

Item No: 11.	Classification: Open	Date: November 22 2007	Meeting Name: Corporate Parenting Committee
Report title:		The Children Looked After Service and Budget	
Ward(s) or groups affected:		All	
From:		Strategic Director of Children's Services	

RECOMMENDATION

1. That the Committee notes the report into the budget and services for Children Looked After (CLA), and the management action being taken to balance the budget.

BACKGROUND INFORMATION

2. The Looked After Service is responsible for providing the full range of placements care planning and after care activity to safeguard and promote well-being of all Southwark's CLA. Currently there are 593 CLA in the Southwark (October 2007). This is the lowest number of CLA in Southwark for many years, although it remains one of the highest rates in London.
3. The Children Looked After Service is responsible for three main areas of activity:
 - Adoption and Fostering Services which provide alternative permanent, short, and long term families for children who can no longer live with their parents or extended families;
 - Services for Looked After Children aged 0 to 12 years; and
 - Services for Looked After Children over the age of 12 and after care services from the age of 18 to 21 years.
4. The CLA Service Business Unit is also supported by Specialist IT, Administration and Finance staff and has developed a range of integrated services with partner agencies to achieve the five Every Child Matters (ECM) outcomes. This report details the range of different placements and support services within the CLA Business Unit, and set out the measures being adopted to balance the budget.

KEY ISSUES FOR CONSIDERATION

5. The CLA Service has a total budget of **£24.2 million**. This supports one of the most important and volatile areas of Council expenditure, providing for all the care placements and related support functions for children looked after. The main areas of activity are described below.

Adoption and Fostering

6. A significant proportion of the budget is dedicated to weekly payments paid to foster carers for looking after children in care. The fostering service is the bedrock of the Department's placements strategy: it is important to maintain a competitive level of payments to maintain our ability to recruit and retain foster carers.

0-12 Service

7. This sum includes the three specialist social work teams, Contact Services and Education support for CLA. The majority of care proceedings work is undertaken within this team.

Adolescent and Aftercare Service

8. This sum includes four specialist teams working with CLA over 13 years of age and Support Services for young people leaving care up to the age of 21, including all services for unaccompanied minors.

Legal Services

9. Southwark's Legal Service has a dedicated legal team responsible for supporting Looked After Services in family proceedings. Court processes are becoming more adversarial and requiring more court time. Currently, the CLA Service has 83 children in family proceedings. Legal costs have risen in the last few years because of the increasing complexity of cases and the need to instruct Counsel to present the local authority's case. The use of "expert" opinion has also increased, as the Courts often order independent social workers or medical practitioners for an independent opinion on such issues as the capacity of parents to change to the point where they can safely look after their children.

Finance, Administration, IT, and Inter-Agency Joint Funded Arrangements

10. This funds a range of support services for children in care and includes joint-funded posts with the Primary Care Trust (PCT), Connexions, Drug Assessment and Action Team, education services and Child and Adolescent Mental Health Service (CAMHS). These services are dedicated to improving outcomes for children in care by providing the interventions necessary to support placement stability, probably the most important factor in ensuring good outcomes for children.

External Placements

11. This is the biggest and most volatile budget in the CLA Service. Wherever possible, Southwark, like most other authorities, seeks to place children in care within a family environment, ensuring continuity of education and maintaining community attachment. This is achieved through using accredited Southwark foster carers who are assessed and recruited by Southwark's Fostering Service.
12. For those children who are assessed as suitable, adoption is the preferred option, and Southwark strives to increase year on year, the number of children adopted from care. In all cases the service rigorously seeks to identify members

of the extended family who may wish to assume care for the child (family placements). There is a sound body of evidence to indicate that family placements secure positive outcomes for children who might otherwise be in care and this option continues to be explored with vigour when there is no possibility of the child remaining with birth parents.

