

## ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1	<b>Meeting:</b>	<b>Children and Young People’s Scrutiny Panel</b>
2	<b>Date:</b>	Friday 15 <sup>th</sup> October, 2010
3	<b>Title:</b>	<b>Commissioning of Placements for Looked After Children</b>
4	<b>Directorate:</b>	Children and Young People’s Services

### 5. **Summary**

CYPS has a requirement to purchase external residential and fostering provision from the independent sector to accommodate children and young people who cannot be accommodated within our own resources. This is as a result of the needs of those children and young people being too complex to be met by our own foster carers or residential units, because there is a safeguarding issue of placing them within Rotherham or simply due to a lack of capacity within our own provision.

These external placements are more expensive than in-house provision and this demand led budget has always overspent against allocation each financial year.

This paper sets out the actions being taken to manage that situation.

### 6. **Recommendations**

**That Scrutiny notes the mitigations put in place to manage the demand on resources.**

## 7. **Proposals and Details**

### **Existing Process**

The current process for planned placements is that when a social worker believes a resource is required for a young person then they seek the agreement of their line management and then present the case to the Resource Panel which meets on a weekly basis. The panel examines all possible options and if it is agreed that an Out of Authority placement is the only option available then Director approval is sought and the Commissioning Team notified of the need to source a placement externally. In the case of an emergency placement then the same process is followed with the case being brought to Resource Panel retrospectively.

The Commissioning Team then contact possible providers from an approved list of either residential units or Independent Fostering Associations (IFAs) with details of the placement needed and provide the social worker with options available from which they choose the most appropriate placement for that young person.

### **Actions Being Taken**

#### **Regional**

Rotherham is already part of a Yorkshire and Humber Regional Contracting Group which takes responsibility for accrediting both residential and IFA providers in line with the national fostering and residential contracts thereby saving the need for each Authority to individually accredit each provider. This group is also responsible for setting annual price increases for approved providers and reporting any serious issues with providers across their network.

In September a meeting was called, facilitated by the Department of Education's Commissioning Support Programme attended by representatives of all the Yorkshire and Humberside Local Authorities to agree a way forward in terms of agreeing joint working arrangements regarding placements. It is being led by Leeds and will now look to secure a small commitment of funding from each Authority to carry out legal and contracting work in order to put in place a framework agreement across the region for suppliers which will specify the price for each type of placement that Authorities are willing to pay. Rotherham will be playing an active role in supporting this process.

#### **Sub-Regional**

As well as the regional initiatives above a meeting has been called by Rotherham of representatives from Sheffield, Doncaster and Barnsley Local Authorities to explore ways in which financial pressures can be shared in relation to placements. The first meeting of this group will take place on 14<sup>th</sup> October and, whilst not looking to duplicate the work of the regional initiative, there are options which can be explored more locally. Some of these will include the sufficiency agenda which from 1<sup>st</sup> April, 2011 requires each Authority to place any child, where possible, within 20 miles of their home.

## **Local**

In line with the revised Children and Young People's Plan a greater emphasis is being placed upon Prevention and Early Intervention strategies in an attempt to prevent those children and young people on the edge of care becoming Looked After Children. In order to achieve this much of the work needs to be done with families and young people prior to the point at which their case would be referred to the Resource Panel. However, the role and remit of the Resource Panel has been reviewed with the membership extended to include those with greatest knowledge of potential alternatives to support a child and their family to prevent the need for that young person being taken into care or to return them at the earliest possible opportunity. The new panel will be operational from 20<sup>th</sup> October.

Increased efforts are being made by staff within social care to progress the care plans of those placed Out of Authority to enable them to be adopted, return to their family or become independent. This work has resulted in 31 young people leaving placements between April and the end of August. It should be noted during this period it has also been necessary to accommodate an additional 27 young people in placements. Children in IFA placements who have a 'should be placed for adoption' decision will be prioritised for linking wherever possible. The Fostering Team are about run a recruitment campaign that focuses on younger children in order to prevent them being placed outside the Borough. The Team is also actively recruiting for carers willing to take children on a long term basis.

Within Rotherham a number of steps have been taken to drive down costs incurred against placement budgets.

Previously when need for a placement was known in advance a reservation fee was made to the provider to secure the desired place prior to the young person's arrival. This practice has now ceased, unless ordered to by a court. Whilst this places additional pressure on the Commissioning Team to secure a place at shorter notice it has removed one element of cost.

Prices quoted by suppliers when sourcing placements are now routinely challenged by the Commissioning Team on each occasion prior to the young person being placed in order to secure discounts. This process has secured savings of £47,739 since June this year.

Meetings with all approved suppliers of both residential and fostering placements are scheduled in order to secure discounts for Rotherham. These discounts will be on the basis of either the number of young people placed with an agency, the level of financial commitment with that agency and the length of time which the young people placed with that agency need to be accommodated.

The initial two meetings have already agreed discounts equating to £24,000 of savings.

## 8. Finance

Rotherham currently has 26 young people placed in independent residential provision and 106 young people placed with IFAs, at an average cost of £3,303 and £875 per week respectively. The budget for this financial year is £3,030,748 for independent fostering placements and £2,457,373 for residential placements. Current projected spend figures for the year are £4,463,416 and £3,836,120 respectively giving a combined projected overspend of £2,786,300.

For financial year 2009/10 the year end position was an overspend against budget of £3,560,031.

The total budget for in house fostering placements for this financial year is £1,960,000. The budget as at the end of August based on current activity and increase in in-house provision, is projected to be overspent by £80,000 giving an overall projected spend of £2,040,174. The average cost of an in-house placement will need to be established in order for a proper comparison to be made with IFA placements. As part of the commissioning strategy a decision will be made as to the type and number of provision that could be provided in house and what specialist provision should be sought from the independent sector.

## 9. Risks and Uncertainties

Due to the fact that these are demand led budgets it is impossible to accurately predict how many young people will require placements in the future which in turn makes it difficult to accurately project future expenditure levels. However, work is ongoing to develop a robust strategy to ensure that lower level interventions become the norm and that children only become looked after as a last resort.

## 10. Policy and Performance Agenda Implications

This work impacts particularly on two of the 'Four Big Things' within the recently revised Children and Young People's Plan namely Keeping Children and Young People Safe and Prevention and Early Intervention with one of the key areas of focus being Looked After Children and our commitment to them that they can live in a safe place where they are protected from harm.

NI62 Stability of placements of looked after children: number of placements is the key performance indicator for this area of work.

## 11 Background Papers and Consultation

N/A

**Contact Name:** Adrian Hobson, Business Development and Commissioning Manager  
Telephone: 822566  
E-mail: [adrian.hobson@rotherham.gov.uk](mailto:adrian.hobson@rotherham.gov.uk)