

**Second Report by the Children's Commissioner on  
Birmingham City Council's  
Children's Social Care Services**

**Norman Warner  
October 2014**

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## **Introduction**

1. I was asked to provide four reports by the end of March 2015 on the progress being made by Birmingham City Council on improving their children's social care services following a series of highly critical reports by Ofsted. This is the second of those reports and covers the period from April to October 2014. It addresses the concerns expressed by Ofsted and the report by Professor Julian Le Grand and his expert panel, both of which were reflected in the terms of reference set out in the annex to the Direction to the City Council under the 1996 Education Act. I have organised the material in this report under the 8 areas in the remit to me under those terms of reference. This report consolidates material in my first report and indicates progress since that report in July 2014. It concludes with the priorities for further change before my next report in January 2015.
2. My work has been assisted by the support provided by DfE officials and the help and cooperation I have received from Birmingham City Council's elected leaders, senior officers and staff at all levels. I would like to place on record that top management's help has been unstinting despite the huge pressure that the top management is under. This pressure has exposed how thin Birmingham's senior management capacity is, a point I have made to Sir Bob Kerlake in relation to his governance review. I have also had constructive meetings with Birmingham's MPs; elected Councillors across the political parties; and many of the City Council's partners in other agencies. Further such meetings are being scheduled, as they are with Sir Michael Tomlinson and Sir Bob Kerlake to assist their work in Birmingham.

## **Accountable body**

3. I was asked to ensure that Birmingham established an effective accountable body to oversee and drive improvements in children's social care. Birmingham's leadership speedily accepted my suggestion that this body should be a 'Quartet' comprising the Council's Leader, Sir Albert Bore, the Cabinet Member responsible for these services, Brigid Jones, the Chief Executive, Mark Rogers and the Strategic Director for People, Peter Hay. This group have accepted fully their responsibility for monitoring progress and driving change. They recognise that they are accountable for ensuring that big changes happen at pace and that they will be responsible for failure to deliver improvements.
4. I stay in close touch with members of the 'Quartet' - individually and collectively - both on my regular visits to Birmingham and otherwise. I am satisfied that they are working together in a constructive way and, despite other challenges relating to Birmingham's schools, they are devoting the required attention to improving children's social care. They meet formally once a fortnight and are probing officers on progress. On the evidence so far I have every reason to believe that the 'Quartet' will be an effective accountable body for securing improvement but I shall watch matters closely to ensure their continuing commitment to sustainable change.

## **Improvement Plan**

5. I was asked to ensure that Birmingham produced a single coherent plan for the improvement of its children's services (the 'Improvement Plan'), with a particular focus on the first three years. I have overseen and contributed to the Improvement Plan focussed on responding to the criticisms in successive Ofsted reports and the wider concerns reflected in the report by the Le Grand Panel and my own remit. That Plan was delivered to DfE officials on 8 July, accompanied by a covering letter from me. It has been through several iterations and earlier versions were discussed with DfE officials. I consider that this Plan sets out a coherent and deliverable programme of change over three years for improving Birmingham's children's services.
6. The plan is deliberately more detailed about what will be delivered in the first year but outlines the agenda for years two and three. It will be updated early in 2015 when further work has been undertaken, especially on budgetary matters and the development of a set of key

performance indicators. That update will set out in more detail the programme of change for years two and three and will be incorporated in my third report. I consider that Birmingham will benefit from having a regularly updated Improvement Plan that is flexible enough to take account of new knowledge and circumstances rather than a rigid blueprint rooted in today's conditions.

7. A short progress report on how Birmingham's children are being made safer under the Plan is at Appendix 1. A fuller report on improvements to safeguarding children and how the City Council looks after children will be made in January in my next report.

