

ROTHERHAM BOROUGH COUNCIL – REPORT TO COMMISSIONER NEWSAM

1.	Meeting:	Commissioner Newsam's Meeting
2.	Date:	12 th May, 2015
3.	Title:	Extensions and Adaptations to the Homes of Foster Carers and Adopters
4.	Directorate:	Children and Young People's Services

5. Summary

This report requests that further funds are made available to continue to provide home extensions and adaptations for foster carers and adopters in line with the proposal agreed by Cabinet on 25th April 2012.

This is a key decision and has been included on the Forward Plan for the required 28 day period.

6. Recommendations

That Commissioner Newsam:-

6.1 Approve further borrowing of funding of approximately £550k for each of the next 3 years, £1.65m in total, to continue to provide home extensions and adaptations to the homes of foster carers and adopters in line with the scheme originally approved by Cabinet in April 2012.

6.2 Approve the use of funds borrowed in line with this scheme to part fund home purchases for foster carers and adopters where to do so would be more cost effective for the Council in meeting the needs of children than extending or adapting an existing home.

6.3 Approve the new criteria set out within this report to be applied in determining which applications for extensions and adaptations will be approved and funded.

7. Proposals and Details

7.1 Background

7.1.1 A Cabinet Report, 'Extensions and Adaptations to Foster Carer Property' (attached as Appendix 1) was presented and considered by Cabinet on 25th April 2012. The report set out a proposal to increase capacity within the in-house Fostering Service through funding extensions and adaptations to foster carer's homes that would allow carers to care for additional children and young people. The initiative was an invest to save initiative in that it was shown that the cost of funding extensions and adaptations would be more than offset by cost avoidance achieved as a result of a subsequent reduction in the use of high cost independent fostering agency placements.

7.1.2 Cabinet approved the scheme and associated funding of £1.12m. The funding was provided via a capital loan with repayments being made from within the Placements Service revenue budget. A total of 19 home extensions/adaptations have been successfully completed and funded under the scheme, providing additional capacity within the service.

7.1.3 Six additional home extensions have been agreed in principal on the basis that they meet the original invest to save criteria and there are other cases where a home extension is necessary to provide continuing stability for already placed children. However the original £1.12m funding agreed has been fully utilised on the 19 extensions so far completed and therefore meeting any additional need requires approval for additional funding.

7.2 Extending the Initiative

7.2.1 This report proposes extending the scheme through further capital borrowing of £550k for each of the next 3 years, £1.65m in total. This sum will be used to fund extensions and adaptations so far agreed in principal but for which no funding remains from the original capital borrowing, and to allow a limited amount of further applications to be approved over the next 3 years. Calculations in this report are based on funding for 10 such approvals at a cost of £550k in each of the next 3 years.

7.2.2 There are currently six applications that are agreed in principal and for which initial drawings and planning applications have been made. The total cost of all of these if implemented would be £394K. It is proposed that the cost of these be met through the £550k funding proposed for year 1. .

7.2.3 There are several further foster/adoptive families where the provision of a home extension/adaptation is essential to meet the ongoing placement needs of children in placement. Work has not yet commenced to identify the costs associated with extensions to meet need in these circumstances as funding is not yet secured.

7.2.4 The proposals in this report have been considered and approved by the Directorate Leadership Team and the Strategic Leadership Team. The criteria set out below at 7.3 is an amended criteria which has accounted for the consultation feedback from the Directorate Leadership Team and the Strategic Leadership Team.

7.3 Criteria for Home Extension/Adaptation

7.3.1 Consideration of the provision of funding for home extensions/adaptations and part funding of new home purchases for foster carers and adopters will be given in the following circumstances:

- Where siblings are placed in a foster placement and the best plan for them, as endorsed via a statutory looked after children review, is to remain placed together in that placement, and where such a permanence plan cannot be implemented without the provision of an extension or alternative home due to an inadequate number of bedrooms.
- Where the best plan for a child, as endorsed via a statutory looked after children review, is to be fostered permanently by the foster carer of a sibling of his or hers, but where this plan cannot be implemented without the provision of an extension or alternative home due to inadequate bedroom space
- Where an existing foster carer has opted to continue to offer a home to a previously fostered child under the Staying Put arrangements but in doing so no longer has bedroom space to take a foster placement and the carer would be enabled by the provision of additional bedroom space to offer further foster placements to adolescents who might otherwise be placed in Fostering Plus placements or independent sector provision. That the foster carer's circumstances match these here should be evidenced in the most recent foster care review.
- Where an existing foster carer would be able to offer an additional foster placement to adolescents with complex and challenging needs who might otherwise be placed in the independent sector and/or residential accommodation.
- Where the best plan for a child, as endorsed via a statutory looked after children review, is to be placed for adoption but this plan cannot be implemented without the provision of an extension or alternative home due to inadequate bedroom space.