13. In addition to Fostering Services, Southwark has a significant partnership contract with Shaftesbury Young People. This contact is being shaped to provide a more flexible range of placements (25 from February 2008) for children who cannot have their needs fully met within a family placement.
14. Should these options not be appropriate, then the CLA Service will purchase a specialist placement resource from the private and voluntary sector to meet a specific challenge or identified need. By their nature, specialist placements are expensive and in some cases in short supply. These placements are commissioned by Southwark's Brokerage Service to ensure: appropriate contract negotiation; the highest standards; terms of reference; and best value principles/compliance. The external placements budget can be broken down into the following key areas:

Specialist Residential

15. The CLA Services currently has 23 young people in specialist residential provision at an average cost of £2,500 per week. The costs of placements can vary from £1,500 to £5,000 per week, for the most challenging young people.

Agency Fostering

16. Southwark currently has 87 children in agency fostering placements at an average cost of £890 per week. These are considerably more expensive than in-house carers, partly because they are able to provide specialist services to support placements and maintain stability. There are over 30 independent fostering agencies in London and the Southeast who attract and recruit highly skilled professional foster carers and provide extensive support to their carers.

Family Placements

17. There are occasions where a member of the extended family comes forward to offer a long-term care placement for a child in care. Currently, there are 34 family placements where carers receive a weekly allowance calculated independently by the London Fostering Network.
18. Normally, Children's Services would seek to have the Care Order revoked and facilitate the family member applying for a Special Guardianship Order or Residence Order, which would give parental responsibility to the family member.
19. However, there are a few occasions where the birth parents are so hostile to the local authority and to the members of their family coming forward, it has been considered appropriate to retain a Full Care Order to safeguard the child being placed with the extended member of the family. Family placements are generally very successful and to be encouraged as they ensure that children are able to remain in close contact with their families and retain a strong sense of identity.

Semi-Independent Placements

20. Currently, Southwark has 31 young people in semi-independent provision at an average cost of £846 per week. Semi-independent placements are provided to Looked After Children (including Unaccompanied Minors) between the ages of 16 and 18 as part of their preparation for independence. While many young people remain with their foster carers until they are 18, a proportion are either unable to, or prefer to reside in a semi-supportive environment.
21. Semi-independent accommodation usually consists of a small number of flatlets within a building where allocated key workers spend between 3 and 10 hours per week undertaking direct work with the young person. This input would comprise practical skills development (budgeting, cleaning, managing bills etc.) or assisting with education, employment or a training activity.

Secure Accommodation

22. At present, the Council has no children in care in secure accommodation. The average cost of a secure placement is £5,000 per week.
23. Earlier in the year, there were two children who had a period in secure accommodation. These are by definition young people who pose the greatest risk to either themselves or others. Secure placements are subject to significant external scrutiny through monthly court hearings and review panels chaired by designated Councillors.

Section 24

24. The CLA Service has legal obligations under the Children (Leaving Care) Act 2000 to support, advise and plan interventions with young people who have left care until they have reached the age of 21 years (24 if in further education). While the service seeks to ensure that care leavers have the best possible transition to adulthood, securing positive outcomes for many of these young people remains an ongoing challenge to services, given their history of abuse, neglect and abandonment.
25. There are a number of young people who, despite significant interventions, reach the age of 18 with unresolved immigration status, which leads to continued uncertainty into adulthood. There are also a small number of young people who because of their particular needs or conduct are unable to immediately manage their own tenancy. Many of these young people will require a continued high level of support, which may involve adult services.
26. A number of joint initiatives are in place with housing, adult services and education providers to provide post-18 support. This budget is used to provide a variety of small payments to maintain young people in the community while mainstream services are being assessed or, occasionally, where young people may not quite meet universal benefit criteria.

Mother and Baby Units

27. Nearly 40% of children subject to court proceedings are under 5 years old. While the Referral and Assessment Service will undertake the initial intervention, CLA Services progress any care proceedings to their conclusion. Interventions usually

occur at such a young age as a result of significant substance abuse, mental ill-health or learning disability on the part of the carer(s).

28. The courts are obliged to consider representations by the parents (especially since the introduction of the Human Rights Act) where they attempt to establish that they can provide appropriate care for their children. If there are significant risks, this assessment is usually required to be residential and is ordered by the court.
29. Each assessment lasts for 12 weeks at an average cost of £2,600 per week. Recent changes, introduced on 1 October 2007, have removed the obligation of all court parties to joint-fund court ordered residential assessments. This could lead to significant additional costs for the Children's Services.