### **Itemised Budget**

8. I was asked to oversee the production of an itemised budget for children's services that was aligned with the needs and timescales of the Improvement Plan. Work is well advanced on the preparation of such a budget for the period up to and including FY2017/18. Inevitably this has to take account of the very serious financial challenges that the City Council faces over this period. In a Green Paper published in October 2014 the City Council have made clear that on present plans it expects to have to make savings of a further £150 million in 2015/16. Of that figure, £50 million was planned last year, meaning another £100 million still needs to be found. This is on top of even larger cumulative annual reductions in the last 4 years. On present plans the Council is likely to have to decommission services and reduce its staff substantially; but it has made child protection its top priority for next year by fully protecting its existing budget, despite these major financial challenges. My understanding is that the City Council is in discussion with DCLG about its 2015/16 financial position.
9. Despite these challenging financial circumstances, the City Council had taken a decision before my arrival to prioritise improvement in children's safeguarding work and to make good shortfalls in the base budget for this work. They had injected an extra £14 million or so in FY 2014/15 and committed an annual increase of £6 million in the base budget for children's services for each of the three years 2015/16 to 2017/18 inclusive. However the future years' provision includes nothing for the costs of the Improvement Plan, improving the capability of children's services and coping with the unmet need deriving from the work on unidentified risk (see next section). Most of the extra funding in FY2014/15 is one-off money which does not carry through into the base budget for future years.
10. I asked for further work to be undertaken to identify the future extra costs of implementing the Improvement Plan, particularly the costs of dealing with the consequences of tackling the unidentified children at risk about which Professor Le Grand's expert group and DfE were understandably so concerned. The work undertaken suggests that the extra costs of safeguarding and looking after more children over the next three years may well cost an additional £140 million over three years and reach an annual cost of nearly £50 million by 2017/18. The table in Appendix 2 sets out the current projected extra costs of meeting extra need and of the change management programme that Birmingham City Council has to undertake to improve on a sustainable basis. Without this investment the shortcomings identified by Ofsted and others will not be made good.
11. I have been involved in the preparation of Appendix 2 and I have no reason to doubt its current accuracy; but the figures for future years are inevitably provisional at this stage. They may well need revision as improvement work is taken forward in the coming months, particularly if the number of children to be safeguarded and looked after turns out to be higher than the projection shown in Appendix 2. An itemised budget for the three years to FY 2017/18 should be ready by the turn of the year; and I do not expect the current figures to vary by more than 10-15%.

12. I thought it important at this stage to provide DfE Ministers with the City Council's provisional figures in Appendix 2 so that early consideration could be given by central government to how to fund these additional costs. The likely state of the Council finances over the next three years will make it virtually impossible for them to fund the extra £140 million or so required over three years without further major reductions in other services, some of which may well affect children and other vulnerable people. I hope that Ministers will give early attention to this issue.

### **Unidentified Risk**

13. At my request the Chief Executive commissioned independently-led work that has now been completed on clarifying the complex issue of unidentified children at risk in Birmingham. This has focussed on establishing the extent to which the number of children at risk referred to the City Council is too low; how children within Birmingham's child protection system are then dealt with and progressed; and assessing this data over time and in comparison with other similar authorities, although finding suitable comparators for Birmingham as a whole has proved difficult. This time consuming work has involved individual file examination to establish an accurate picture of what has been happening to Birmingham's children. I also asked that this work is done in such a way that it reveals any variance in professional practice across Birmingham's operational areas, including with regard to ethnicity. I sent to DfE officials in the summer a copy of the report to the Chief Executive and this report is attached at Appendix 3.
14. It is clear that during 2013 there was a significant worsening in the way contacts and referrals were handled, although it has proved difficult to demonstrate that actual contacts and referrals were lower than expected by comparison with similar authorities. Too many cases were inappropriately marked "NFA" – no further action – and may have been closed prematurely. Too many cases were not being subjected to child protection case conferences. The picture is one of a poorly implemented reorganisation of safeguarding services; the loss of experienced social workers; an increase in poor professional practice; and disruption of partnership working with other agencies. When this review identified problems, senior management in May took urgent action to ensure cases were not closed prematurely and were properly subjected to child protection case conferences. It set in train efforts to help staff improve practice; increase the number of social workers; and require more robust management grip. The result has been an increased volume of children coming into the safeguarding system and better professional practice in their assessment and decision-making about their future.
15. This improvement continues, in large part due to an important initiative undertaken with partner agencies to improve the front door on a more sustainable basis. This change was the establishment of a Multi-Agency Safeguarding Hub (MASH) which went 'live' at the end of July. I have visited the new MASH twice to assess its effectiveness and have been satisfied that it is making children safer, not least because partner agencies are on the same site. As MASH matures as an organisation it should continue to improve, providing all the partners retain their commitment and funding. The considerable increase in referrals since MASH was established strongly suggests to me that the previous unsatisfactory system was deterring contacts and referrals; and supports the Le Grand panel's view that there was significant unidentified risk among Birmingham's children.
16. Appendix 1 provides more information on how the MASH is improving the handling of contacts and referrals; the scale of increase in these contacts and referrals; and how further development of MASH will be taken forward by the partner agencies. My next report will provide an update on how MASH is developing and how the recommendations in the report at Appendix 3 have been taken forward by the Chief Executive and his colleagues. More analysis of unmet need and risk is being undertaken and this will both improve understanding and assist joint commissioning of MASH and other services with partner agencies for 2015/16.

