



Hampshire
County Council

Children & Young People Select Committee 10 January 2020 Budget Briefing 2020/21

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Senior Finance Business Partner

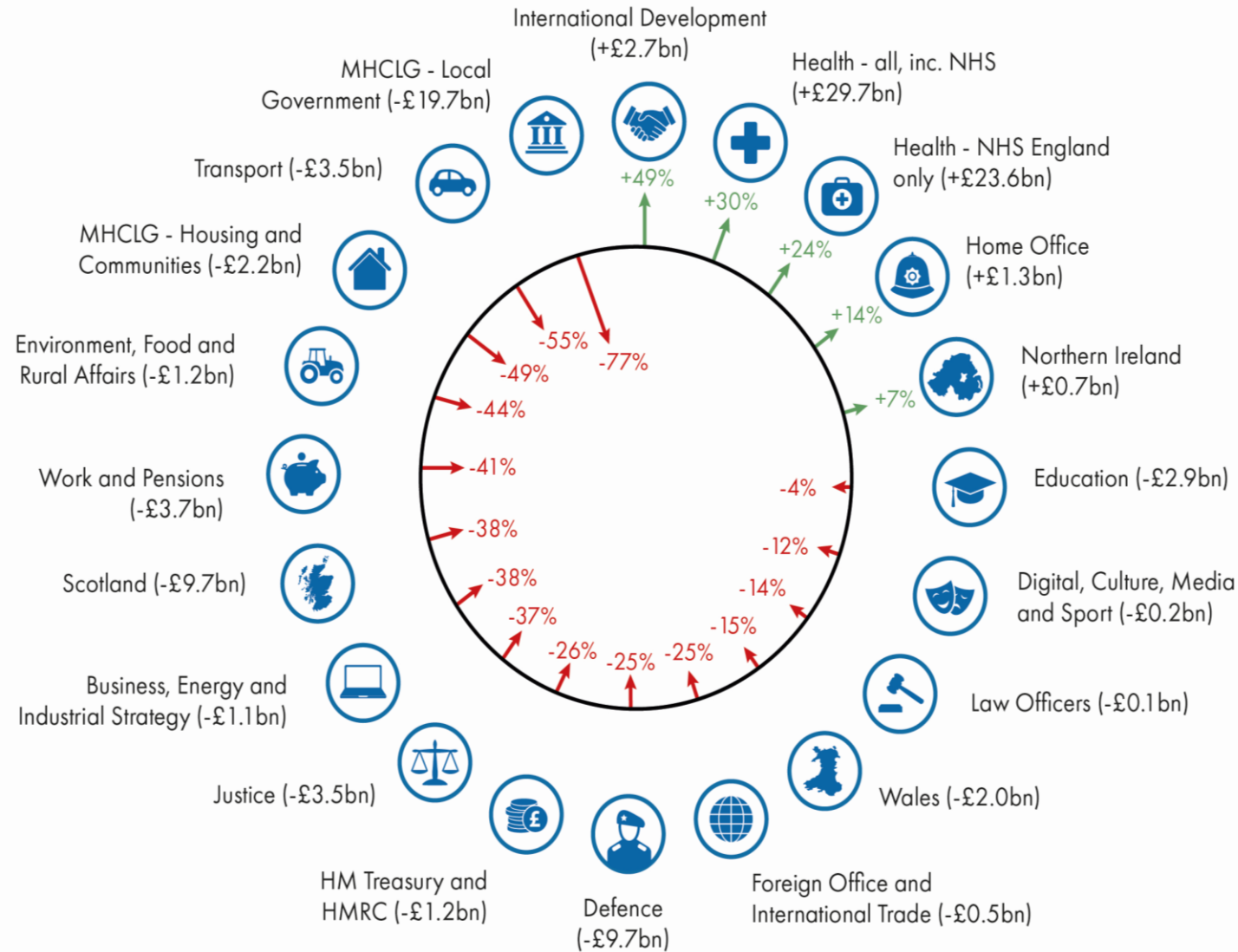
Presentation Outline

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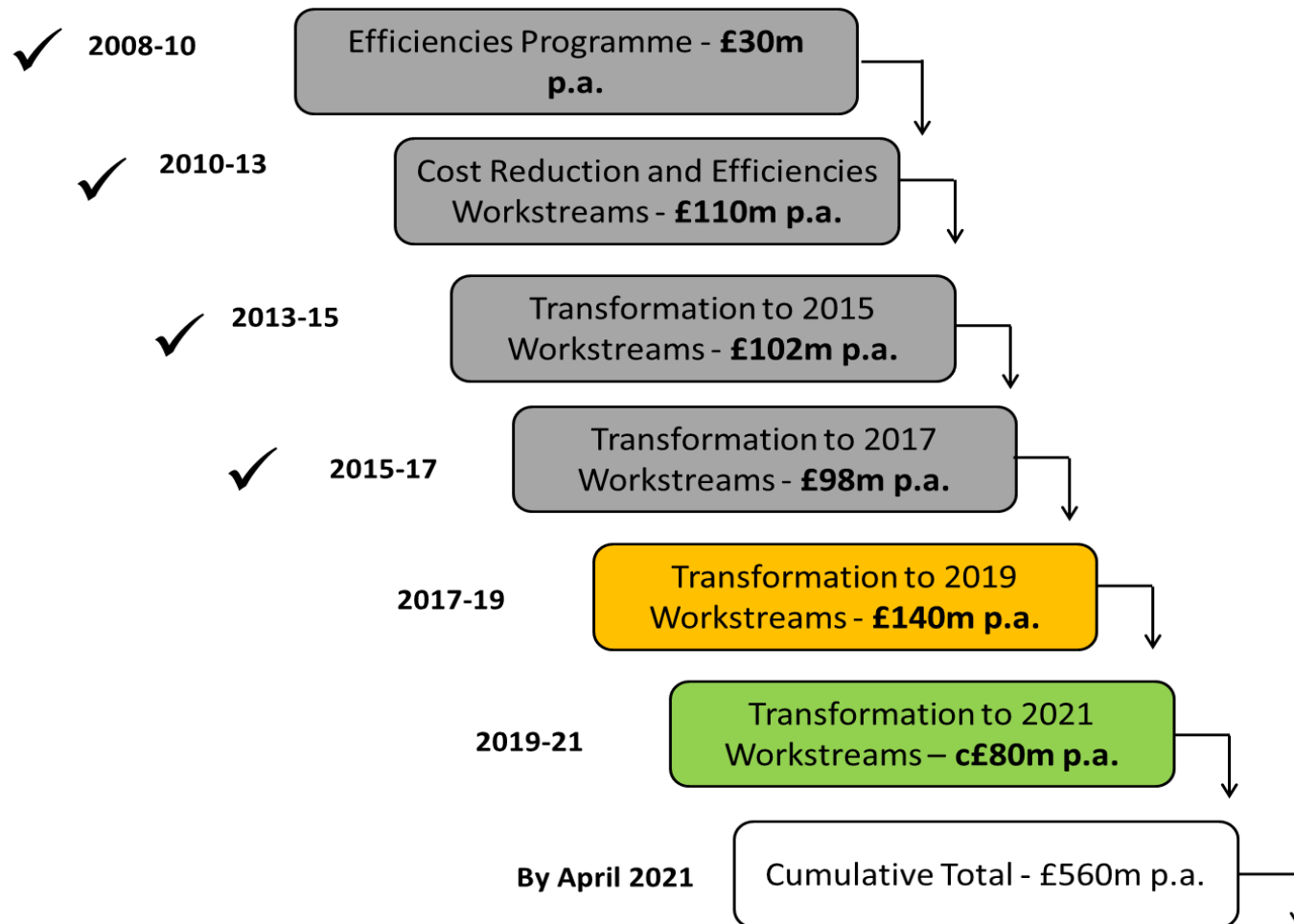
- County Council Context
- Local Government Finance Settlement – Key Issues
- Reserves Position
- Update on Transformation to 2021 (Tt2021) Programme
- Key Departmental Challenges and Issues
- Children's Services Budget Proposals and Revenue Budget

County Council Context

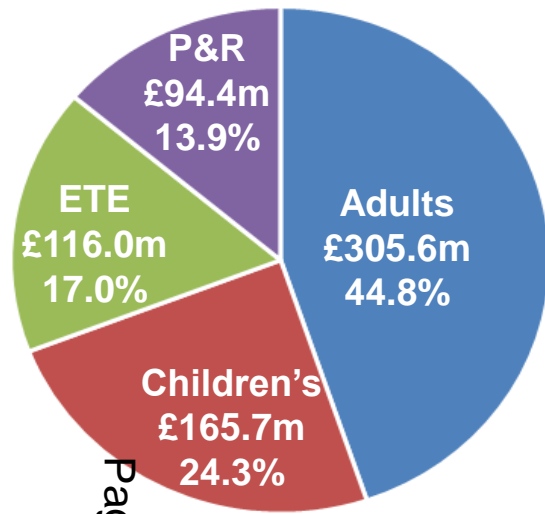
Percentage change in Government Departmental revenue budget – 2009/10 to 2019/20



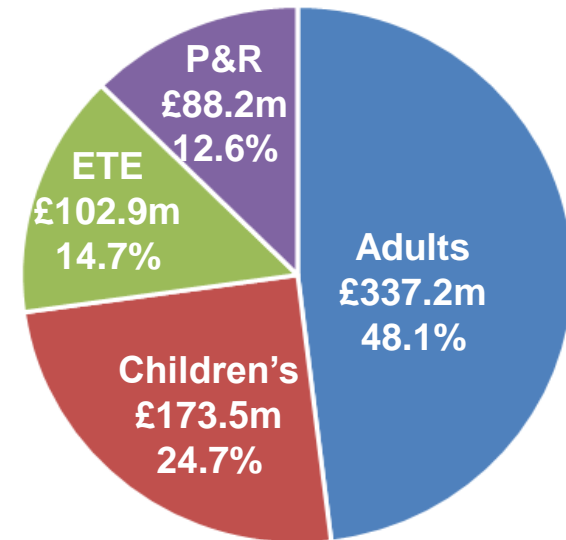
Efficiency and Transformation Programmes



