

Sandwell Council: Invest to Save Submission from Sandwell Children's Trust – DRAFT**1. Context**

Sandwell Council and Sandwell Children's Trust have worked closely and highly effectively together to agree both a new contract sum for 2021-22 and an updated Medium-Term Financial Plan (MTFP) covering the extended period from 2021-24. This agreement sees some important increases in the annual funding of the Trust, based on changes in demand, and the continued expectation of the Trust achieving a break-even position by the end of this MTFP period.

To achieve a break-even position by the end of the financial year 2023/24, continued effective delivery against a significant savings programme for the Trust across this 3-year period is required. This savings programme requires efficiencies be achieved in a number of key areas across the organisation. Most significantly a successful reshaping of the delivery of placements for children in the care system.

Between September 2020 and February 2021, a DfE Financial Advisor/Commissioner worked with the Council and the Trust to provide independent analysis of key areas of Trust expenditure and the future savings programme. A series of recommendations have been produced by the advisor/commissioner to support the budget setting process.

The negotiations and agreement of the revised MTFP have been undertaken amidst a pandemic and with considerable uncertainty about the impact this may have in the long-term on the cost of provision and demand for services. The Council have worked inclusively with the Trust and additional resources have been provided to mitigate against the direct impact of COVID on both children and young people and effective delivery of change programmes.

Feedback provided by Ofsted, following their monitoring Visit in March 2021 has shown that the Trust has a continuing need to improve practice, ensure that pathways for referrals are appropriate and prioritise reunification within the family unit or permanency within a care environment.

With the Service Delivery Contract there is a process included within the Financial Mechanism Schedule that allows the Trust to make in-year change requests. These change requests fall into two categories:

Type One – where: (i) there has been an increase in the demand for the Services and/or an additional cost to the Trust that could not reasonably have been anticipated when the overall budget for the relevant Contract Year was agreed by the Parties; or (ii) a business case proposal which would require an increase to the Contract Sum but would deliver an improvement in the Services

Type Two – where the Trust wishes to make an Invest to Save proposal which would require an increase to the Contract Sum in the short term but which would pay back to the Council in terms of a future reduction in the Contract Sum

With the commencement of a new Chief Executive, and in conjunction with the DCS, a review of the approach and effectiveness of the early help system has commenced in conjunction with our wider partners. In addition, the Chief Executive has undertaken an internal review of all 'preventative' services within the Trust. This review has identified that there is a significant issue in relation to demand into the service, particularly in relation to partners willingness to act as 'lead professional' when supporting children and families.

Early Help across the partnership analysis –

The approach to early help across the partnership needs to be strengthened to ensure that only those children that require social care support are referred to SCT

Work needs to be undertaken to ensure that all partners deliver the lead professional role in supporting children and families at an earlier stage.

Partners taking a more coordinated approach in identifying children and families at an earlier stage and providing the support they require and not automatically making a referral to the Trust for statutory intervention is required. ***For more detail Refer to Appendix 2 – Presentation to the Sandwell Children’s Safeguarding Partnership.***

Targeted Early Help and Preventative Services SCT Analysis

SCT has a number of early help, prevention and edge of care services (such as COGS, Family Solutions Team, Multi Systemic Therapy and Family Group Conferencing) and a number of third-party contracts, that are not fully aligned to create an ‘SCT Early Help and Prevention Offer’ that is integrated into a wider partnership led Early Help offer.

The improvement funding provided by the DfE over the past two years to support practice improvement against Ofsted recommendations will continue into 2021/22, but at a significantly reduced level (53% reduction).

It should be noted that the Trust is committed to delivering the cost savings already outlined in the MTFP and has a cost savings program already in place for that. The purpose of this Invest to Save proposal is to enhance these savings further by strengthening the Trust’s approach to early help bringing together all early help services that currently sit with the Trust and realigning services so that children and families are supported at an early stage preventing unnecessary escalations into more costly statutory services. Coupled to this, the Trust will work with the Early Help Partnership to strengthen understanding of thresholds for statutory intervention and confidence of partners in undertaking the role of lead professional. Taking a ‘prevention at every level’ approach coupled with a much greater focus on early help will ensure that support for children and families is undertaken at the earliest opportunity.

2. Context: The Financial Risk we are seeking to minimise:

Children’s social care is under significant financial pressure. Total spending on children’s services reached £10.5 billion in 2019/20. The Local Government Association (LGA) estimated in 2019, based on funding levels at the time, that children’s social care would face a £3 billion funding gap by 2025 just to maintain existing levels of support. In the last year for which there is data for, just under 135,000 investigations nationally where a child was suspected of suffering significant harm did not result in a child protection plan – three times as many as just ten years ago. The increased spending pressures are driven, in large part, by increased pressures at the most acute end of the system. Controlling for other variables, for every £20 increase per child in preventative spending in a previous year, there was an average reduction of almost 2.5 Children In Need the following year within local authorities between 2010/11-2018/19. Reduced spending on preventative and family services is associated with rising rates of adolescents entering care. (The Case for Change, Independent Review of Children’s Social Care)

This bid seeks to enhance expertise and capacity within the Trust to fundamentally reshape practice and, with a strong strategic approach, aims to ensure all early help services are well

coordinated across the whole continuum of need. Also, that this approach ensures that wherever possible, needs are identified at the earliest possible point and interventions prevent needs from escalating further. In effect this approach means that if needs are met at an earlier point with effective services then this reduced the need for costly, intrusive statutory services – working alongside the partnership to maximise the opportunity offered by having a joined-up approach to Early Help.

3. The Approach that it is recommended to take:

Additional strategic capacity must combine professional credibility of earlier intervention / prevention expertise, partnership working, bringing together of services and negotiation skills whilst at the same time working alongside and enhancing the capacity and ambitions of current key leaders of service provision within the Trust and wider partnership – particularly working alongside the DCS and her team.

The strategic approach as described is being led by and sponsored by the new Chief Executive of the Trust and is supported by the DCS and wider Safeguarding Partnership.

The involvement of senior leadership across the partnership together with a clear governance structure will give this the impetus it needs to succeed where it might not have done so in the past.

Invest to save funding would be used to establish one post that would work with partners to support a partnership approach to Early Help. This role would:

- i. take responsibility for ensuring that services within SCT form part of a continuum of early help services which align closely with other partners and voluntary organisations, without duplicating roles and responsibilities- thereby creating a fully integrated early help offer across the Borough
- ii. ensure that preventative services within SCT adhere to a set of clear principles, in particular, an approach of ‘prevention at every level’. This means that the lead will ensure that where children do need statutory intervention, that these internal interventions are evidence based, ensure that there are no gaps in services, and the services in place work to meet all the assessed needs for children and families to help prevent children entering care or their placement breaking down.

Role A:

The role would be recruited at head of service level (Hay1 grade) at a cost of £95k per annum for two years with the option to extend for a third year. The role would be required to realign all Early Help Intervention and Prevention activity and third-party provision, working closely with our partners (including schools, health, our voluntary group), ensuring that services reflect local needs and create an SCT Early Help offer that underpins the principle of prevention at every level.

4. The Proposed level of “invest to save” funding:

The Trust is confident that by reducing demand across statutory services through earlier intervention will not only support children and families at an earlier stage but will significantly reduce the number of children and families requiring more costly statutory support. This will

ultimately lead to a reduction of children in need, child protection and children becoming looked after.

1. Reducing Demand for Statutory Services (Referrals into the Front Door)

Reducing the number of referrals and re-referrals into the Front Door through earlier intervention will reduce the number of Children in Need and/or those subject to a Child Protection Plan.

In the period April 2020 to March 2021, SCSP received 26,217 individual contacts which resulted in 5,402 accepted referrals to the Trust's Social Care services, which equates to approximately 80% of referrals not being accepted. Even when a referral is not accepted it will still require the utilisation of resources. The role would enable the reduction of initial contacts and work with partner agencies to ensure that the signposting of contacts is more appropriate. This will reduce referrals made to the Trust and inappropriate demand at the Front Door. A reduction in demand, through the decrease in accepted referrals, will lead to better management of resources to meet the needs of those children that do require statutory intervention. A reduction of demand (appropriately) will ensure caseloads in all areas of the service can then be better managed, with social workers able to deliver high quality practice.

Working alongside partners to support earlier intervention at the earliest opportunity will ensure that referrals into social care for those children and families that need a social care intervention.

Year 1 – 110 accepted referrals in year from baseline of 5,402 referrals

Year 2 – 222 accepted referrals in year from baseline of 5,292 referrals (cumulative reduction of 332 referrals (110+222) to 5,070 referrals)

Year 3 – 274 accepted referrals in year from baseline of 5,070 referrals (cumulative reduction of 595 referrals (110+222+274) to 4,807)

Of this cohort of referrals, the Trust would normally see c. 44% of these referrals allocated to social workers and becoming Children in Need or requiring a Child Protection Plan.

Based on the assumption that seed investment from SMBC of £7,500 per month would begin in January 2022, the Trust would (if successful in delivering referral reductions as demonstrated above) be generating in month savings in excess of this monthly investment figure by the end of 2022/23. The requirement is for 15 months of investment which will total £112,500. The role would continue to be funded albeit by the Trust from this point onwards via ongoing service demand reductions.

Should the Trust continue to deliver reduced demand in line with assumptions, the investment by SMBC would be **fully paid back by December 2023**. There would be flexibility within the model to pay back the investment over an extended timeframe should this become necessary however this proposed commercial dynamic both incentivizes the Trust to deliver demand led savings quickly and also reduces the investment risk to SMBC.

Beyond the repayment of the investment, the Trust would have autonomy in deciding how long to continue to fund the role and the ability to retain further savings delivered to utilize as it deems appropriate.

The Trust can not fully guarantee that the activity and savings can be fully delivered within the timescales, given the nature of business and the fact that demand is not fully within the control of the Trust and there are a number of external dependencies.

The second stage of reviewing the Early Help offer will be to look at the better alignment of MST, FST and FGC to focus support on children and families earlier and those families that are on the edge of care which will generate savings by avoiding more costly social work interventions either through escalating from Child in Need to child protection and/ or becoming looked after. This will be subject to a further Invest to Save paper at a later date.

The timeframes for the delivery of both the investment and the returns are shown below;

Timeline of investment	Yr 1 2021/22	Yr 2 2022/23	Yr 3 2023/24	Yr 4 2024/25	Total
Investment by SMBC	(22,500)	(90,000)	0		(112,500)
Investment by Trust			(90,000)	(90,000)	(180,000)
Saving		35,417	229,167	395,833	660,417
Net ROI	(22,500)	(54,583)	139,167	305,833	367,917
Cum ROI	(22,500)	(77,083)	62,083	367,917	

January 2022 – SMBC investment of £7,500 a month commences
 Q4 2022/23 – In month return on investment exceeds monthly investment value.
 March 2023 – SMBC cumulative investment of £125,000 ceases
 April 2023 – SCT begins to self-fund investment from generated demand led returns
 December 2023 – payback of investment from project returns is complete
 January 2024 onwards – SCT determine future of investment in role and also retain further saving generated

Appendix 3 demonstrates the monthly investment and savings profile more fully.

Risks to the delivery of the proposed return on investment are:

- Effectiveness of partnership working and wider Early Help arrangements
- Effectiveness of SCT Early Help Offer
- Failure to manage referrals and demand effectively
- Failure of family or young people to engage with the early intervention programme or frequent re-referrals to service

A draft timeline against key milestones that the investment would be tasked to achieve is as follows;

Action	Due by	Rationale
Engage with Partnership Organisations in multi-agency approach	Within 3 months	Ensure children and young people have access to the right service at the right place at the right time. Effective partnership working enhances accountability to improve safeguarding outcomes for children, young people and families.
Finalise early help strategy	Within 3 months	Sets out approach to identifying children and families who would benefit from Early Help, describe the assessment of need for Early Help and also the process by which targeted Early Help services should be deployed to address the assessed needs of the child and their family.
Revise Early Help	Within 6	The Early Help Assessment helps children, young

Assessment process	months	people and families to get the help they need at the right time. The assessment helps the Partnership to understand what support is needed and how organisations can all work together to provide that support.									
Develop preventative strategies encapsulating the Voice of the Child	Within 12 months	Enable children and young people to have a voice so that their aspirations are understood, they remain safe and healthy, support is given to families with multiple needs and ultimately demand for reactive services is reduced.									
Access and maximise available Grant funding for Early Help services.	Within 18 months	Aim is to ensure that the Trust working with partners to access all available funding in the Early help space e.g. joint applications for funding									
<p>6. Intended outcomes/impact of such funding:</p> <ul style="list-style-type: none"> • Preventing needs of children and families from escalating with earlier support • Positive Ofsted inspection feedback • Greater alignment of SCT services with a clear Early Help Offer • Better integration of SCT Early help services within the broader partnership Early Help Offer • Reduced cost of providing services • Reduced caseloads / less intensive cases for social workers (leading to a more stable permanent workforce) • Capacity to focus interventions that make a difference to children and young people that do require statutory support 											
<p>7. Monitoring/Reporting of Impact:</p> <p>Monitoring progress and impact of Early Help and Prevention on children, young people and their families will be reported on quarterly. An assessment will be made on the success of the early intervention and an analysis on the costs avoided as a consequence of the child/young person not requiring a statutory service.</p> <p>This will be reported to SMBC on a quarterly basis.</p>											
<p>8. Risk Analysis</p> <table border="1"> <thead> <tr> <th>Risk Description</th> <th>Collective Impact</th> <th>Likelihood</th> <th>Mitigation through Invest to Save</th> </tr> </thead> <tbody> <tr> <td>Early Intervention Needs of young person increase during time taken to perform assessment</td> <td>Increased chance of young person entering statutory services</td> <td>High</td> <td>High</td> </tr> </tbody> </table>				Risk Description	Collective Impact	Likelihood	Mitigation through Invest to Save	Early Intervention Needs of young person increase during time taken to perform assessment	Increased chance of young person entering statutory services	High	High
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Early Intervention Needs of young person increase during time taken to perform assessment	Increased chance of young person entering statutory services	High	High								

Unnecessary family disruption	Impact on wellbeing of all family members, increased cost	Medium	Medium
Risk averse attitude of partners	Inappropriate contact in the Front Door	Medium	Medium

Appendix 3

Appendix 3 – Monthly Analysis of Investment and Returns

Accepted Referral reduction in month				
Reduction in referrals allocated to social workers and becoming CIN or requiring a CPP				
Cum redction in referrals allocated to social workers				
	Jan-22	Feb-22	Mar-22	2021/22
Investment from SMBC	(7,500)	(7,500)	(7,500) ✓	(22,500)
Investment from Trust				
Total investment	(7,500)	(7,500)	(7,500)	(22,500)
Saving				
In month (cost) / return	(7,500)	(7,500)	(7,500)	(22,500)
Cum (cost) / return	(7,500)	(15,000)	(22,500) ✓	(22,500)

Accepted Referral reduction in month				10	10	10	12	12	12	14	14	14	✓	110
Reduction in referrals allocated to social workers and becoming CIN or requiring a CPP				5	5	5	5	5	5	6	6	6	✓	48
Cum redction in referrals allocated to social workers	-	-	-	5	9	14	19	24	29	36	42	48	✓	48
	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	2022/23	
Investment from SMBC	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(90,000)	
Investment from Trust														
Total investment	(7,500)	(90,000)												
Saving						2,083	2,083	4,167	4,167	6,250	8,333	8,333	✓	35,417
In month (cost) / return	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(5,417)	(5,417)	(3,333)	(3,333)	(1,250)	833	833		(54,583)
Cum (cost) / return	(30,000)	(37,500)	(45,000)	(52,500)	(60,000)	(65,417)	(70,833)	(74,167)	(77,500)	(78,750)	(77,917)	(77,083)		(77,083)

Appendix 3

	Breakeven												
Accepted Referral reduction in month	16	16	16	16	16	16	18	18	18	21	21	21	212
Reduction in referrals allocated to social workers and becoming CIN or requiring a CPP	7	7	7	7	7	7	8	8	8	9	9	9	
Cum redction in referrals allocated to social workers	55	62	70	77	84	91	99	106	114	123	132	142	142
	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	2023/24
Investment from SMBC													0
Investment from Trust	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(90,000)
Total investment	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(90,000)							
Saving	10,417	12,500	12,500	14,583	16,667	18,750	18,750	20,833	22,917	25,000	27,083	29,167	229,167
In month (cost) / return	2,917	5,000	5,000	7,083	9,167	11,250	11,250	13,333	15,417	17,500	19,583	21,667	139,167
Cum (cost) / return	(74,167)	(69,167)	(64,167)	(57,083)	(47,917)	(36,667)	(25,417)	(12,083)	3,333	20,833	40,417	62,083	62,083

Accepted Referral reduction in month	22	22	22	22	22	22	24	24	24	24	24	24	274	595
Reduction in referrals allocated to social workers and becoming CIN or requiring a CPP	10	10	10	10	10	10	11	11	11	11	11	11		
Cum redction in referrals allocated to social workers	151	161	170	180	189	199	209	220	230	241	251	262	262	262
	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	2024/25	Total
Investment from SMBC														(112,500)
Investment from Trust	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(90,000)	(180,000)
Total investment	(7,500)	(90,000)	(292,500)											
Saving	31,250	31,250	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	395,833	660,417
In month (cost) / return	23,750	23,750	25,833	305,833	367,917									
Cum (cost) / return	85,833	109,583	135,417	161,250	187,083	212,917	238,750	264,583	290,417	316,250	342,083	367,917	367,917	367,917