Strategies to Manage Budget Pressures

30. There remains a continued upward pressure on the budget for children looked after, predominantly because of above inflation increases in the unit cost of residential care and agency foster placements, and the fact that there are more young people with complex needs in care. While the CLA Service seeks to provide services to meet assessed need, there are a number of initiatives in place to ensure best value and effective budget management. These include:
 - Measures to reduce the headline rate of children in care. In line with some of the thinking in the Care Matters White Paper, Southwark, like many other authorities has developed services to encourage parents to retain responsibility for their children and thereby keep them within their schools and communities. This has seen a gradual but steady decline in the number of CLA from 630 to 593 in the past year.
 - Placements Panels (3). These panels are used to review decision making on expensive residential care placements. Any funding request for an external placement needs to be presented to and formally approved by a Panel.
 - Market testing and direct negotiation by the Brokerage Service to ensure that the proposed placement is of the appropriate quality, and value for money is sought when placement costs are being negotiated.
 - Review and expansion of the Shaftesbury contract from February 2008, which will provide a greater range of placements and more flexibility to meet the diverse needs of the young people who need to be in care. The new service will provide a combination of residential and foster care designed to accommodate emergency, medium and long-term placements for young people.
 - Approval by the Assistant Director on the use of high cost agency fostering placements to ensure that maximum use is made of in-house fostering provision.
31. These measures have helped reduce the current overspend on placements, alongside further work which is underway to identify further measures to balance the budget.

Policy implications

32. The continued development and improvement of services for children looked after is essential to securing better outcomes and ensuring this vulnerable group have the best possible start in life. Better outcomes for CLA is a priority in the

Children and Young People's Plan and the strengthening of our services will ensure that children and young people can make a positive contribution to the community.

Community Impact Statement

33. Legislation and guidance can have a differential impact on a diverse community and it is important that implementation should be closely monitored to ensure that all communities are able to benefit equally. We currently monitor the children looked after population to identify possible trends in admissions, which may be influenced by the way legislation, guidance and policy is applied locally. Work has been undertaken by the Department's Management Information and Analysis Team on a more detailed and comprehensive analysis of the care population. This on-going work will enable us to commission services that more accurately reflect the needs of the local community and address any differential issues in relation to care admissions.

Consultation

34. No specific consultation has been undertaken on the content of this report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Legal and Democratic Services

35. There are two changes in the way that care proceedings are conducted which will increase the cost of these proceedings for all local authorities.
36. The first is the change in public funding by the Legal Services Commission (LSC). Previously the local authority has been able to argue for the costs of residential assessments to be shared between the parties. As stated in this report, at paragraphs 28 and 29, from 1 October 2007 if there is to be a residential assessment the full cost of this now has to be paid by the local authority. This is because the LSC has decided that its funding will no longer extend to cover these costs.
37. The second change is the introduction of the Public Law Outline (PLO). This is an initiative introduced by the judiciary and the Court Services to improve the speed and quality of passage of child care proceedings through the court system. This was introduced as an initiative in June 2007 but is expected to become mandatory from 1 April 2008. All the agencies involved in care proceedings are being expected to adhere to the PLO.
38. For the local authority this means there is increase in work undertaken by Legal and Children's Services before care proceedings are initiated and during the course of those proceedings. Compliance with the PLO requires more documentation to be generated for the proceedings and this task has fallen mostly on local authority officers. Our early experience is that cases are taking longer to prepare for Court and that the demands being placed on officers both in the Legal and Children's Services are increasing. This increase in activity will mean that the cost to the council of conducting care proceedings will increase.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Children and Young People's Plan	Children's Services Department	Rory Patterson

AUDIT TRAIL

Lead Officer	Rory Patterson		
Report Author	Rory Patterson		
Version	Final		
Dated	13/11/07		
Key Decision?	No		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER			
Officer Title		Comments Sought	Comments included
Strategic Director of Legal and Democratic Services		Yes	Yes
Director of Finance		No	No
Executive Member		Yes	Yes
Date final report sent to Constitutional/Community Council/Scrutiny Team			13/11/07