



Hampshire
County Council

Children's Services Savings Programme to 2023 (SP2023)

Revenue Saving Proposals

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Summary

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Funding Recap (SR2020)

- One year spending review (SR) period to April 2022 as a result of economic and fiscal uncertainty due to Covid.
- Continuation of existing £38.5m social care grants but limited additional funding provided (£1.2m for Hampshire).
- Announcements dominated by one-off Covid-19 financial support package, however additional local funding of £69m required to meet unfunded pressures and delayed savings.
- Adult Social Care precept not confirmed beyond 2021/22 resulting in potential funding gap of up to £29m by 2023/24.
- Record levels of government borrowing due to the pandemic, necessitating a further period of fiscal restraint

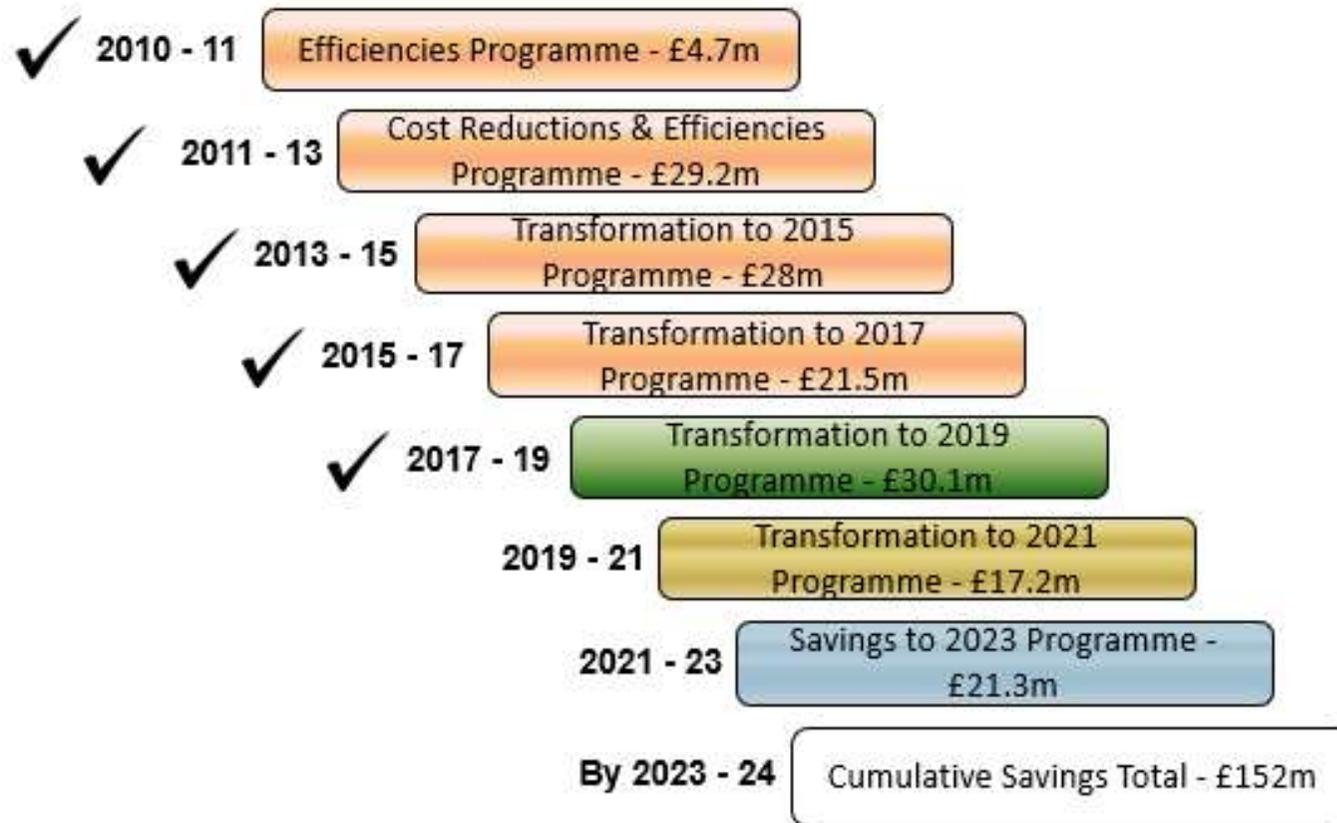
County Council Context

- £560m removed from budgets over eleven years.
- £80m forecast budget gap for the two years to 2023/24.
- £45m of Tt2019 and Tt2021 savings still to deliver across 2021/22 and 2022/23, including delays of £25m due to the impacts of Covid-19.