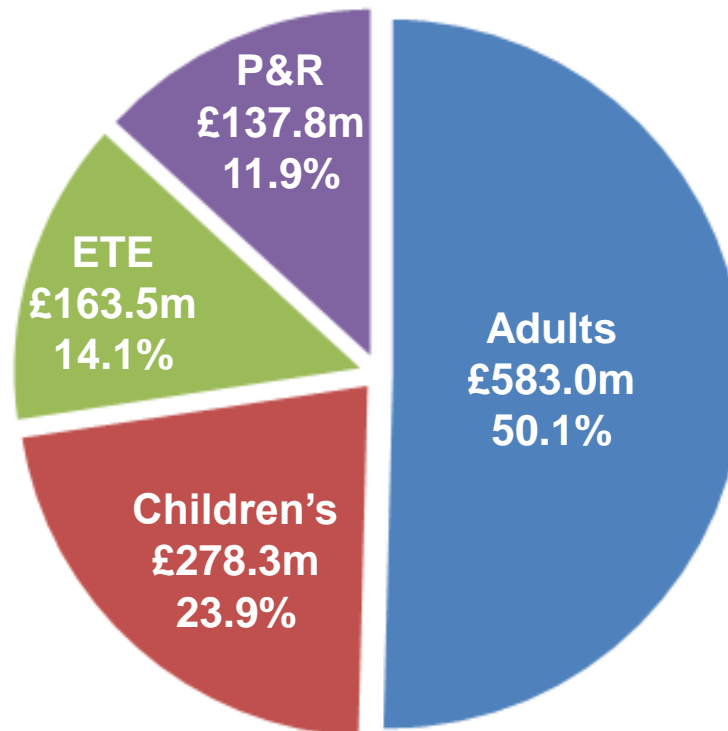
Cash Limit Comparison 2009/10 to 2019/20



2009/10
Total Cash Limits
£681.7m



2019/20
Total Cash Limits
£701.8m



2019/20 (no savings)
Total Cash Limits
£1.163bn



Cash Limit Comparisons

	2009/10		2019/20 *		Change
	£'000	%	£'000	%	%
Adults' Health and Care	305,585	44.80%	337,257	48.10%	3.20%
Children's Services - Non Schools	165,730	24.30%	173,524	24.70%	0.40%
ETE	115,950	17.00%	102,856	14.70%	-2.40%
P&R	94,450	13.90%	88,163	12.60%	-1.30%
	681,715	100.00%	701,800	100.00%	
Adults' and Children's		69.10%		72.80%	3.60%
Other		30.90%		27.20%	-3.60%
<u>Nationally for all County Councils</u>					
Adults' and Children's		67.40%		74.80%	7.40%
Other		32.60%		25.20%	-7.40%

* Excludes Public Health but includes contingencies allocated to Children's and Adults' Services

Budget Forecast 2020/21 – MTFS Position

- Savings targets for 2021/22 were approved as part of the MTFS in July 2018 to deliver £80m.
- Savings proposals agreed in November 2019 to give the time for implementation.
- Significant draw from the Budget Bridging Reserve (BBR) in 2020/21 in order to give the County Council the time and capacity to properly deliver to the Tt2021 Programme.
- A 3.99% council tax increase, 2% for social care costs on top of the referendum limit of 2%.
- One year Spending Round (SR2019) for 2020/21.

Local Government Finance Settlement – Key Issues

Provisional Local Government Finance Settlement

2020/21

- No change from the previously announced one year Spending Round (SR2019) and subsequent clarification in the technical consultation.
- In summary, net additional funding provided – but for one year only at this stage.

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However, additional cost pressures, particularly in social care costs, are outstripping original forecasts.

- Overall the long term position is broadly unchanged and the requirement to deliver Tt2021 and £80m of savings remains.

Reserves Position

Reserves Strategy

- Deliberate policy to make savings ahead of need and then use these funds to meet costs of the next phase of transformation.
- Total reserves of almost £669.5m as at 31 March 2019.
- More than half of this (£345.4m) committed to existing revenue programmes and capital spend.
- £128.1m in Departments cost of change and trading account reserves to be used for investment and future transformation and to cash flow delivery of Tt2019 and Tt2021.
- £38.8 set aside to mitigate risks (mainly the insurance reserve as we self insure).
- £26.9m in schools reserves, £4.7m for the EM3 LEP and £21.4m in GF balance (in line with minimum reserves policy).

Reserves Strategy

- Only £104.2m (15.6%) is truly 'available' to support one off spending and is made up as follows :

	Balance 31/03/18 £'000	Balance 31/03/19 £'000	% of Total
<u>'Available' Reserves</u>			
Budget Bridging Reserve	74,870	65,001	9.7
Invest to Save	32,109	29,201	4.4
Corporate Policy Reserve	5,889	6,397	1.0
Organisational Change Reserve	2,785	3,626	0.5
	115,653	104,225	15.6

* The use of the majority of the BBR to support the revenue budget and cash flow Tt2019 and Tt2021 savings is already planned in the period to 2023/24.

Update on Transforming the Council to 2021 Programme



Transforming the Council to 2021

- Savings target of £80m agreed as part of the MTFS in July 2018.
- Savings proposals to meet this were agreed in November 2019.
- The focus for the programme is now very much on implementation and delivery. Where appropriate, this will include further service specific public consultations where proposals and options for service change will be debated with service users and key stakeholders.
- However, any modification to any proposal must be consistent with the financial and time imperatives of the overall programme.

Transforming the Council to 2021

- Scale of the transformation, notably in Adults' Health & Care and lead in times for achieving savings will cause delay in some of the delivery of cash savings for the Tt2021 Programme.
- Cash flow support required on a one-off basis to manage the extended delivery timetable will in the most part be met from departmental cost of change reserves, which will be boosted by some early delivery in 2020/21.
- Further contingency will be held corporately to cover any remaining shortfall (estimated to be up to £32m).
- High degree of confidence this can be covered but we will be managing this alongside the Tt2019 Programme.

Key Departmental Issues and Challenges

Steve Crocker
Director Children's Services

Key Departmental Issues / Challenges

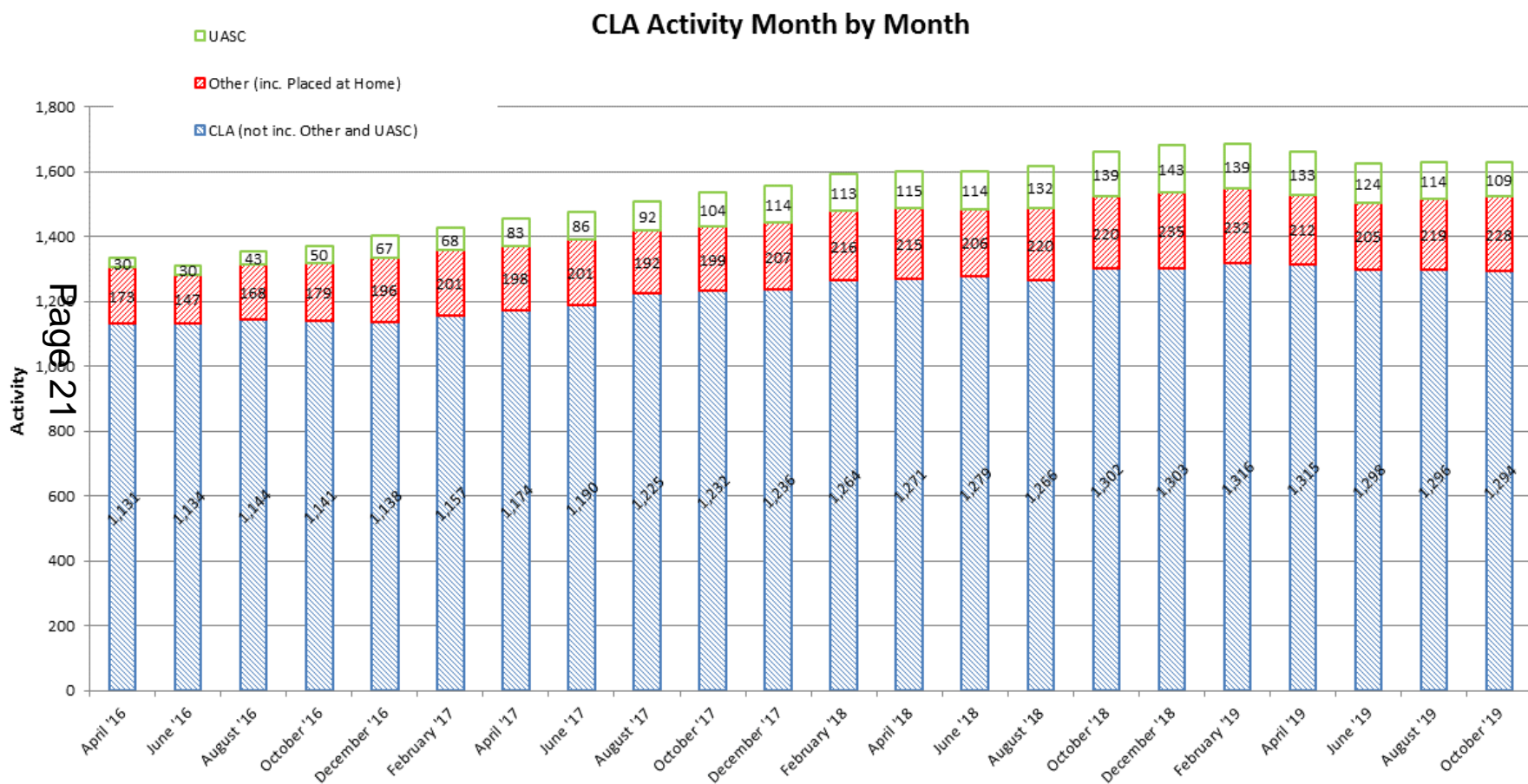
Principles:

- Ensure a safe and effective social care system for children
- Ensure sufficient capacity to lead, challenge and improve the education system
- Continue to recognise that our workforce is our strength
- Tightly target limited resources
- Secure and sustain targeted and co-ordinated early help
- Maximise the opportunities to create efficiencies and maintain and enhance services through partnerships and shared service arrangements.

Key Departmental Issues / Challenges

- Low funding arrangements
- Demand for services
- Cost of services
- Tt2019 delivery
- Financial pressures in schools (esp. High needs)
- Social worker recruitment and retention
- Partnership arrangements
- Swanwick Lodge
- Legal costs

Our Challenge – Rising Demand



1989 CHILDREN ACT SECTION 47 CHILD PROTECTION INVESTIGATIONS

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2009-2010	2010-2012	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
89,300	111,700	124,600	127,100	142,500	160,150	172,290	185,450	198,090	201,170

AN INCREASE OF 125%

CHILDREN SUBJECT TO AN INITIAL CHILD PROTECTION CONFERENCE

2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
43,900	53,000	56,200	60,100	65,200	71,400	73,050	75,890	79,470	77,440

AN INCREASE OF 76%

CHILD PROTECTION PLANS IN ENGLAND

Category	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Neglect	13,400	15,800	17,300	18,600	18,220	17,930	20,970	22,230	23,150	24,590	25,550	25,180
Phys abuse	3,400	4,400	5,000	4,800	4,690	4,670	4,760	4,350	4,200	3,950	3,390	3,510
Sexual abuse	2,000	2,000	2,300	2,400	2,220	2,030	2,210	2,340	2,370	2,260	2,090	2,090
Emotional abuse	7,900	9,100	10,800	11,400	12,330	13,640	15,868	16,660	17,170	17,280	20,320	20,000
Multiple	2,500	2,900	3,700	5,500	5,390	4,870	4,492	4,120	2,810	3,010	2,460	1,480
Total	29,200	34,100	39,100	42,700	42,850	43,100	48,300	49,700	50,310	51,080	53,790	52,620

AN INCREASE OF 80%

CAFCASS CARE APPLICATIONS

2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
6323	6488	8832	9204	10218			11159	12792	14599	14221

AN INCREASE OF 125%

RATE PER 10,000 CHILDREN

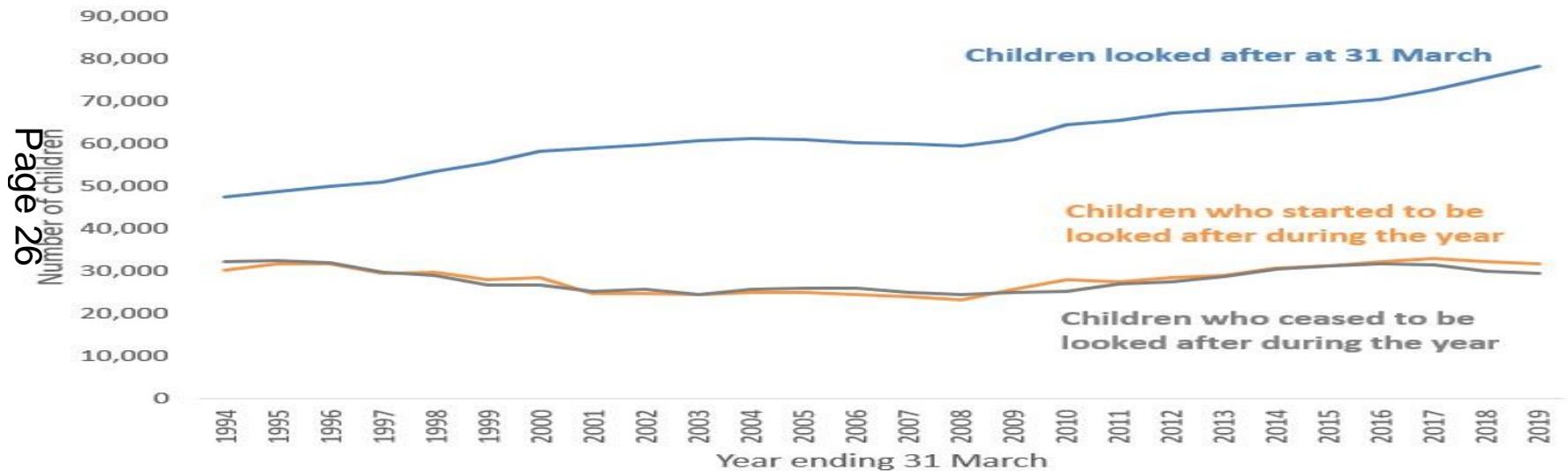
5.8	5.9	8.0	8.3	9.0	9.7	9.2	9.7	11.0	12.5	12.2
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CHILD PROTECTION