## **Senior management and operational areas**

17. I was asked to review and improve senior management. I have done this in consultation with the Quartet. We were all agreed that two changes were needed: new leadership at the top for children's services; and devolving the day-to-day operation of these services to three more sharply-focussed and evenly-balanced areas – South area, East area and North, West and Central area. The person acting as the head of children's social care left the Council's employment in the summer; and the Council appointed an Executive Director for Children's Services with an enhanced package and higher grading. I had a lengthy face-to-face discussion with the appointee and she seemed a sound appointment. Unfortunately after starting her employment she left the post without any convincing explanation.
18. The City Council have appointed an interim replacement; and a permanent senior replacement from a large authority will take up the post full-time early in 2015. Although the interim support provided so far to the Strategic Director for People has proved invaluable, it is essential now that new leadership below him is established speedily to ensure sustained change, including stronger support on changing business processes as well as professional practice. As part of this, the corporate services support to the People's Directorate needs improvement; and the Chief Executive accepts that this is necessary and his responsibility to progress matters.
19. The move to the devolved area management system began on the 1 October and the change will be fully operational, with devolved budgets and a new performance management system and accountability, on 1 April 2015. An independent competency assessment programme for the top 80 or so managers in Birmingham's children's services – from team manager to area director inclusive – is now starting. I have insisted that all staff undergoing the assessment process must complete satisfactorily a robust development plan. There will be no organisational disruption of the work of safeguarding teams and family support hubs as a result of these changes. I consider that this new devolved approach to delivering children's services in Birmingham has the potential to be transformative, providing that there are capable people in charge at area level supported by a robust performance management system and strong leadership from above.
20. As part of these changes I have insisted that Birmingham develops a more credible and useful performance scorecard/dashboard that measures safety and performance from the team level to the Strategic Director for People. This has now been done and is starting to go live across all areas. To their great credit this work has been done at pace by Birmingham's own staff led by an able young social work manager who has designed a system that enables social workers to manage their cases better but also provides managers, from team-level upwards, with the information to manage performance below them. This provides real time information on the existing CareFirst case management IT system and has been done at modest cost. Appendix 4 provides more information on the format of the new scorecard which will be populated with the full range of data over the coming months. This new system for performance management can be kept under review and adapted or expanded as the need arises.

## **Social work capacity and capability**

21. I was asked to review social work capacity and capability. I have identified four main problems: the inadequacy of professional social work capability both in terms of quantity and quality; the Council's inability to retain social work staff and their heavy reliance on agency staff, especially experienced staff and team managers; the lack of supervision and development of social workers to ensure their progression and retention; and the inadequacy of administrative support, especially the IT system, for good quality social work practice and the consequential wasting of social skills and time on clerical work.

22. Following discussions with the corporate leadership, several work streams have been initiated. The first of these is absolutely critical to delivering the Improvement Plan: this is developing and implementing a credible recruitment and retention strategy that minimises use of agency staff and helps Birmingham grow its own talent in partnership with the local university training social workers. The second is assessing the capability of existing social work staff and team managers and assisting them to improve their skills with a more effective system of supervision and appraisal. The third is the development of an effective quality assurance framework within which good social work practice and corporate parenting is likely to flourish with a professional head with assured access to top management. Finally there is the need to review, integrate and upgrade the various dysfunctional IT systems used for social work case management.
23. Although progress has been made with the recruitment of basic grade social workers and limiting the size of caseloads, this has not been matched by recruitment of experienced social workers and team managers where reliance on agency staff remains high and stability of retention is too low. Overall there was a net gain of 17 social workers (in all grades) during 2013/14. The position currently is improving slightly with a net gain of 18.5 people in the period April-September 2014 compared with a net loss of 22 staff in the same period last year. But there is still a high dependency on agency staff at all levels – currently about 27% across the grades.
24. I recognise that the social work labour market is a difficult one nationally but Birmingham's first attempts to grapple with this difficult market have been inadequate. They have failed to produce a credible recruitment and retention strategy for social workers and this has revealed the weakness of their corporate HR policies and processes, both managerially and politically. After robust discussions a new approach has been initiated with a greater willingness to address the failings of some of their internal policies and procedures. Work is now in train to produce within 4-6 weeks a package of measures that are fully agreed politically and managerially; and that should amount to a credible recruitment and recruitment strategy. I have asked for this to be accompanied by a professional marketing strategy that shows Birmingham as a good place for social workers to live and work. The top management is now committed to this and the Chief Executive has agreed to be the senior responsible officer to deliver this change of direction. I hope to report more progress in my next report.
25. On the second work stream better progress has been made with assessing and improving individual skills and competency and enhancing professional practice with the help of external experienced personnel working alongside practitioners and managers. This will continue for some time. Corporate agreement has been reached to adapt the City Council's performance development and review (PDR) system to make it less bureaucratic and more suitable for professional social work needs. It remains to be seen how speedily this system can be changed to better meet the needs of the Council's social workers. I shall monitor this area closely and report further in my next report.
26. The third work stream has been assisted by using external consultants to produce, since my first report, a promising draft of a Quality Assurance Framework. This will now be discussed within the children's services at all levels to secure professional 'buy in' before full implementation in early 2015. Alongside this document work has been completed on defining the role of a Chief Social Work Officer for Birmingham to ensure consistent adherence to the Framework. The establishment of the post has now been agreed as a major contribution to resolving the longstanding problems of inconsistent front-line practice and management that have bedevilled Birmingham's services for safeguarding and looking after of children. This post will be able to report concerns direct to the Strategic Director for People and, in exceptional circumstances, to the Chief Executive and members. The post-holder will produce

an annual report on the Quality Assurance Framework that the City Council will be required to publish. I expect an appointment to be made by the end of 2014.

27. On the fourth work stream the head of the software company for the Council's social work case management system has agreed to work with the City Council on improving the system; aged kit is being replaced more quickly in the children's services; and a draft of a longer-term IT strategy to help those working with children is being developed. It is essential that this work fully involves social work practitioners. More immediately the CareFirst system has been upgraded to improve case and performance management as described in Appendix 4; and I have secured agreement to these improvements being extended to the services for family support and prevention by April 2015 so that all social care case information about families forms part of an integrated system.
28. Much more needs to be done on all these work streams and the pace of change needs to be accelerated, not just by the Strategic Director and his team but by the corporate management including Members. I hope to be able to report considerable progress in these critical areas in my next Report.

### **Commissioning Services**

29. I was asked to oversee work to identify future strategies for the commissioning of children's social care services in Birmingham and make recommendations by March 2015. I have had discussions with Birmingham's senior management about the extent of existing commissioning of children's services and their ambitions for the future; and also with Professor Le Grand about the wider piece of work on this that he will be overseeing for DfE Ministers. As part of that wider work I chaired a DfE conference on commissioning and outsourcing in early September. Ideas at this conference are informing work in Birmingham who will be holding their own event in December with existing and potential external providers of children's services from the voluntary, social enterprise and private sectors.
30. Birmingham have on its own initiative begun a review of its early years services; and I am discussing with them building into this work the capability to develop a market in this service area to secure better outcomes for children and better value for money. The December event will help progress matters. The work on commissioning children's services is being integrated with the longer established work on commissioning services for adults, often in partnership with the NHS. The next step is to realise a step change in the City Council's capacity to commission services across adults and children's services in partnership with other agencies; and to exploit the scope and appetite for outsourcing where this offers the prospect of solving longstanding problems and securing better value for money.

### **Partnership Working**

31. I was asked to ensure that the City Council improves the systems for partnership working between itself and its local partners. As a result I have had discussions about partnership working with police, the NHS and education. The picture emerging initially was less than encouraging, despite some good local examples and some improvements around the work on the front door and the establishment of MASH. I had particular concerns around relationships with the NHS and schools. The number of NHS referrals and contacts looked to me to be on the low side. What was also being reported to me on schools was that some schools are letting their own contracts on safeguarding outside the established multi-agency arrangements. These problems cannot all be laid at the door of the City Council. I decided to focus initially on the NHS and in August I wrote to Chief Executive of NHS England about my concerns: this letter is at Appendix 5.

32. Since August there have been various meetings with the NHS to try to make progress following my letter to NHS England. Birmingham has a large number of autonomous NHS bodies who clearly find it difficult to coordinate their activities. There are also differences of view about the respective roles of commissioners and providers on the responsibility for funding the costs of partnership working. In order to try to make progress I have asked NHS England's regional office to act as a coordinator of the current dialogue with the City Council and to try to convert this dialogue into a Memorandum of Understanding between the local NHS and the City Council. I have outlined for them the basis of such a document that could be converted into a Memorandum that sets out what the parties agree to do each year in partnership and how this would be reinforced by specific services jointly commissioned and funded. Both parties have agreed to aim for an agreed Memorandum for FY 2015/16. The hope is that the scale of ambition will increase in later years.
33. I will pursue further work on partnerships with education and police before my next report and report on progress with the NHS.

### **Independent Review and Challenge**

34. My terms of reference require me to ensure that Birmingham builds in independent review and challenge into its systems for safeguarding and looking after children. I have been puzzled as to why Birmingham's children's services were apparently allowed to fail for so long despite established system checks and balances. Alongside the normal performance management and Council scrutiny arrangements, there was supposed to be an independent IRO system for stopping bad practice in individual cases and a high level Safeguarding Board. What is clear to me is that none of these systems – internal or external - stopped bad practice or ensured the safeguarding of children to a reasonable standard.
35. I consider that it is possible to improve internal scrutiny and quality assurance as part of the Improvement Plan work so I have concentrated initially on improving the effectiveness of Birmingham's own quality assurance and IRO systems. I have described above the work in progress on a new quality assurance framework and the establishment of a new post of Chief Social Work Officer, with a considerable measure of independence, to draw attention to unsatisfactory practice. That post will have responsibility for overseeing the effective working of the quality assurance system and bringing any shortcomings to the attention of top management. The post holder will also be responsible for the IRO system and responding to Ofsted reports.
36. The IRO system is broken. It has been ineffective at enforcing practice change through its system of quality assurance notices in individual children's cases. The system needs urgent review and change: the Strategic Director for People agrees. CAF/CASS have been employed to undertake an independent piece of work with City Council staff to reform the system. The aim is to have new IRO arrangements in place by April 2015 but with some improvements beforehand. It is still an open question as to whether a reformed IRO service will be managed internally or under a contract; but either way the service will be part of the responsibilities of the Chief Social Work Officer and therefore independent of day-to-day operational management.
37. In my earlier report I voiced my concerns about the effectiveness of the Safeguarding Board, particularly its size (around 50 members). Both the Chief Executive and the independent Chair of the Board know my views. The Chair has made some changes to the Board's working arrangements which are an improvement. I have noted these changes and will consider before my next report my views on the effectiveness of these new arrangements for resolving safeguarding problems across the different agencies. If I remain concerned about the effectiveness of the Safeguarding Board I will open some discussions with DfE officials and Birmingham's corporate team about what further changes are required.

## Conclusions and next steps

38. The City Council continues to make steady progress with improving its children's services. There is now greater clarity about the problems to be fixed within an agreed and credible 3-year Improvement Plan. Top management – political and officer – are committed to driving change corporately. Important building blocks are being put in place, particularly a much improved front door using a Multi-Agency Safeguarding Hub (MASH). A better Quality Assurance Framework is in prospect under the direction of a more independent Chief Social Work Officer. Work has started on improving social work practice; keeping caseloads manageable; and improving social work numbers. A new performance scorecard/dashboard is coming on stream; and a more effective devolved area-based management is being established. A start is being made on repairing the broken IRO system and there is some commitment to improve partnership working with the NHS. The existence of unidentified risk has been clarified but not yet the precise scale of it, although it looks considerable.
39. However there is much still to do. I remain concerned about the capacity of corporate resources to help fix service department problems – especially HR; and about the leadership capacity in children's services below the level of Strategic Director for People. There is still no credible recruitment and retention strategy for securing and retaining a sustainable workforce of social workers. The financial challenges facing Birmingham are formidable. Without some guarantee of sufficient resources and a credible social work recruitment and retention strategy the 3-year Improvement Plan will not be delivered. Multi-agency partnership working continues to need attention, as do the quality checks and balances. The jury remains out on the effectiveness of the Safeguarding Board.
40. The City Council and I need to remain focussed on delivering change at pace in the areas in my remit that I have identified and that are within the Council's control. The most important and urgent of which is a social work recruitment and retention strategy and a marketing approach that convinces social workers that Birmingham is a great place to live and work. The main new areas I shall be focussing on are services for looked after children; coordination of preventative work; and partnership work with schools and police. I shall also be returning to the issue of outsourcing as a means of securing more sustainable change and better value.
41. I hope that together we can show in my next report continuing and accelerated progress on improving services for Birmingham's children and the resolution of identified problems of greatest concern. However much will depend on the quality and quantity of corporate support provided and the continuing attention and commitment of political leadership across the Council.

Norman Warner  
October 2014