- Extended delivery and overlapping programmes increases risk and complexity.
- County Council public consultation (7 June – 18 July).
- Medium Term Financial Strategy update to Cabinet in October and County Council in November 2021

Departmental Context - Principles

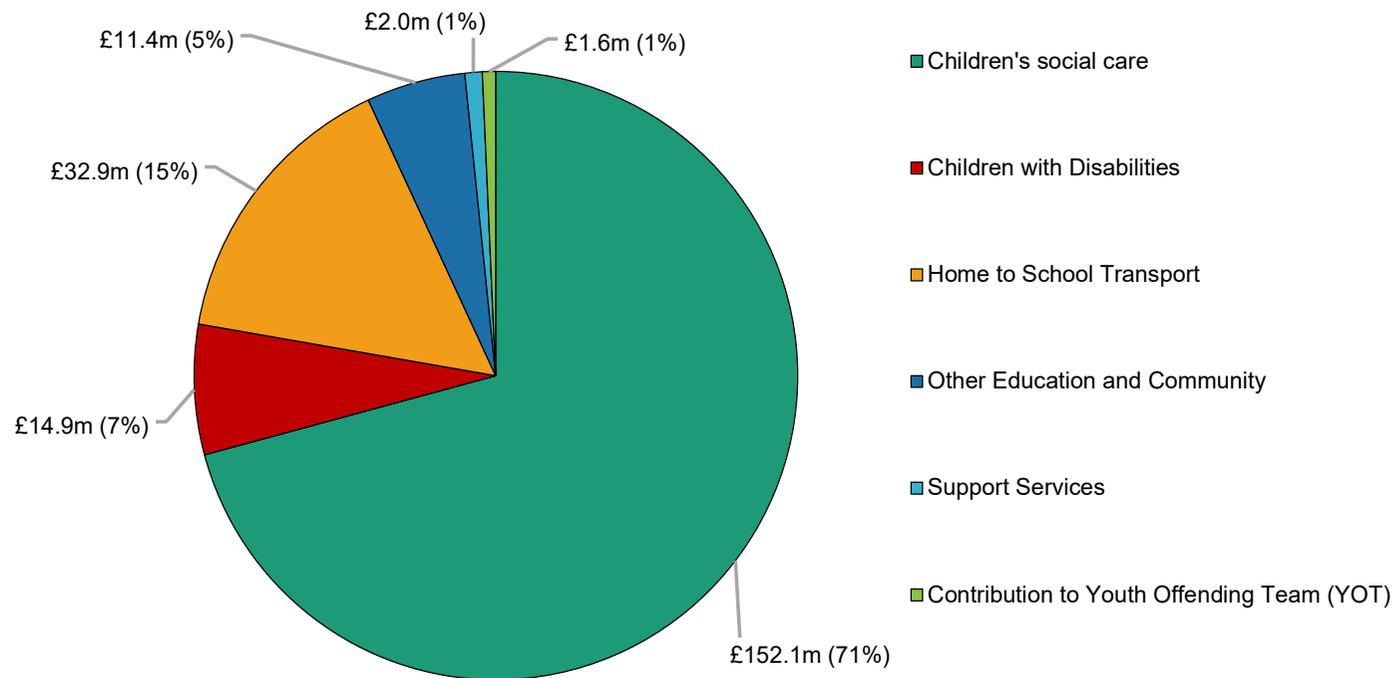
- Ensure a safe and effective social care system for children;
- Ensure sufficient capacity to lead, challenge and improve the education system to help ensure high quality educational outcomes for all, but particularly more vulnerable groups;
- Continue to recognise that our workforce is our strength and that we will further develop and maintain a strong, diverse workforce which is adaptable and flexible and which has succession planning built in;
- Tightly target limited resources according to the needs of children and families;
- Secure and sustain targeted and co-ordinated early help provision; and
- Maximise the opportunities to create efficiencies and maintain and enhance services through partnership and sold service arrangements

Departmental Transformation Journey



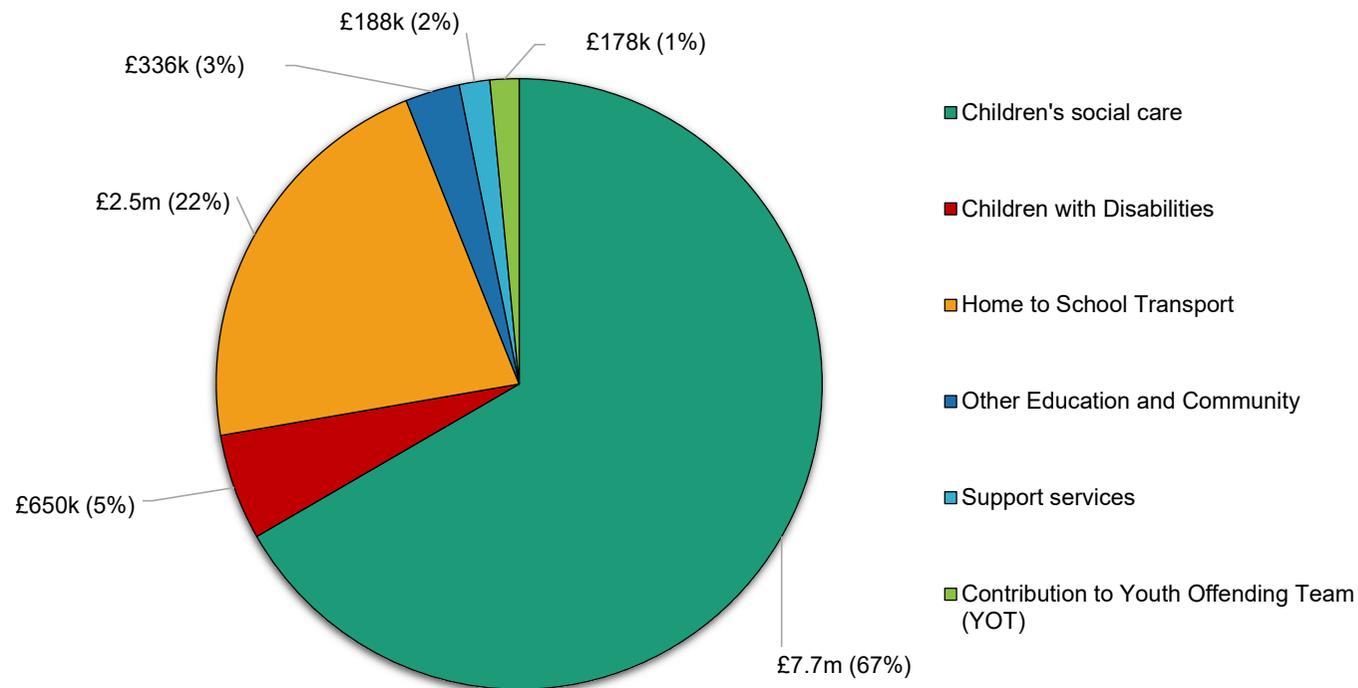
Children's Services Budget

Children's services budget 2021/22



Children's Services SP2023 Reductions

SP2023 savings identified of £11.6m by workstream (excluding £6.1m Future Government funding and £5m Corporate Funding)



SP2023 Approach

- The savings proposals are a careful balance of savings from medium to long-term strategic transformation that are sustainable, and savings that can be made in the short-term with minimal impact of services.
- Savings include a review of staff pay budgets to separate that which is addressable from that which is funded through Dedicated Schools Grant (DSG), other grants and income etc.
- The nature of the Tt2019 and Tt2021 programmes was transformational and it was agreed that they be delivered over an extended period. SP2023 is planned for delivery within the two years, and therefore they will run in parallel.

