better procurement and market management			£100	£100	£100	

Ongoing costs - Family Assist and LAC Assist.			-£350	-£350	-£350	
<b>Savings</b>						
<b>Total cashable Cumulative Savings</b>		<b>£797</b>	<b>£1,261</b>	<b>£1,365</b>	<b>£1,365</b>	
<b>Investment Costs/Invest to Save Funding Required</b>	<b>2016/17 £'000</b>	<b>2017/18 £'000</b>	<b>2018/19 £'000</b>	<b>2019/20 £'000</b>	<b>2020/21 £'000</b>	<b>Comments</b>
<b>Project A – Release Social Work capacity to increase direct interventions and face to face time with families.</b>	£43	£44				Cost to cover pilot of social work support officers
<b>Project B Maintenance – Allocated for life</b>	£33	£33				Cost will cover agency social work backfill to enable pilot
<b>Project D Focus on Parenting</b>		£200	£200			Cost of developing new role of Family Coaches and practice family support , recommissioning costs of reshaping existing parenting provision
<b>Project E Predicting earlier the Cohort who may become adolescent LAC</b>						Cost met within existing resources



<b>Project F –</b> Family assist mk1 preventing care entry	£134	£267				
<b>Project G –</b> Family assist mk2 – supporting LAC/CL to step down and stabilising placements	£155	£311				
<b>Project H</b> Placement Commissioning - - Reduce unit costs of placements by better procurement and market management		£100				Capacity to improve commissioning approach to placements, reducing unit costs.
Programme Management costs	£81	£100				
<b>Total Investment/One off Costs</b>	<b>£446</b>	<b>£1095</b>	<b>£200</b>			<b>£1701</b>
<b>Ongoing costs</b>						
Family Assist and LAC Assist growth subsumed		£350	£350	£350	£350	
Return on Investment /Payback Period (years before investment recovered)						Investment paid back at end of 18/19

# Timescales

	16/17								17/18												
	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	
<b>Project A</b> - Release Social Work capacity to increase direct interventions and face to face time with families.																					
<b>Project B</b> Maintenance – Allocated for life																					
<b>Project C</b> Relationships Break/ Reduction in Hand offs																					
<b>Project D</b> Focus on Parenting																					
<b>Project E</b> Predicting earlier the Cohort who may become LAC																					
<b>Project F</b> Family assist mk1 preventing care entry																					
<b>Project F</b> Family assist mk2 – supporting LAC/CL to step down																					
<b>Project G</b> Action for Change																					
<b>Project H</b> Placement Commissioning																					

Description	
Scoping & Planning	
Piloting	
Implementation	
Review	

### 4.3 Links with Other Initiatives and dependencies

Integrated Family Support and Children’s Social Care Innovative are complementary programmes of change, although focused at different thresholds of intervention, the common objectives of reducing demand and supporting families’ earlier, thread through both initiatives. Learning and analysis from both programmes will be used to shape final service design, for example Integrated Family Support workers identifying and working with children who without appropriate interventions may go on to become looked after.

## 5 BUSINESS CASE/OPTIONS APPRAISAL

The options appraisal for Children’s social care innovation is;

1. **Do nothing savings will mainly come from cutting staff in the front line teams.**
2. **Increase budget envelope year on year to manage demand pressures.**
3. **Implement a programme to release efficiencies with a focus on demand management.**

**The preferred option is 3**, implementing this programme to release capacity through more efficient delivery; alongside targeted demand management initiatives to stabilise and reduce Looked after Children numbers and placement costs.

## 6. Risks, Issues and Assumptions

<b>Risk</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Mitigation</b>
Front line staff not involved and bought into the changes.	Medium	Increasing social work capacity and reducing hand offs & relationship breaks rely on front line staff being open to new ways of working and ideas.	Representatives from staff teams to participate in project design workshops  Regular communication  Staff involved in measuring and evaluating the Pilot.
Increased demand for Social Care Services reduces management and staff time to implement change	Medium  Increased demand may arise as a result of economic downturn.	Projects stall as management time is reprioritised	Monitoring of demand to take place as part of monthly performance slot at FSMT
Instability, turnover and vacancies in front line staff prevent change embedding	Low  Recent recruitment exercise have been successful		Workforce recruitment & retention project to take place alongside this programme

Appendix 2 2017/18 Invest to Save Bid Finance template

**2017/18 Invest to Save Bid**

<b>Business Case:</b>	BC 2 'Maximising Children's Social Care Effectiveness'
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<b>Outcome:</b>	Best Start in Life
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<b>Dept:</b>	Children's
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Invest to Save Funding Required			
16/17 £000s	17/18 £000s	18/19 £000s	Total £000s
446	1,055	200	1,701

MTFS Savings to be Delivered			
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	£'000s
<b>Total savings year 1 to 5</b>	6,153
<b>Total savings year 1 to 10</b>	13,978
A further £350k saving may be possible from 19/20. This sum is currently held as contingency to fund elements of family assist to sustain placement reductions in the long term.	350

<b>Payback Period (years before investment recovered)</b>	1.72 years (against agreed)
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<p><b>Supporting Data</b></p> <p><i>(savings to be delivered, risks, Etc.)</i></p> <p>The main programme activity is anticipated to take place over the next two to three years starting in September 2016. The one off investment cost is £1701k to deliver a saving of £1365. A further £350k of savings has been identified as a reserve/ contingency enabling long term funding of some elements of the Family Assist/Action for change teams. The business case has a payback period under 2 years. the savings are net/cashable and do not include any calculations for cost avoidance. Future cost avoidance is likely to be in the region of £2-3 million based upon historical cost pressures in the Looked after Children's Placement budget.</p> <p>It is anticipated that further savings and efficiencies delivered as part of this business case will secure the long term funding of the Focus on Practice Clinical Team. This will be reviewed in summer 2017.</p>
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<p><b>Why is Invest to Save Funding Required?</b></p> <p>Detailed explanation of what costs the funding will cover (<i>note Invest to saving funding is one-off funding, any growth associated with a business case should be netted of the gross savings and the net saving reported in the MTFS.</i>)</p> <p>What other funding sources were considered?</p>
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<p>Please see full BC attached</p> <p><b>Key points why invest to save needed</b></p> <p>Rate of children in care reductions has stalled, the cost base for providing statutory CSC services remains disproportionately focused on a small number of high need children.</p> <p>Likelihood of government grant increases or other funding sources to support placement costs growth is small given Local Government funding settlements</p> <p>Further budget reductions need to be tactical, ensuring safe withdrawal of high cost support, enabled by effective demand management and preventative &amp; divisionary activity.</p> <p>Without concerted action to reduce LAC and placement costs, options for budget savings are limited to cutting staffing in front line teams. Further falls in social work capacity will result in cost pressures for future years</p> <p>The Looked After Children placement budget received growth of almost £1.5 million in 15/16 to stabilise costs and meet demand, this was preceded by an overspend of £700k in 14/15.</p> <p>Similar growth requirements and pressures are anticipated over the medium term if the measures to reduce demand proposed in the Maximising Children's Social Care Effectiveness' programme are not implemented.</p>
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