

SURREY COUNTY COUNCIL

CABINET

DATE: 31 OCTOBER 2017



REPORT OF: MRS CLARE CURRAN, CABINET MEMBER FOR CHILDREN AND FAMILIES WELLBEING

LEAD OFFICER: GARATH SYMONDS, ASSISTANT DIRECTOR COMMISSIONING AND PREVENTION, CHILDREN SCHOOLS AND FAMILIES

SUBJECT: CHILD FIRST – COMMISSIONING INTENTIONS FOR CHILDREN IN SURREY 2017 – 2022

Summary of issue:

The Child First Commissioning Intentions have been developed at a time when unprecedented financial pressures are being faced by Surrey County Council, stemming from decreasing funding from central government and increasing demand for Council services. The Council has already saved over £450m with a further saving required of £103m for 2017/18 and £75m for the next two years. This is being felt especially in children, schools and families. This statement of commissioning intentions provides an overall strategic framework for Children, Schools and Families for 2017-2022, with an emphasis on the importance of Early Help. The commissioning intentions will drive our commissioning to achieve value for money and, as part of our overall service, to ensure children get the right help, care and protection at the right time so they are safe and can thrive.

Additionally, further work is underway alongside planning for 2018-23; this focuses on more rigorous modelling of future demand on services and developing a robust approach to local decision making and market development. This will mean more needs met locally and delivery managed sustainably within planned budgets.

Recommendations:

It is recommended that the Cabinet:

1. Agrees the Commissioning Intentions set out in Child First 2017-2022.
2. Delegates to Cabinet Member for Children, Cabinet Member for Education, and Director for Children's Services, authority to make changes to the commissioning intentions, including those necessary to meet requirements of the Medium Term Financial Plan (MTFP) 2018-22.

Reason for recommendations:

The commissioning intentions are the response to the Surrey Children & Young People's Partnership Strategy 2017-22 and provide a clear framework of strategic action for children, schools and families in Surrey, which addresses MTFP challenges for 2017-21 and provides a basis for the approach for 2018-22.

Background/Business Case

1. We are committed to ensuring children in Surrey get the right help, care and protection at the right time so they are safe and can thrive. This supports our joint vision with partners for all children and young people in Surrey to be happy, healthy, safe and confident in their future. Most children in Surrey achieve good outcomes and make a successful transition to adulthood; for children with disadvantages such as poverty, discrimination or disability this is not always the case. These vulnerable children in Surrey do less well than children of a similar age in Surrey and some of these children do less well than those living in other local authority areas. The purpose of the Child First Commissioning Intentions is to set out and realise our vision by actively targeting our resources on the most vulnerable children, young people and families in Surrey and to provide support early to help them achieve better outcomes.
2. There is increasing demand in Surrey:
 - contacts to social care are increasing; 77,811 in 2016/17, rising from 60,915 in 2011/12;
 - Statutory plans for SEND (now Education, Health and Care Plans) have increased by 30% since 2009;
 - 11,000 extra schools places are required by 2021.
 - 3,990 additional post-16 places by 2026;
 - The number of Children in Need is forecast to rise by 20% over the next 3 years.
3. The Child First Commissioning Intentions are developed at a time when unprecedented financial pressures are being faced by Surrey County Council, stemming from both decreasing funding from central government and increasing demand for Council services. In 2017/18, the total expenditure for the CSF directorate is £454m and the total income is £253m, which leaves a total net budget of £201m (excludes delegated schools budgets). Reduction in government grants; our statutory duties, increasing use of high need statutory services and population increases mean that the county council faces significant demand and financial pressures, as outlined in the plan. This means the CSF directorate must deliver £54m of savings by 2020 as set out in the Medium Term Financial Plan 2017-2020. This will require a new operating model for early help and commissioning services in new ways to improve outcomes and reduce cost.
4. Due to historic Government underfunding of the county council and because Surrey has a high council tax base, Surrey's general government grant funding (Revenue Support Grant - RSG) is among the lowest in the country. In 2019/20, because of how the Government allocates this grant, Surrey is due to receive negative RSG of -£17.3m. This is the biggest negative RSG in England and equates to Surrey council tax payers giving nearly 3% of what they pay to the rest of the country. This is a clear funding inequity which the council has repeatedly urged the Government to address.
5. The Government is currently undertaking a Fair Funding Review, which it expects to take effect from 2020/21. This review should fundamentally address issues

within the current funding arrangements which also work against Surrey. One of the factors which militates against Surrey is the cost to serve in the area. Two core cost components for all organisations: wages and premises, have both risen significantly in Surrey in recent years compared to the rest of the country, yet the funding arrangements have unfairly remained static. Consequently, the council receives no uplift in its funding to alleviate this pervasive and increasing pressure. The council continues to make representations to the Government to address this and other matters as part of its fair funding review. However, any relief remains some way off.