- Where a home extension or adaptation or alternative home is essential to provide a permanence placement for a looked after child with disabilities, and where this plan has been endorsed via the statutory looked after children review.
- Where the best plan for a child, as endorsed by a statutory looked after children review or the appropriate Head of Service, is to be made subject to a Special Guardianship Order, but this plan cannot be implemented without the provision of an extension or alternative home due to inadequate bedroom space.
- Where service needs change over time, extensions and part funding of alternative homes may be considered for other scenarios not identified above where this is in line with and essential to meet the Sufficiency Duty.

7.4 Process for Approval

7.4.1 All applications for funding via this scheme will require approval by the Director of Safeguarding, having already been approved by the Service Manager/Head of Service for Looked After Children Provision.

7.4.2 In other respects, the process for moving from consideration of an application/proposal will follow that set out in the flowchart attached to the Cabinet Report provided in 2012 (attached to this paper)

7.5 Legal Implications

7.5.1 Any projects agreed will be subject to legally binding contracts between the carers and RMBC with a sliding scale of payback should the increased capacity not be delivered or in the event of placement breakdown or carers terminating their registration.

8. Finance

8.1 In April 2012 £1,029m was approved in order to deliver 21 properties. This funding was approved on the following basis

Impact on Budget	£'000
Year 1 Net Cost	785
Year 2 Cost Avoided	-709
Year 3 Cost Avoided	-709
Estimate of Net Costs Avoided over 3 years	<u>-633</u>

19 properties have been completed. The following table demonstrates that the original net cost avoidance target had been achieved.

Actual Impact on Budget	£'000
Year 1 Net Cost	422
Year 2 Cost Avoided	-575
Year 3 Cost Avoided	-575
Net Costs Avoided over 3 years	<u>-729</u>

A further investment of £1.65m over 3 years would be required to cover an average of 10 properties per year (30 in total). This would include an estimated £1.47m direct adaptation costs and £180k Asset Management Costs. An estimated cost of £550k would be incurred for this in each of the 3 years.

With an investment of £550k in Year 1 (assuming 10 adaptations approved in this year) there would be an estimated £330k of costs avoided based on the assumption that the placement would continue and not result in a replacement in the Independent Sector. This is also based on the placement continuing at the lower average In House Fostering rate of £252 per week rather than the average Independent Fostering rate of £887 per week. Future years (borrowed over 60 years) would see a borrowing cost of £28k per year (based on the £550k invested) but with an overall Net Cost Avoidance of £302k per year. Over the 3 year period this Net Cost Avoidance would be £441k

Net Cost Avoidance 1 Year investment	Year 1 £'000	Year 2 £'000	Year 3 £'000	Total £'000
Adaptation Cost	550	0	0	550
Borrowing Cost	0	28	28	56
Cost Avoided	330	330	330	991
Net Cost Avoidance	-220	302	302	441

Based on the adaptation of approximately 10 properties per year for the next 3 years this would require an investment of £550k in each of the 3 years. As identified above £28k borrowing costs would be incurred for £550k for the following year and over a 60 year period. Year 3 would see £28k for the £550k in year 1 plus an additional £28k for the £550k borrowed in year 2. Year 3 would follow the same trend. The costs avoided would be £330k in Year 1 based on the 10 placements, with Year 2

seeing 10 new placements in addition to the continued cost avoided from the initial 10. Therefore double the cost avoided at £660k. The trend would continue into Year 3. Over a 5 year period this would result in a Net Cost Avoidance of £2.312m

Net Cost Avoidance 3 year investment	Year 1 £'000	Year 2 £'000	Year 3 £'000	Year 4 £'000	Year 5 £'000	Total £'000
Adaptation Cost	550	550	550	0	0	550
Borrowing Cost	0	28	56	84	84	251
Cost Avoided	330	660	990	990	990	3,962
Net Cost Avoidance	-220	83	385	907	907	2,312

9. Risks and Uncertainties

9.1 The key risk associated with not making funds available to adapt homes of foster carers and adopters is that children are prevented from moving to or staying with families who would otherwise be best placed to meet their needs for a permanent home and family. This would have a significant negative impact on their wellbeing and outcomes.

9.2 Not securing funds for home adaptations risks additional expenditure on high cost independent sector placements for the Local Authority

9.3 There is a risk that such funds could be misused in a way that would not lead to cost efficiencies for the Authority. To mitigate this risk, there is clear criteria for approval set out that allows for approval only where it is essential to meet the child's needs for permanence and legal binding contracts will be drawn up between the carer/adopter and the Authority.

10. Policy and Performance Agenda Implications

10.1 It is essential for children's outcomes that we secure permanence for them as quickly as possible. Funding of home adaptations to secure permanence for children in line with their best interests will contribute to improved performance by the service and improved outcomes for children.

10.2 We have a duty to place children with their siblings where it is in their best interests. Funding for home adaptations will help us to achieve this for children where the insufficiency of accommodation might otherwise have prevented it.

11. Background Papers and Consultation

11.1. See previous Cabinet Report dated 25th April 2012 attached.

11.2 Consultations have taken place with the Council's finance service and they have completed section 8 above.

11.3 This report has been considered and approved by the Directorate Leadership Team and The Strategic Leadership Team.

**Paul Dempsey,
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ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET

1.	Meeting:	Cabinet
2.	Date:	25th April 2012
3.	Title:	Extensions and Adaptations to Foster Carer Property
4.	Directorate:	Children and Young People's Services

5. Summary

The requests for extensions and adaptations generally come from two routes

- Foster carers who are able to increase capacity or who require an extension to provide greater living / bedroom space for their own children and those foster children placed
- Family members who can provide care for a child via a Residence Order or a Special Guardianship Order and therefore prevent the child remaining "looked after"

This report sets out the business case for investing in the 21 current applications in order to create additional foster care capacity and also improve the quality of life for current placements.

6. Recommendations

- That this report be agreed by Cabinet.
- To proceed with the 21 applications as listed above in the order given.
- That the 13 applications which would create additional capacity be prioritised.
- Further requests will be considered assuming the investment results in cost avoidance is over a period of less than 2 years.

Assuming all of the adaptations went ahead in this financial year and in line with expected timescales the overall estimated Net Cost in the current year would be £785k. The total estimated costs avoided over 3 years to the end of March 2016 would be £633k.

Impact on Revenue Budget	£'000
Year 1 Cost	785
Year 2 Cost Avoided	-709
Year 3 Cost Avoided	-709
Estimate of Net Costs Avoided over 3 years	-633

9. Risk and Uncertainties

Any projects agreed are subject to legally binding contracts between the carer and Rotherham MBC with a sliding scale of payback should the increased capacity not be delivered or in the event of placement breakdown or carers terminating their registration

10. Policy and Performance Agenda Implications

There is a statutory requirement within the Children Act 1989 that from April 2011, local authorities working with their Children's Trust partners must be in a position to secure, where reasonably practicable, sufficient accommodation for looked after children in their local authority area.

Although the sufficiency duty is placed on the local authority, Section 10 of the Children Act 2004 requires that the authority makes arrangements to promote co-operation with relevant partners (health, schools, police, probation, third sector etc) with a view to improving the well being of children in the local authority area. Section 10 also requires the partners to co-operate with the local authority

Benefits of complying with this duty are that children are placed within their local communities enabling them to retain identity and cultural links. Savings can be achieved in terms of the time and money to support families maintaining contact. Additional savings are achieved in respect of social worker / independent reviewing officer time and cost of supporting the child in placement.

11. Background and Consultation

Report to corporate parenting panel

Report to SLT

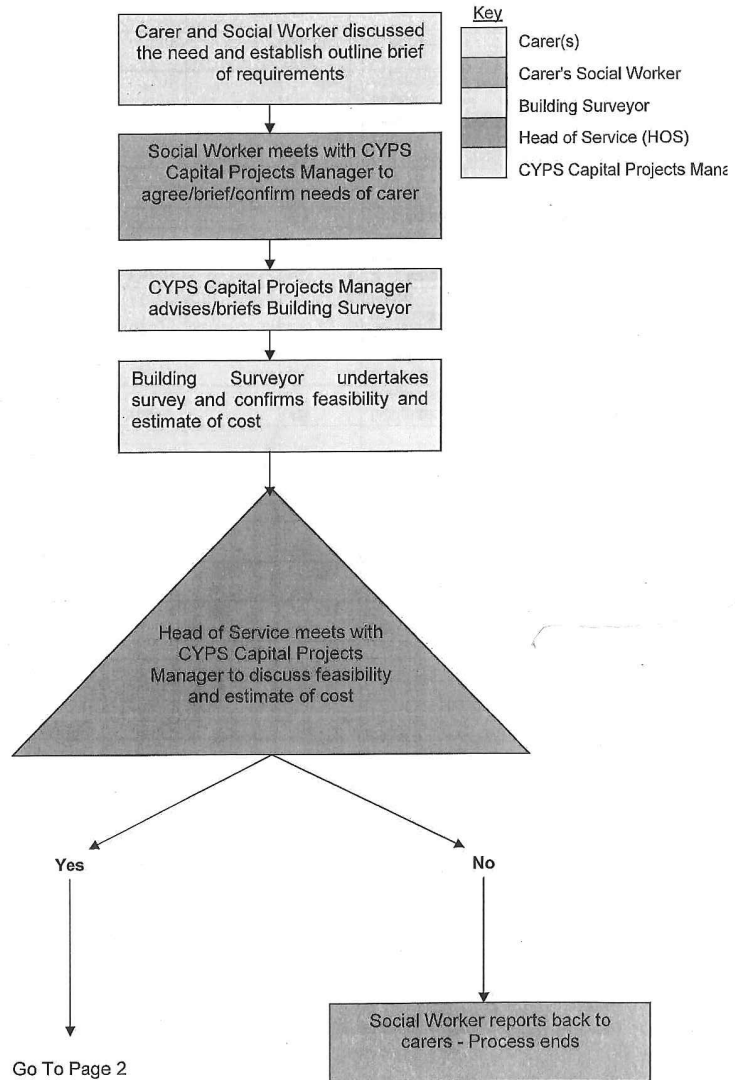
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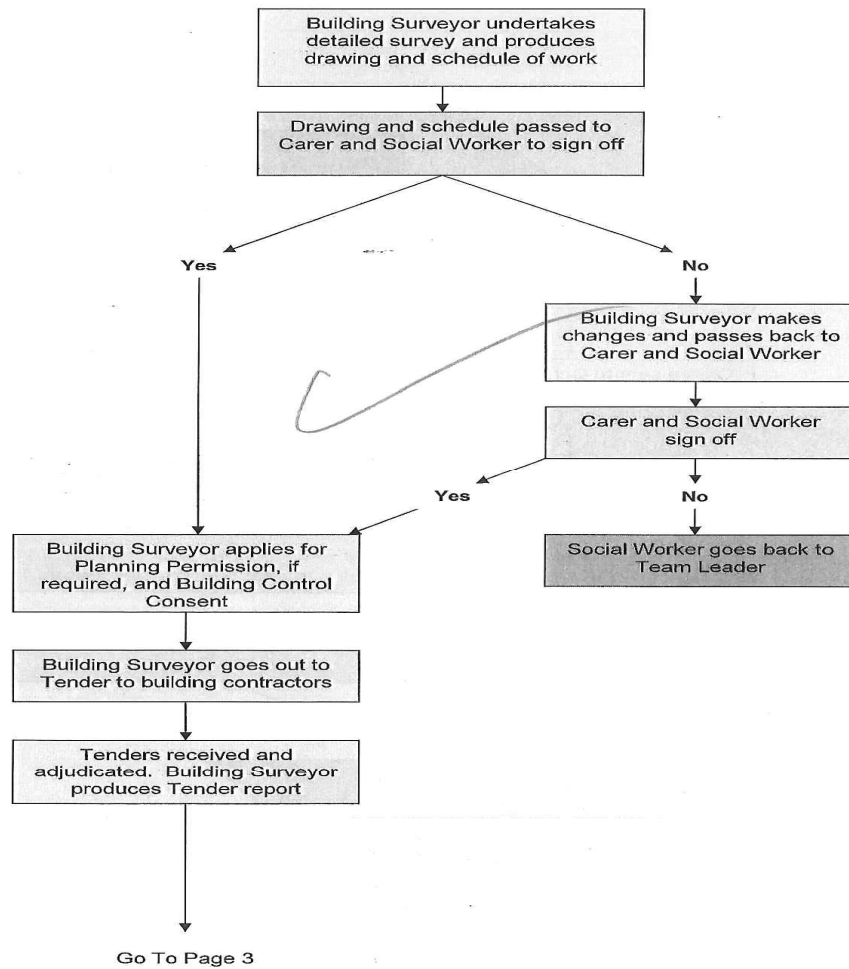
Howard Woolfenden, Director Safeguarding, Children and Families

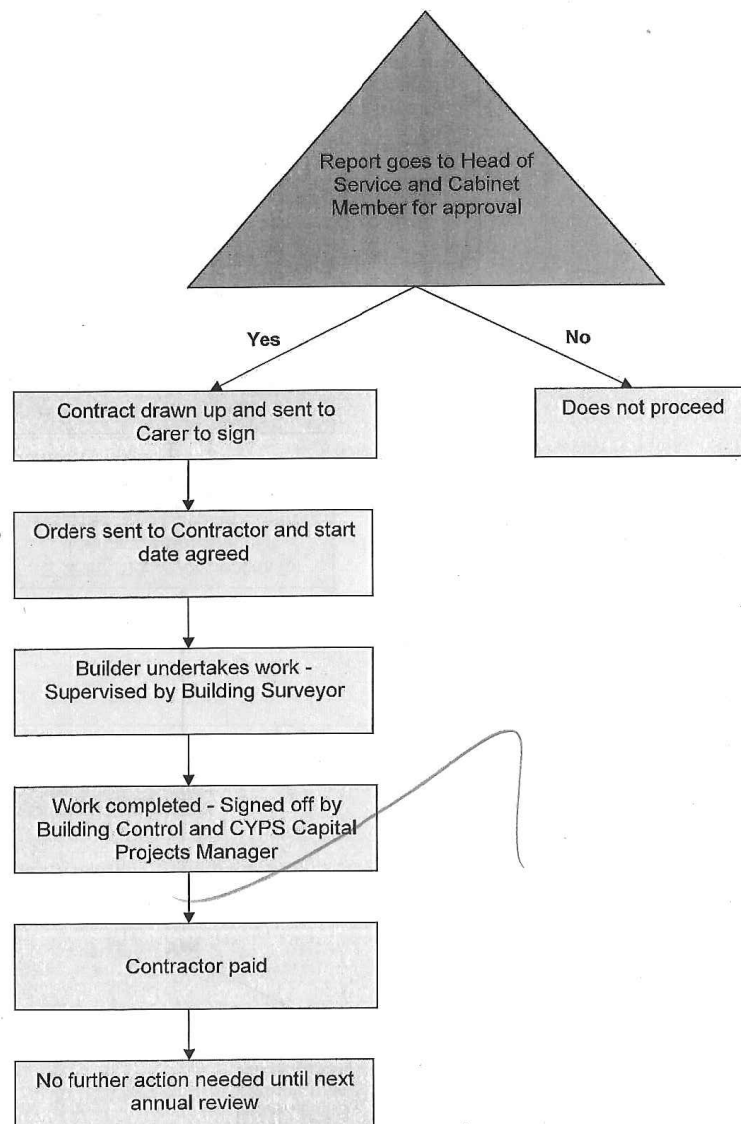


Appendix 2

LOOKED AFTER CHILDREN'S SERVICE
PATHWAYS TO CARE – PROCESS FLOWCHART - DRAFT







LOOKED AFTER CHILDREN'S SERVICE

PATHWAYS TO CARE – APPLICATION FORM



Service:

Adoption

Fostering

Sections A – D (To be completed by Social Worker)

SECTION A – CARER DETAILS

1	Carer's name			
2	Carer's full address	Line 1: Line 2: Line 3: Line 4: Postcode:		
3	Carer's telephone number			
4	Is property owned or rented?	Owned	Rented RMBC Council	Y / N
Please Note: Grants are only considered for owned properties or RMBC council owned				
5	Number of years carer with service		Carer's current fee level	

SECTION B – CHILD DETAILS

6	Number of birth children at home		Ages and Gender	
7	Any other relevant information (e.g. any other related household members, specific needs of birth children)			
8	Number of children currently in placement		Ages and Gender	
9	Any other relevant information			
10	If proposal is to enable carer to take on more children, how many more		Ages and Gender	
11	Has this been approved by Panel	Yes	No	

SECTION C – NATURE OF REQUEST

12	Please tick which best describes what the funding request is for below:			
	Building alterations			
	Contribution towards house purchase			
	Vehicle purchase			
14	Number of existing bedrooms		Occupancy of each bedroom	Bedroom 1: Bedroom 2: Bedroom 3: Bedroom 4:
15	A requirement of the grant is that the vehicle is used for transporting children in care to school, activities, contact etc., i.e. no other claims for transport will be made. Please tick the box to confirm carer's agreement to this.			

SECTION D – DETAILS OF REQUEST	
Please Note: <i>Grants for building alterations or house purchase will be considered up to a maximum value of £?????? per child.</i> <i>Grants for vehicle purchase will be considered up to a maximum of £??????</i>	
16	Amount requested
17	Why funding is needed Please include all relevant information and any relevant timescales
Name and signature of Social Worker	
Date	

Section E - For office use only						
SECTION E – APPROVAL DETAILS						
		Yes	No			
	Supported by Team Manager			Signature		Date
	Supported by Service Manager			Signature		Date
	Approved by Director			Signature		Date
	Approved by Cabinet Member			Signature		Date
	Amount approved					
	Any other relevant information					
Name and signature of Head of Service						Date