Children's Services SP2023 Savings

Budget area	Total Budget £'000	Full Year Savings £'000	Savings Proposals as % of Budget
Government funding	-	6,107	N/a
Additional Corporate Funding	-	5,000	N/a
Children's Social Care	152,140	7,704	5%
Children with Disabilities	14,855	650	4%
Home to School Transport	32,940	2,500	8%
Other Education and Community	11,389	336	3%
Support Services	1,978	188	10%
Contribution to Youth Offending Team (YOT)	1,554	178	11%
TOTAL	214,856	22,663	11%

Workstream 1 – Government Funding £6.1m

- In anticipation of the outcome of the Spending Review in the Autumn 2021, it is prudently assumed that £6.1m of additional government funding will be provided over 2022/23 and 2023/24.

Workstream 2 – Corporate Funding (£5.0m)

- It had been anticipated that Hampshire would receive around £5m of the £300m social care grant provided nationally which would have been passed to Children's Services.
- A change in the distribution methodology for the grant was announced in the December 2020 Finance Settlement. As a result, Hampshire only received £1.2m of new funding.
- In February 2021 it was agreed that the £3.8m shortfall against the expected £5m be allocated to Children's Services on an ongoing basis from 2021/22. This allows the department to manage their pressures and take forward the MPP initiative, without the need to seek corporate support throughout the year.
- This funding will then be used towards the department's SP2023 target.

Workstream 3 – Care Leavers/Post-16 £75k

- Post-16/Care Leavers Accommodation
- This is an area of increasing demand, and the budget already has a large overspend, so we have to address that first.
- The workstream will focus on reducing the overspend and achieving a small ongoing saving.
- Work has successfully taken place to re-commission some post 16 provision.
- Work is underway to consider if the Council could use some of its vacant buildings to use as accommodation for this cohort of children/young adults, either as a provider or in partnership with the independent sector.

Workstream 4 – Wessex Dance £40k

- This is a small budget and therefore any achievable savings are relatively small.
- Implement more robust governance to ensure spend is within budget.
- Travel costs will be covered by referrers from Summer 2021.
- Charging policy being developed and then rolled out from 2022.
- Additionally, further income generation and fundraising strategy is being developed.

Workstream 5 – Participation £46k

- A post to be removed
- Participation of children and families is integral to the way we run our services and has been a key focus for a number of years.
- As such, participation has become part of everyone's role, and there is no longer a requirement for a person to lead this work.
- We have good evidence that participation is now well embedded across the entire service.

Workstream 6 – New Ways of Working £224k

- Analysis of reduced spend has been completed related to new ways of working post-Covid/lockdown, to identify which reductions can be sustained.
- The key areas of spend are:
 - Printing
 - Use of staff car and travel
 - Training
- We will then work with the branches to identify and agree the sustainable budget reductions and ensure effective management controls are in place.

Workstream 7 – Youth Offending Service £178k

- Prevention and diversion from youth crime with young people continues to be successful, therefore this workstream will reduce staffing levels over time in line with reducing caseloads and demand on the service.
- Vacant posts will not be replaced where we consider they are no longer required.
- Caseloads have reduced from 268 statutory cases in April 2017 to 186 in March 2021
- Instances of serious youth violence in Hampshire have reduced from 35 in 2018 to 21 in 2020
- The number of first-time entrants into the criminal justice system has reduced from 268 in 2016 to 191 in 2020

Workstream 8 – Overnight Respite £450k

- Firvale has been closed since March 2020, with 12 children accessing the home prior to this (c.20% occupancy);
- Building maintenance is required and the location is affected by housing development;
- Building is owned by NHS;
- Consultation on:
 - Externally commissioning all overnight respite care;
 - Offering a range of alternatives to overnight respite that meet family needs;
 - Not re-opening Firvale

Workstream 9 – Short Break Activities £200k

- Consider the scope, delivery and funding of commissioned short break activities;
- Build on innovative forms of service delivery identified through Covid;
- Continue to target parental priorities;
- Align the Holiday Activity and Food programme offer with relevant short break activities to ensure the most efficient use of public funds and reduce any duplication.

Workstream 10 – Sold Services OHH £50k

- We currently provide out of hours social work services for Isle of Wight, Southampton and Portsmouth, creating a small income for the Council.
- We have had some enquiries from other LAs in the South-East region at various times, to see if we could do the same for them.
- We now consider we are in a position to be able to expand our offer and so are engaging with a number of LAs to explore the possibilities.

Workstream 11 - Modernising Placements £2.7m

We need to increase the number of foster carers in Hampshire. We are doing this by:

- Investing in and growing the recruitment team.
- Increasing and targeting the marketing.
- Improving the approval journey for our prospective foster carers.
- Strengthening our training and support.

Workstream 11 - Modernising Placements £2.7m

- Hampshire Hives, a community of support coordinated by an employed foster carer, a Hive Carer Support Worker, and supported by a linked carer who will offer sleepovers and day care opportunities to the children in the Hive.
- Foster carers will be supported by the new Psychological Service offering psychological consultations about individual children.
- Training foster carers and residential staff in trauma-informed parenting/care
- Residential Services. A new Urgent Care Service is being developed in one of our children's homes to support a small cohort of children with the most complex needs, offering for a 12-week period to contribute towards a period of stability and relationship building, enabling longer-term care settings/return home to be agreed.

Workstream 12 – Services to Schools £250k

- The purpose of this workstream is to generate additional surplus from the collective enterprise of the sold services to schools
- Initially involves a review of sold services to schools
- Services in scope comprise Hampshire Inspection and Advisory Service, Governor Services, Music Service, Stubbington Study Centre, Minstead Study Centre, and the Careers Advisory Service
- Additional surplus will be achieved by increasing sold service volume/activity to schools, both within and beyond Hampshire, and by making modest adjustments to pricing strategy

Workstream 13 – Children with additional needs

£100k

- The project will review the inclusion services that facilitate vulnerable children's access to education, support improved outcomes, and that are partially funded by the Local Authority
- The review will consider the balance of funding between the Local Authority and the Dedicated Schools' Grant.
- The services in scope are the Virtual School, Hampshire and the Isle of Wight's Educational Psychology Service and the Inclusion Support Service

Workstream 14 – Skills and Participation £50k

- There is no statutory role for the Local Authority to create a local skills plan
- The responsibility currently lies with the Local Enterprise Partnership
- This proposal removes one post and recognises that the work will be carried out by Local Enterprise Partnerships rather than the County Council

Workstream 17 – Home to School Transport

£2.5m

Move to a 'commissioning model' of delivery that could achieve efficiencies by:

- Working with fewer transport operators who take greater responsibility for managing communications with parents and schools, as well as route planning;
- School Escorts recruited, trained and allocated by transport operators;
- Changes to the ratios of SEN Pupils to School Escorts;
- Mixing of pupil phases (i.e. Primary, Secondary and/or post 16 on transport arrangements) on transport.

Refocusing internal resources on:

- Commissioning & contract management focused on reducing unit costs and value for money
- Tighter stewardship of transport eligibility, driving out cost efficiencies through the strict application of policy
- Optimising back-office efficiencies, such as reduction in the number of invoices being processed each month.