6. Further pressures have been highlighted for 2018-19 and these are informing work on the MTFP for 2018-22. Additionally, more rigorous forecasting is being developed as well as robust and more integrated development in practice, decision making and market development to increase the proportion of children whose needs are met locally. These changes are designed to deliver sustainable services and improve outcomes for children through a cross-directorate initiative, entitled 'Child First: Developing Markets for a Sustainable Future'.
7. There are also financial challenges in other sectors of provision, such as the Public Health budget in Surrey which is 20% below the target level of funding due to historical funding formulas and reductions in central Government spending compared to what is required to deliver optimum services. This has resulted in a 11% reduction in the budget for health visiting and school nursing and £2million reduction in spend against sexual health services which are essential in proving a preventative response.
8. Through analysis three core **commitments**, three overall **outcomes** and ten specific **commissioning intentions** have been developed.
9. Core Commitments:
 - Children are seen
 - Children are safe
 - Children are heard.
10. Outcomes:
 - Children and young people achieve their potential;
 - Children and young people have good wellbeing;
 - Children and young people are safe from harm and danger.
11. CSF Commissioning Intentions:
 - Prevent problems escalating by identifying issues early and ensuring children, young people and families needing extra help receive timely preventative support.
 - Develop a positive experience of SEND services and support for children, young people and families.
 - Secure the right early support to promote good emotional wellbeing, physical and mental health.
 - Prevent and reduce the impact of abuse (including domestic abuse) and neglect.

- Secure provision of placements or accommodation for looked after children, care leavers, unaccompanied asylum seeking children that are appropriate, local and value for money.
- Reduce the impact to children of hidden crimes - child sexual exploitation (CSE), children who go missing from home and care and radicalisation.
- Champion the educational achievement, progress, health outcomes and engagement of vulnerable children and young people throughout their life course (looked after children, children in need, children with free school meals, children with SEND and 'vulnerable groups').
- Develop educational opportunities for children and young people with SEND in local schools or colleges that offer the best value for money.
- Secure increased participation in education, training and employment post 16 for children and young people in our 'vulnerable groups'.
- Secure increased school readiness and reduce the health development and attainment gap for disadvantaged groups in early years.

12. In summary, the Commissioning Intentions provide an overall strategic framework for commissioning for children in Surrey for 2017-2022. Additionally, delegated authority to the Cabinet Member for Children, Cabinet Member for Education and the Director of Children's Services is sought so changes can be made alongside the development of the MTFP for 2018-22.

Consultation:

13. A wide range of key stakeholders have been involved in developing these commissioning intentions, including:

- Children, young people and families through, for example, analysis of key engagement over the last few years such as the Big Survey, healthy related behaviours questionnaire and SEND workshops.
- Additionally a survey was conducted with broad agreement on the commissioning intentions. The plan has been updated in response to the feedback

Risk management and implications:

14. The following key risks have been identified, along with mitigation activities:

Category	Risk Description	Mitigation Activity
Safeguarding	The commissioning intentions includes the improvement of safeguarding, such as through reducing the impact of hidden crimes so risks will be reduced in this area.	<ul style="list-style-type: none"> • We have ensured Child First is aligned with the Children's Improvement Programme.

Financial	<p>The commissioning intentions align with the MTFP 2017-21 and will support its delivery. The commissioning intentions provide a framework for meeting the challenges of the MTFP 2018-22.</p> <p>Surrey County Council and children’s services faces a difficult financial challenge, with increasing demand and reducing budgets.</p>	<ul style="list-style-type: none"> • Delegated authority is sought to relevant Cabinet Members with Director of Children’s Services to make changes, including any required to meet the requirements of the MTFP 2018-22. • All financial decisions will be evidence based and allocate resources to the areas of most need.
Reputational	<p>The commissioning intentions set a clear and coherent direction for services for children across the county council and will therefore be positive in relation to reputation.</p>	<ul style="list-style-type: none"> • The commissioning intentions will inform future commissioning and the development of markets outlined in paragraph 6.

Financial and Value for Money Implications

15. The commissioning intentions and plan will underpin many of the savings requirements over the medium term.

Section 151 Officer Commentary

16. The business planning process for 2018/19 and beyond is currently being developed and many of the financials in the report are in the process of changing. The Section 151 Officer expects the commissioning intentions to be delivered within the resources available for future years.

Legal Implications – Monitoring Officer

17. This report sets out the commissioning strategies identified by the Directorate as being necessary to ensure the Council meets its statutory duties. The requirement to deliver savings will however, require the Directorate to introduce new ways of delivering services. The report provides a strategic overview of the proposed transformation of the ways things are done.

18. All proposed changes to policy and practice will need to be considered on an individual basis in order to determine the extent to which public consultation is required. It is likely that some of the proposals will need to be referred back to Cabinet as they are more fully developed for final approval.

Equalities and Diversity

19. An Equality Impact Assessment has been conducted and highlights that the clear commissioning intentions will improve outcomes for vulnerable groups in Surrey and will therefore have a positive impact.

Safeguarding responsibilities for vulnerable children and adults implications

20. The implications are positive as the commissioning intentions set clear strategic actions to reduce safeguarding risks in Surrey, such as 'to reduce the impact to children of hidden crimes – child sexual exploitation (CSE), children who go missing from home and care and radicalisation.'

Public Health

21. Public Health have worked on the development of the commissioning intentions.

Climate change/carbon emissions implications

22. No significant implications.

WHAT HAPPENS NEXT:

23. The commissioning intentions will be taken forward through the key programmes: Early Help; Education in Partnership; Safeguarding; SEND; Improvement Programme and the supporting thematic commissioning plans.

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Consulted:

Groups outlined in paragraph 3 in the paper.

Annexe:

- Child First Plan 2017-22

Sources/background papers: