

Report to Children's Services and Education Scrutiny Board

25 March 2024

Subject:	Sandwell Children's Trust Performance Update
Director:	Interim Director of Children and Education, Sally Giles
Contact Officer:	Sally Giles, Interim Director of Children and Education Sally_giles@sandwell.gov.uk Mandip S. Chahal, Senior Commissioning Manager for Statutory Services Mandip1_chahal@sandwell.gov.uk

1 Recommendations

- 1.1 That the Scrutiny Board considers and comments on Sandwell Children's Trust performance update.

2 Reasons for Recommendations

- 2.1 Sandwell Children's Trust is required to report to the Scrutiny Board twice each year as part of the obligations set out in the contract between the Council and the Trust.
- 2.2 The purpose of the item is to provide an update for consideration and discussion regarding Sandwell Children's Trust



3 How does this deliver objectives of the Corporate Plan?

	<p>Best start in life for children and young people</p> <p>Ensuring that children have the Best Start in Life is a key driver for Sandwell Children’s Trust; ensuring that children are safeguarded, protected and, when unable to live with their parents, are effectively cared for.</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>
---	--

4 Context and Key Issues

- 4.1 The contract with SCT is underpinned by comprehensive governance arrangements. The contract requires that the Director of Children and Education, together with council senior officers from finance and legal services, and the Chief Executive of the Trust meet on at least a monthly basis to consider performance and operational matters, this occurs at the Operational Partnership Board meeting. In addition, each quarter, the Lead Member for Children’s Services and the Chief Executive meet with the Chair of the SCT Board and the Chief Executive of SCT and DCS, at a Strategic Partnership Board.
- 4.2 The contract with the Trust specifies that representatives of the Trust should attend Council meetings when reasonably requested, specifically referencing attendance twice a year at the Children's Services and Education Scrutiny Board and at the Budget and Corporate Scrutiny Management Board if requested.



- 4.3 The contract requires SCT to provide regular performance updates for consideration by the Operational Partnership Board, the Strategic Partnership Board and then by the Cabinet.
- 4.4 Since April 2018 the Trust has been the subject of seven monitoring visits from Ofsted as well as a focussed visit, three inspection visits of the fostering service, a full inspection under the Ofsted's framework and guidance for inspecting local authority services for children (ILACS) in May 2022, this inspection included children's services across the Council and partners, an inspection of adoption services in December 2022 and was part of the Local Area SEND Inspection that took place in July 2023.
- 4.5 The judgement following the inspection undertaken in May 2022 was one of 'requires improvement to be good'. When coupled with the judgements of 'good' received for both the fostering service (Aug 2021) and adoption service (Dec 2022) shows a trajectory of service improvement. In addition, the Youth Justice Service was inspected by HMI of Probation in November 2018, with a 'Good' rated outcome.
- 4.6 The Contract between the Council and Sandwell Children's Trust includes a suite of 15 Key Performance Indicators against which SCT are required to report monthly. Since Sept 2023 only one KPI has been in the performance failure zone, for a period of one month. There are currently no KPIs in the performance failure zone.
- 4.7 The Council and SCT have agreed a new set of KPIs, that will be effective from the 01 April 2024. These will be reported to the Operational Partnership Board monthly.
- 4.8 The 2023/24 financial performance is being measured against the agreed 2023/24 Contract Sum. Cabinet approved the contract sum, £74.475m for 2023/24 which was an increase of £2.5m or approximately 3.5% compared with 2022/23.



- 4.9 At the end of Q3 SCT projected a year end deficit of £3.63m against the Contract Sum; in real terms this is an overspend of £4.37m as there was an expectation for them to achieve a surplus of £742k by the end of the year. This is against a national backdrop of significant increases in cost and availability of placements.
- 4.10 The average cost of a residential placement has risen from £5,225 in 2022/23 to £6,075 2023/24 year to date, an increase of 16.26%. Based on there being 62 children in residential care that equates to almost £2.75m of additional cost solely due to the increasing cost of residential care.
- 4.11 There is a national issue in respect of the availability of suitable placements for children who have more complex needs. In February 2024 the ADCS President released a statement that articulated this. He said 'Local authorities face many challenges when finding a home for a child, particularly as we are seeing the emergence of more solo or low occupancy homes, meaning that need continues to outstrip supply. The uneven distribution of homes across the country is an added challenge with homes frequently opening up where housing is cheaper not where they're needed most. There can also be an unwillingness of some providers to take children with any level of complexity, or increasingly serving immediate or inappropriate notice periods, for fear of the impact on their Ofsted rating. Local authorities increasingly can pay tens of thousands of pounds per week for places, yet providers can choose which children to accept and at what cost.'
- 4.10 In March 2023 the number of Sandwell children placed in residential care was 49; since then the number has increased to 62, as of December 2023. SCT are projecting an overspend on placements, against what they had budgeted of £5.91m. Despite the increase overall in the number of children in residential placement there are still fewer in residential care in comparisons to the national average.
- 4.11 In July 2023 Cabinet agreed a package of financial incentives to improve the recruitment and retention of social workers. This is collectively known as the Sandwell Deal.



4.12 Since Dec 2022 there has been an improvement in the balance of agency to permanent social workers, with agency workers now accounting for under 20% of the total social worker cohort. In addition to there being a better balance, there are also fewer vacancies. Over the last quarter the number of vacancies has fallen by just over 5% to an all-time low

5 Alternative Options

5.1 At its meeting on 19 October 2016, Cabinet was advised of the Government’s Statutory Direction (under Section 479A of the Education Act 1996) to set up a new arrangement in the form of a children’s trust to deliver children’s social care services. As a result, Sandwell Children’s Trust started operating on 1st April 2018. The Service Delivery Agreement includes a contractual requirement to attend Children and Education scrutiny twice per year. Any alternative to the current arrangement must be agreed by both the Council and the Trust and go through a formal contact variation process.

6 Implications

<p>Resources:</p>	<p>The Council agreed a contract sum for 2023/24 of £74.475m to deliver the Council’s statutory responsibilities for children’s social care and to provide targeted early help services. In addition to this, further sums have been provided to SCT in year to cover the cost of high cost agency workers, the pay award and the Sandwell Deal. The Contract Sum amount that SCT receives is agreed annually in line with mechanisms set out in the Service Delivery Contract.</p>
<p>Legal and Governance:</p>	<p>The Service Delivery Contract between the Council and SCT is performance managed via a monthly Operational Partnership Board, a quarterly Strategic Partnership Board, and SCT is required to attend up to two Children’s Scrutiny Board meetings and a Budget Scrutiny meeting each year. There is a partnership Improvement Board independently</p>



	chaired by a DfE appointed consultant. Additionally, the Trust is required to submit its Annual Review to the Council.
Risk:	The Council's strategic risk register identifies no red risks relevant to this report. Following the inspection in May 2022 and the improved Ofsted judgement the previous red risk was moved to amber. This risk is regularly monitored and reported to the Council's Audit and Risk Assurance Committee.
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	SCT supports children to achieve, feel safe, be supported and access opportunities. SCT supports care leavers to access education, employment and training. Having strong governance and oversight supports SCT to achieve service improvement and better support children and families in Sandwell.
Climate change	There is no direct climate change impact associated with this report.
Corporate Parenting	Ensuring that SCT continues on its improvement journey will support the Council in delivering its corporate parenting responsibilities.

7. Appendices

None

8. Background Papers

None