Workstream 18 – Workforce Development £158k

Building on learning during Covid:

- Review the mix of online and face to face delivery of training;
- Optimise use of Council venues for training, reducing external hire costs;
- Restructure the team to align to the revised delivery approach

Workstream 19 – Health & Partnerships £50k

- Investigating opportunities to align and integrate Continuing Care processes and teams across Children's Services and the CCG, improving the experience for families.

Workstream 20 – Attribution of Placement Cost £3m

- Review of existing placements in residential children's home, Independent Non-Maintained Special Schools and Special Post 16 Institutions, to ensure that the costs associated with the provision of education are funded by the most appropriate budget.
- Costs for social care to be funded through revenue budgets, whereas education costs should be funded through the High Needs Block, which is part of the Dedicated Schools grant.

Workstream 21 – Services for Young Children

£105k

- Reviewing and improving the approach to contact management (emails, telephones calls, website), including seeking opportunities to exploit technology.
- Reducing administration resource through channel shift opportunities that increase the level of self service.
- Streamline where possible, early years provider payments to reduce the number of payments made per term.
- Ensure that the sold service function fully funds the administration resources needed

Risks and Challenges to Highlight

- If changes to the social care operating model, including Modernising Placements, are not fully adopted and embedded within social work practice, then the expected impact on children and families will be reduced and placement savings will not be achieved.
- Modernising Placements, Home to School Transport and the Post 16/Care Leavers accommodation programmes each have key market related dependencies.
- New and emerging forms of abuse / risks to children will need to be addressed – County Lines is such example
- Impact of Covid may still emerge

Risks and Challenges to Highlight cont.

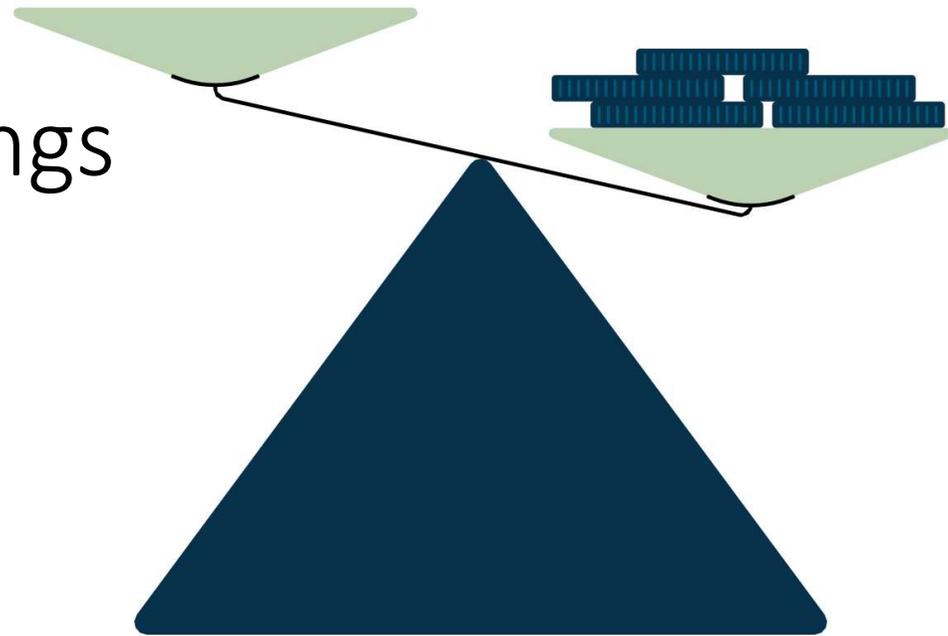
- If there is an insurmountable challenge to any of these proposals, savings would have to be found from other areas
- If the required capacity and capability is insufficient to both transform and sustain the changes, savings are unlikely to be achieved and service quality will suffer, potentially leading to increased expenditure
- Funding for children's services in Hampshire is relatively low and the majority of the department's spend is external, primarily relating to placement costs of children looked after

Equality Impacts to Highlight

- An Equality Impact Assessment has been completed for all the proposed workstreams.
- Overnight Respite within Short Breaks has identified some potential impacts associated with one of its children's homes remaining closed. This is mitigated by the home being closed for 18 months due to COVID-19 and a range of alternative provision being offered instead.
- HTST identifies some impacts relating to redesigning its service model, as those effected will predominately be within a fixed age group of SEND children and staff. This is mitigated by working with providers to meet statutory requirements, continuing the allocation of School Escorts on a need's led basis.

Balancing the Budget 2021 Consultation

Headline Findings



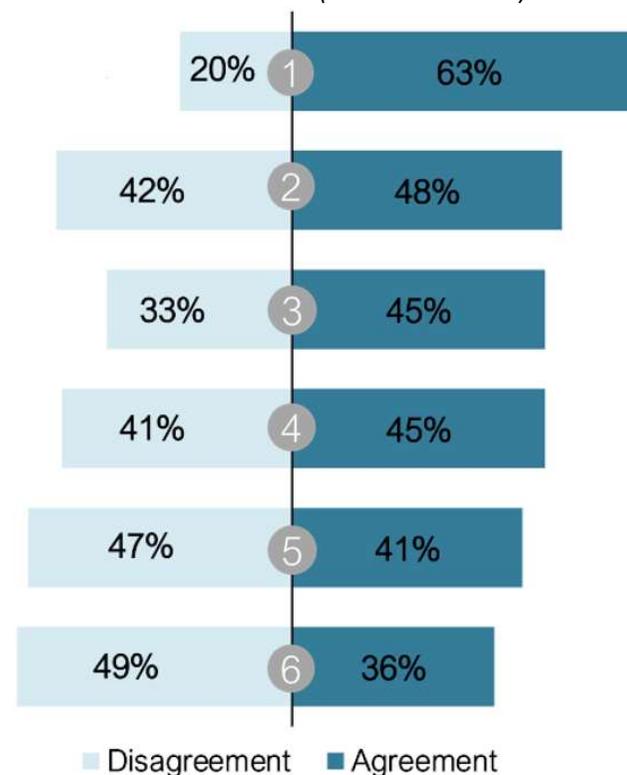
Consultation Context

- The 2021 *Serving Hampshire - Balancing the Budget* consultation was designed to give all Hampshire residents and stakeholders the opportunity to have their say about ways to balance the County Council's budget.
- The consultation ran from **07 June to 18 July 2021** and was widely promoted through a range of online and offline channels.
- Information Packs and Response Forms were made available both digitally and in hard copy in standard and Easy Read formats, with other formats available on request. Unstructured responses could be submitted via email, letter or as comments on social media.
- The **consultation received 2,027 responses** – 1,931 via the consultation Response Forms and 96 as unstructured responses via email/ letter (44) or social media (52).
- Of the responses submitted via the consultation Response Forms, **1,878** were from individuals and **21** from democratically elected representatives. Including the unstructured responses **41** groups, organisations or businesses responded.

Level of agreement with proposed options

1. Six out of ten respondents (63%) felt that consideration should be given to changing local government arrangements in Hampshire
2. Almost half of respondents (48%) thought that the Council should **not** use reserves to plug the budget gap
3. 45% of respondents agreed that the Council should continue with its current financial strategy
4. This was also the number who agreed with the principle of increasing existing charges for services
5. Four in ten respondents (41%) agreed with the principle of introducing new charges for some services that are currently free, however a higher proportion (47%) felt that new charges should not be applied
6. Just over one in three respondents (36%) agreed with the principle of reducing or changing services, however almost half of respondents (49%) disagreed with this approach

Agreement or disagreement as to whether the County Council should... (Base: 1772-1917)



SP2023 Key Messages

- Significant reductions in spend delivered to date;
- Significant corporate and governmental support for increases in demand and complexity are fundamental;
- Careful consideration of our ability to meet statutory duties and maintain safe and effective services;
- Consultation will be undertaken; and
- Capacity and capability essential for transformation.