LOOKED AFTER CHILDREN AT 31 MARCH

Number of children starting and ceasing to be looked after in the year, and the number looked after at 31 March



MARCH 2009 60,000

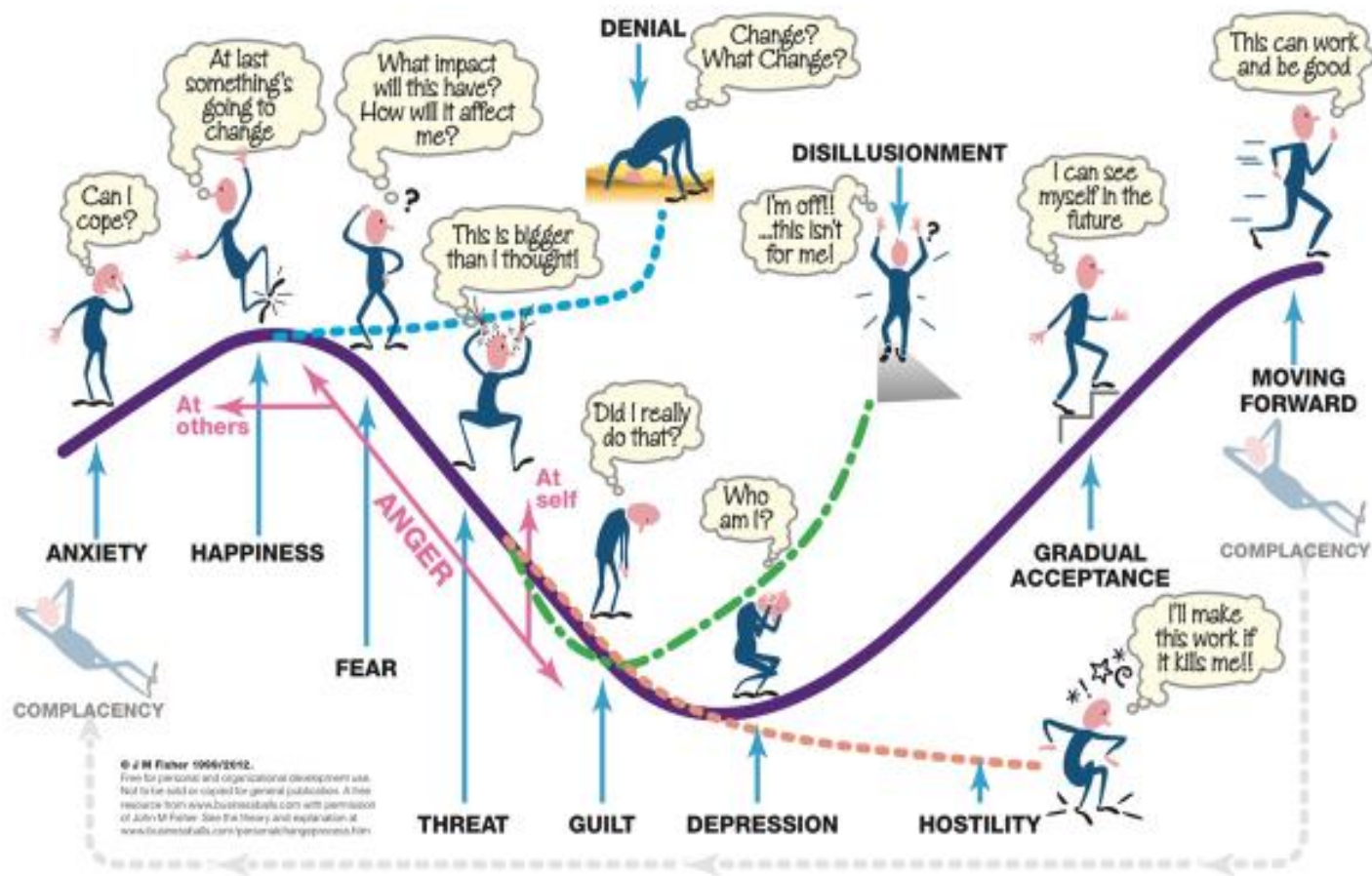
MARCH 2019 78,150

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AN INCREASE OF 30%

Hampshire Activity

Contact and Referrals	2015-16		2016-17		2017-18		2018-19	
	Denom	Value	Denom	Value	Denom	Value	Denom	Value
Number of initial contacts		77934		87235		106010		117188
Referral source: Individual	1835	11.0%	2165	11.1%	1908	11.5%	1906	10.4%
Education	4149	24.9%	4559	23.5%	3862	23.3%	4432	24.1%
Health Services	2148	12.9%	2603	13.4%	2251	13.6%	3063	16.6%
Housing	277	1.7%	233	1.2%	174	1.0%	188	1.0%
Local Authority Services	1596	9.6%	1606	8.3%	1704	10.3%	1661	9.0%
Police	4346	26.1%	5360	27.6%	4265	25.7%	4559	24.8%
Other legal agency	370	2.2%	447	2.3%	388	2.3%	593	3.2%
Other	1255	7.5%	1765	9.1%	1194	7.2%	1248	6.8%
Anonymous	400	2.4%	478	2.5%	384	2.3%	495	2.7%
Unknown	290	1.7%	219	1.0%	466	2.8%	263	1.4%
Not recorded	0	0.0%	0	0%	0	0.0%	0	0.0%



The Process of Transition – John Fisher, 2012



Journey to Outstanding Animation

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Our Transformation Journey

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- A **family** service – a system focused on improving outcomes for the child in the family context
- A social work led, integrated, **multi-disciplinary service**, from the front door to specialist services
- An approach supporting social workers to deliver **meaningful interventions** and create lasting change
- Improved flexibility for good practice **to flourish**
- Children are supported within their own **family/community** wherever possible.



Our Ambition

Our ambition is to:

Enable the best outcomes for children and their families

Keep children safe

Be an outstanding authority

Operate within our budget

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Achieving it will mean children and families will say:

They gave us the support to build our resilience & stay together

We told our story once & it was heard

They intervened when we needed them in a way that helped us feel safe & move forward

Coming into care was a life changing experience for the better



Hampshire
County Council

The Hampshire Approach

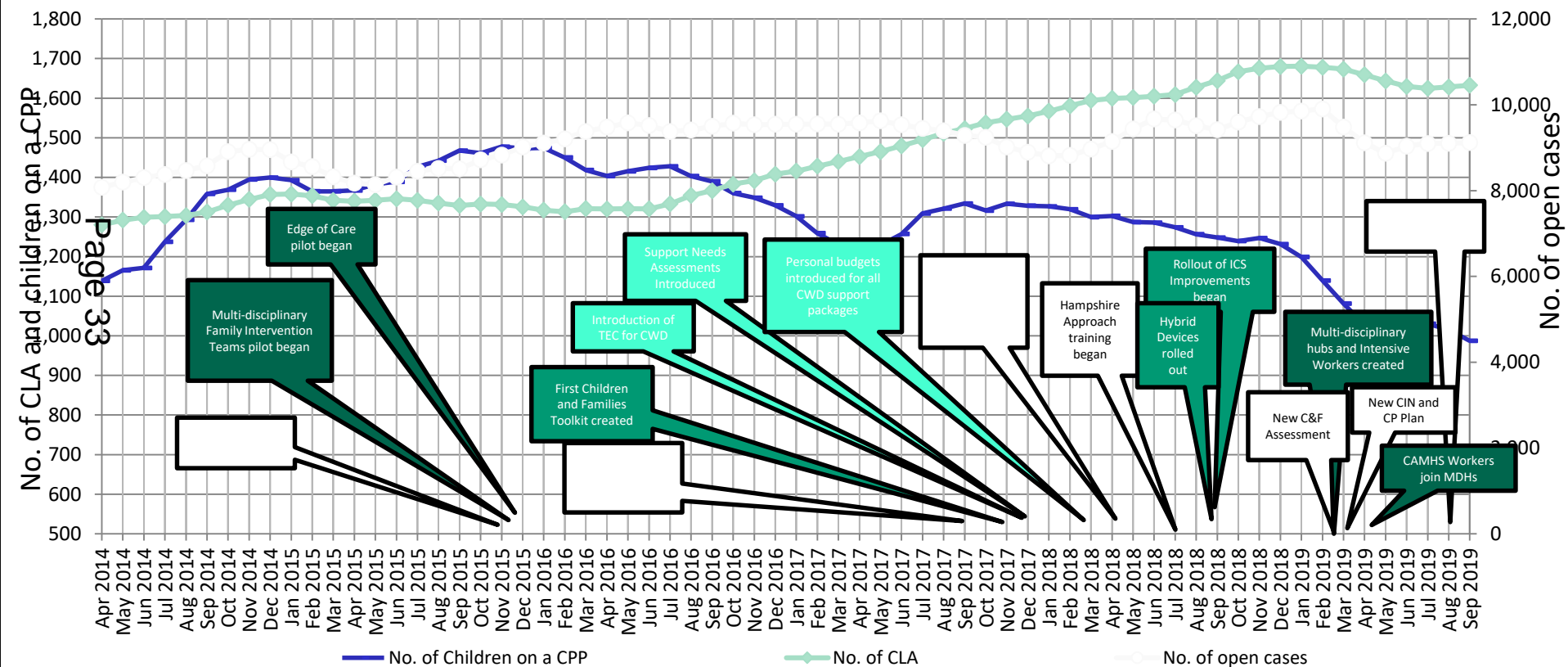
Our shared mindset

We believe:

- Developing positive relationships with families is the heart of what we do
- Everyone has strengths, and we get the best from each other when we recognise and build on those strengths
- In listening, respecting and working together with the child, their family and those that have a responsibility to them
- That working to support the whole family will achieve the best outcomes for the child in the long term
- That working in this way enables us to identify, respond to and manage risk safely

These beliefs inform the way we work with families, and the way we work with each other.

Activity Volumes - 3 Month Moving Average From April 2014 to



Impact in numbers

Since November 2018:

- **23%** reduction in Child Protection Plans
- **4%** reduction in Looked After Children
- **30%** reduction in social work caseloads
- **30%** of staff spending less time travelling as a result of mobile working
- **92%** of files audited showed improved outcomes for children

Children's Services Budget 2020/21

Children's Services Revenue Budget

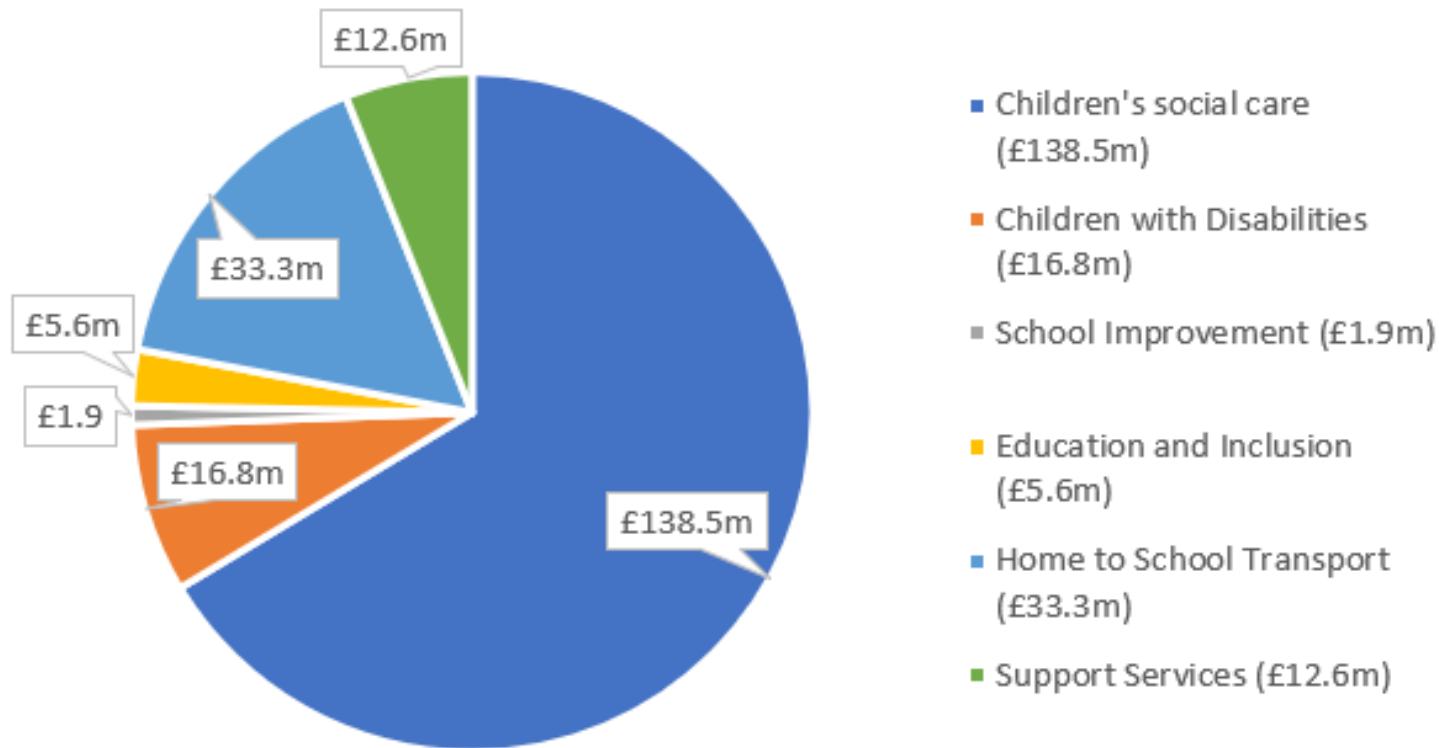
	Revised Budget 2019/20 £'000	Proposed Budget 2020/21 £'000
Schools	847,593	901,977
Non-Schools	191,632	208,613
Total Cash Limited Services	1,039,225	1,110,590



Children's Services Revenue Budget 2020/21

Non-schools £208.613m

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Children's Services Revenue Budget 2020/21

Schools £901.977m

