

Report to Cabinet

1 September 2021

Subject:	Sandwell Children's Trust Invest to Save
Cabinet Member:	Cabinet Member for Best Start in Life, Councillor Karen Simms Cabinet Member for Finance, Council Sustainability and Transformation Councillor Maria Crompton
Director:	Executive Director of Children's Services, Lesley Hagger Director of Finance, Simone Hines
Key Decision:	Yes
Contact Officer:	Mandip S. Chahal, Senior Commissioning Manager for Statutory Services Mandip1_chahal@sandwell.gov.uk Steve Lilley, Finance Business Partner steve_lilley@sandwell.gov.uk

1 Recommendations

- 1.1 That the Cabinet, in line with the Service Delivery Contract with Sandwell Children's Trust, considers the Invest to Save proposals put forward by the Trust and:
- a) Agree the increase to the Contract Sum in the short term as per the Strategic Commissioning Invest to Save proposal, to be paid back to the Council via a reduction in the future Contract Sum.
 - b) Agree the increase to the Contract Sum in the short term as per the Early Help Invest to Save proposal, to be paid back to the Council via a reduction in the future Contract Sum.



- 1.2 That, subject to 1.1a and 1.1b, the Executive Director of Children’s Services take the necessary actions, as laid out in the Service Delivery Contract, to vary the contract sum.

2 Reasons for Recommendations

- 2.1 The Service Delivery Contract between the Council and Sandwell Children’s Trust (SCT) allows SCT to make an Invest to Save proposal which would require an increase to the Contract Sum in the short term, but which would be paid back to the Council in terms of a future reduction in the Contract Sum.
- 2.2 If the Council considers that the information provided by SCT is sufficient to substantiate the request it will agree a Fast Track Change to the Service Delivery Contract.
- 2.3 This report presents two Invest to Save proposals from SCT for the consideration of Cabinet.

3 How does this deliver objectives of the Corporate Plan?

	<p>Best start in life for children and young people</p> <p>SCT works with families, foster carers, schools, statutory and voluntary providers to support the achievements of vulnerable children and those in the care of the council</p> <p>SCT works to ensure that children in the care of the Council receive the support and opportunities that any parent would give their child</p>
	<p>People live well and age well</p> <p>SCT ensures coordination between social care and the NHS to better protect vulnerable children</p>
	<p>Strong resilient communities</p> <p>SCT supports families to improve children’s life chances</p>



	SCT works closely with the police to ensure that children are protected from the impact of crime, domestic violence, and all forms of exploitation
	<p>Quality homes in thriving neighbourhoods</p> <p>SCT supports care leavers to live independently in the community, working closely with Housing to ensure care leavers are able to good quality accommodation in Sandwell.</p>
	<p>A strong and inclusive economy</p> <p>SCT works with families to access services and support so that they are able to improve their economic well-being and the life chances for their children.</p>

4 Context and Key Issues

- 4.1 The Service Delivery Contract between the Council and Sandwell Children’s Trust (SCT) includes a detailed financial mechanism for agreeing the annual Contract Sum.
- 4.2 The financial mechanism allows SCT to request changes to the annual contract sum. These requests fall into 2 categories, Type 1 or Type 2.

Type 1:

(1) 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 2:

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 it would pay back to the Council in terms of a future reduction in the Contract Sum



4.3 SCT is required to produce a detailed proposal that sets out:

- the short-term increase being sought.
- the investment to be made using the funding being requested.
- the anticipated pay back to the Council in terms of a reduced Contract Sum and/or improvement in the Services at a future date and a timescale for this

4.4 On receipt of any requests Council representatives must meet with SCT to discuss the detail of the request. At this point further information can be requested to further substantiate the request or, if enough information has been provided, the process to seek approval for a change to the Contract Sum will be commenced.

4.5 The appended proposals contain within them the information as required in paragraph 4.3 and if agreed by Cabinet future Contract Sum Negotiations will include more detailed discussions on the return on investment process.

4.6 The investment amount being requested is £287,500, split across Early Help and Strategic Commissioning. Both proposals would see additional investment in 2021/22 and 2022/23, with the investment being returned to the Council in 2023/24 and 2024/25 by a reduction in the overall contract sum.

4.7 The success of the invest to save proposals have been predicated on the current position in relation to demand for services, the need for residential provision and the current market for the supply of placements. Significant increases in demand for statutory intervention may impact of the ability to achieve the specified savings, however if demand were to increase significantly the implementation of the proposals would potentially reduce any rate of cost increase.

4.8 Progress against the invest to save proposals will be monitored utilising the existing contract monitoring arrangements of the Operational



Performance Board, Strategic Performance Board, Scrutiny and separate finance meetings.

- 4.9 SCT provide detailed financial information to the Council monthly, which will be utilised to measure the progress that is being made in achieving the savings detailed in the proposals.
- 4.10 The impact of the activity will be assessed after 12 months and if the anticipated progress in making savings is at significantly slower rate or significantly lower value than detailed in the proposals, the continuation of the activity and associated funding from the Council will be reviewed.

5 Alternative Options

- 5.1 The Council is not obligated to agree to the proposals put forward by SCT. SCT may not be able to undertake the identified work which may in turn impact on its ability to achieve positive change for children and/or delay the achievement of a 'Good' rating from Ofsted.

6 Implications

Resources:	<p>Sandwell Children's Trust receives a significant financial resource to deliver the Council's statutory responsibilities for children's social care, and to provide targeted early help services.</p> <p>The Contract Sum amount that SCT receives is agreed annually in line with mechanisms set out in the Service Delivery Contract.</p> <p>Funding has been earmarked from within the council's general fund reserves should Cabinet approve the proposals.</p> <p>The additional funding being requested is in effect a reprofiling of the Contract Sum to achieve greater savings in the long term and enhanced outcomes for children and families in the short/medium term.</p>
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Legal and Governance:	The Service Delivery Contract between the Council and SCT includes mechanism for SCT to make a request for an in-year change based on an invest to save proposal. Any proposal agreed would be subject of a change control process that is detailed in the Service Delivery, it would include mechanisms to review the progress being made.
Risk:	<p>The Corporate Risk Management Strategy (CRMS) has been complied with—to identify and assess the significant risks associated with this decision.</p> <p>Based on the information provided, it is the officers' opinion that for the significant risk, that the invest to save proposals do not result in the improvements and savings originally anticipated, that have been identified, arrangements are in place to manage and mitigate these effectively.</p>
Equality:	An Equality Impact Assessment screening is not required for this report. However, the improvement in children's services will have a positive effect on the lives of vulnerable children, young people and families in Sandwell, including those with protected characteristics
Health and Wellbeing:	SCT continues to support children and families in Sandwell and as the quality of service that they deliver improves so does the impact they have on improving the health and wellbeing of children and families.
Social Value	<p>SCT supports children to achieve, feel safe, be supported and access opportunities. SCT supports care leavers to access education, employment and training.</p> <p>SCT supports community resilience through the recruitment of local residents as foster carers, helping children to remain close to communities they are from and to thrive in Sandwell. The invest to save proposals will further enhance this.</p>



7. Appendices

Invest to Save – Early Help

Invest to Save – Strategic Commissioning

8. Background Papers

Cabinet Meeting 19 October 2016

Cabinet Meeting 19 September 2018

