

The background of the slide features a large, light blue watermark of the City of Vancouver's coat of arms. The crest includes a crown with four maple leaves, a shield divided into four quadrants (top-left: a ship, top-right: a beaver, bottom-left: a ship, bottom-right: a beaver), and a banner at the bottom with the motto 'CITY OF VANCOUVER' in French. The text 'AGENDA ITEM' is centered over the upper part of the shield.

AGENDA ITEM

6

Social Work Children & Families Budget Update

Falkirk Council

Title: Social Work Children & Families Budget Update

Meeting: Scrutiny Committee

Date: 2 February 2017

Submitted By: Director of Children's Services

1. Purpose of Report

- 1.1 Social Work Children & Families budget update reports have previously been provided to the Scrutiny Committee in October 2015, February 2016 and June 2016.
- 1.2 This report sets out to provide a further progress report as requested by Members in June 2016.

2. Recommendations

2.1 The Scrutiny Committee is asked to note

- (1) the progress to date in reducing the Social Work Children & Families overspend;
- (2) the development of a 3 year strategy to reduce spend further and generate efficiency savings from 2018/19 onwards.

3. Financial Information

- 3.1 Table 1 describes the Social Work Children & Families budget outturn over the last 3 years, and the projected outturn for 2016/17.

Table 1

Financial Year	Year-End Position	% Variance on Total Budget
2013/14	+£0.313M	+1.6
2014/15	+£2.784M	+13.6
2015/16	+£0.870M	+4.1
2016/17	+£0.835M projected	+3.8

- 3.2 The main pressure areas continue to relate to the purchasing of external placements, although the projected spend on residential schools has decreased. Following a recommendation made by the Scrutiny Panel, budget rebasing has taken place which has resulted in £300,000 being vired to the external fostering budget and £300,000 being vired to the external residential care budget as initial steps to redress the balance.

Table 2 outlines the projected spend for 2016/17.

Table 2

Type of Placement	Budget 2016/17 £'000	Projection £'000	Variance £'000
Residential Schools – joint funded	2,022	1,567	-455
External Residential Care	3,693	4,423	730
Fostering (Falkirk Council)	1,638	1,816	178
External Fostering	1,212	1,795	583
Total	8,565	9,601	1,036

3.3 A summary of costs is outlined below:-

- **Residential School Placements** - Costs vary between £2,060 and £5,663 per child per week. As at 31 December 2016, there were 12 young people in residential schools and 2 in secure (i.e. a total of 14).
- **External Residential Care Placements** - Costs vary between £1,515 and £5,250 per child per week. As at 31 December 2016, there were 26 children and young people in these placements.
- **Falkirk Council Foster Carers** - Weekly fee of £60/£100/£150 per child per week depending on the carer's skill level plus an age-related allowance per child per week ranging incrementally from £137 for younger children to £226 for 16+.

The Council currently has 61 registered foster carers and 10 active short-break carers for children with disability. There is a national legal limit of 3 unrelated placements per fostering family.

As at 31 December 2016, there were 110 young people placed with Falkirk Council foster carers.

- **External Fostering Placements** - The average weekly cost is £857.81. As at 31 December 2016, there were 39 young people in these placements.

3.4 The budget overspend directly relates to increased numbers of children who require to be Looked After Away From Home and the complexity of needs they present.

It is not always possible to place a child/young person in the least expensive placements. Any placement is made on the basis of a robust multi-agency assessment.

The various external foster care providers and residential establishments offer different services ranging from catering for additional support needs to therapeutic communities. Also, this area remains a "seller's market" and often the choice is limited because of availability.

The Council currently holds parental rights and responsibilities for 26 of the 39 children placed in long-term external foster placements. This in turn means that the Council has Corporate Parenting rights and responsibilities in respect of these children and there is therefore limited scope to reduce external foster care expenditure relating to these children until they are old enough to leave their placements.

4. Contextual Information

4.1 Children Looked After At Home

Table 3 below provides comparator figures for children Looked After At Home over a 5 year period.

Table 3

Total on Looked After At Home Register as at					
	2012	2013	2014	2015	2016
January	199	168	148	110	119
February	197	166	150	118	122
March	197	163	147	114	125
April	199	155	146	112	124
May	199	159	136	120	121
June	206	151	132	114	122
July	207	151	124	118	121
August	185	148	117	122	118
September	179	150	108	122	121
October	173	151	108	124	117
November	167	150	113	124	117
December	166	144	107	114	122
Monthly Average	189	155	128	118	121

4.2 Children Looked After Away From Home

Table 4 below provides comparator figures for children Looked After Away From Home over a 5 year period.

Table 4

Total on Looked After Away From Home Register as at					
	2012	2013	2014	2015	2016
January	211	209	227	249	240
February	207	213	229	252	237
March	204	219	228	252	242
April	208	227	228	251	247
May	214	225	227	248	248
June	210	228	236	236	245
July	214	222	247	240	253
August	218	216	248	241	241
September	215	223	246	247	246
October	212	226	248	244	247
November	210	223	257	246	251
December	211	224	256	245	252
Monthly Average	211	221	240	246	246

As can be seen from the above, the figure varies from month to month, and from April 2016 has again been rising. This is also reflected in the National picture.

4.3 Child Protection Register

Table 5 provides comparator figures for children and young people whose names are on the Child Protection register.

Table 5

Total on Child Protection Register as at			
	2014	2015	2016
January	84	72	63
February	89	62	69
March	85	71	65
April	87	70	64
May	87	68	61
June	87	65	67
July	85	75	82
August	86	77	74
September	84	67	77
October	87	69	83
November	90	64	79
December	89	67	77
Monthly Average	87	69	72

Children and young people are recorded on the Child Protection register under the following concerns:-

- domestic abuse
- parental alcohol or drug misuse
- non-engaging family
- parental mental health problems
- sexual abuse
- child exploitation
- physical abuse
- emotional abuse
- neglect

- 4.4 While many children on the Child Protection register are able to remain at home as parents engage in work to improve outcomes, so too are these the cohort of children and young people as well as children Looked After At Home who are most likely to become accommodated if the risks for their safety increase.
- 4.5 There has been a national trend in relation to increasing numbers of children and young people becoming Looked After, both At Home and Away From Home. Over the last few years, Falkirk's "Looked After" overall rates have been consistently lower than the national average, though the figures over 2015 and 2016 move us closer to this.

In 2015, the national trend for all Looked After children was a rate of 14.9 per thousand, while Falkirk was a rate of 11.4 per thousand.

- 4.6 We compare less favourably with the Scottish average in terms of the percentage of our overall Looked After population who are Looked After Away From Home in residential schools and residential care, although this is reducing and moving closer to the national average as per the table below.

Table 6

	Reporting Date		
	31/07/2014	31/07/2015	31/07/2016
Community Placements	302	305	325
Residential Placements	68	59	48
Percentage Residential	18.4%	16.2%	12.9%
National Average Percentage	8.9%	9.9%	Not yet available

Consequently, this leads to financial volatility.

5. Considerations/Challenges

- 5.1 There continues to be a real challenge to constrain expenditure and meet demanding service efficiency targets whilst continuing to protect the most vulnerable children and avoiding any reputational risks to the Council.
- 5.2 The Children and Young People (Sc) Act 2014 has now enshrined the GIRFEC (Getting It Right For Every Child) approach in legislation as well as widening corporate parenting responsibilities, not just across all Council Services but now including partner agencies.

The Children Act also legislates for young people to access continuing care beyond 18 to age 21 and to receive aftercare support up to age 26.

- 5.3 In 2014, the Equality and Human Rights Commission (EHRC) challenged all Local Authorities in relation to inequity of allowances paid to foster carers and allowances paid to kinship carers. Members agreed to change the Council policy, and from 1 April 2015 we incrementally moved to undertaking financial reassessments and we are now paying kinship carers age-related allowances.

Scottish Government then included increased responsibilities towards kinship carers in the Children and Young People (Sc) Act and extended the allowances to apply to certain carers with a Section 11 Residence Order.

- 5.4 We currently support 72 children and estimate a further 30 will require support.

There is a further group of children who are subject to Section 11 Orders who may meet the criteria for allowances but, to date, are not known to the Service.

5.5 Unaccompanied Asylum Seeking Children

A further consideration is in relation to Unaccompanied Asylum Seeking Children. In recent years, there has been a significant increase in the number of unaccompanied children reaching the UK and claiming asylum. These young people become the responsibility of the Local Authority in which they present, which means the majority are looked after by the Local Authorities in London and the South East of England which are close to major points of entry into the UK. In order to ease pressure on these Local Authorities, the Home Office and the Department for Education in England are currently seeking to develop a voluntary system to disperse Unaccompanied Asylum Seeking Children around the UK. There are powers within the Immigration Act 2016, which received Royal Assent on 11 May, which could be used to compel Local Authorities to become involved. Additional legislation would be required, though, to extend those powers to Scotland.

The pressure on Scottish Local Authorities is likely to increase now that the decision has been made to close the Calais camps.

Once the situation becomes clearer, this will be the subject of a separate report to Members.

6. Actions Taken To Manage The Budget Position

6.1 The following actions have already been implemented:-

- The contract beds with Care Visions Westside increased from 4 to 5.
- The introduction of a contract with FTS for 6 beds from 2 November 2015 and an increase from 6 to 7 beds in October 2016, and from 7 to 8 beds from early December 2016.
- Promoting foster care through employee payslips and Falkirk Council News.
- Review and revision of the contract with external foster care providers. The new tender is about to be sent out.
- The planning and development of a co-ordinated Family Support Service is progressing.
- The Realigning Children's Services project commenced in September 2016 and will contribute to changing the ways in which we deliver services.
- Throughout 2015/16, a Scrutiny Panel has been looking at Outcomes for Looked After Children. The recommendations from the Scrutiny Committee were presented to the Executive on 29 November 2016.

6.2 Opportunities for other residential care contracts continue to be investigated.

6.3 Foster care recruitment remains challenging and consequently we are progressing plans with an external agency to run a digital marketing campaign.

6.4 Since April 2016, a Strategic Service Review has been ongoing to look in even more depth at the Children & Families Social Work budget. The proposed output from this is the production of a 3 year strategy which will encompass:-

- Decisions from Looked After Children Scrutiny Committee and Executive. These focus on
 - mental wellbeing attainment
 - balance of care between residential and foster care
 - corporate parenting
 - transitions
 - housing and support for care leavers
 - a “family firm” approach.

The full report to the Executive can be found at Appendix 1.

- Actions from the Joint Inspection Improvement Plan. These focus on
 - children living in neglectful circumstances for too long
 - the need to deliver improvements in the wellbeing of children
 - closing outcome gaps through early intervention and prevention
 - arrangements for joint strategic planning of children’s services should harness and maximise all available resources
 - robust performance management and use of data should drive improvements
 - establishing a collective vision for corporate parenting at the highest level
 - ensuring that the involvement of children, young people, families and other stakeholders participate and engage in service planning

The full report to the Executive and the Improvement Plan can be found at Appendix 2.

- Plans to increase fostering resources and decrease the use of residential resources;
- Information regarding reducing the overspend and in future years achieving efficiency savings.

6.5 The progress from the Strategic Service Review will be monitored by the Council of the Future Board.

7. Consultation

7.1 No formal consultation has taken place to date. Once the draft 3 year strategy is completed, the intention would be to consult widely across Children & Families Social Work staff and also with partner agencies through the Children’s Commission Leadership Group.

8. Implications

8.1 Financial

There may be some spend to save initiatives which arise from the recommendations from the Scrutiny Panel on Outcomes for Looked After Children. One example would be in relation to the Digital Marketing fostering campaign.

There will certainly be financial implications in relation to Unaccompanied Asylum Seeking Children.

8.2 Resources

Again, there may be resourcing implications which arise both from the report on Looked After Children but also from the strategy itself.

8.3 Legal

There are no legal implications arising from the report recommendations at this stage.

8.4 Risk

There is a balance to be sought between reducing the overspend whilst still ensuring the safety of individual children and young people and minimising any reputational risk to the Council.

8.5 Equalities

No overall EPIA has been carried out at this stage. EPIAs will be applicable to certain parts of the 3 year strategy and will be undertaken as part of the consultation process.

8.6 Sustainability/Environmental Impact

No sustainability assessment has been completed.

9. Conclusions

9.1 Working practices will continue to be reviewed and informed by the development of a 3 year budget strategy emerging from the Strategic Service Review referenced at section 6.4.

9.2 Progress has been made in achieving a significant reduction in the overspend outturn in 2015/16 and this continues with the projection for 2016/17.

9.3 Work continues to reduce the overspend with a view to bringing the budget in on target for 2017/18, but within the context of risk highlighted in Section 8.4.

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Appendices

None.

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

None.