



### **Oversight and Governance**

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Published 09 September 2024

## **CABINET – SUPPLEMENT PACK TWO**

Monday 9 September 2024  
2.00 pm  
Council House, Plymouth

### **Members:**

Councillor Evans OBE, Chair

Councillor Laing, Vice Chair

Councillors Aspinall, Briars-Delve, Coker, Dann, Haydon, Lowry, Penberthy and Cresswell.

Members are invited to attend the above meeting to consider the items of business overleaf.

This meeting will be webcast and available on-line after the meeting. By entering the Warspite room, councillors are consenting to being filmed during the meeting and to the use of the recording for the webcast.

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### **Tracey Lee**

Chief Executive

## **Cabinet**

**15. Children's Services Update**

**(Pages 1 - 8)**

# Cabinet



Date of meeting:	09 September 2024
Title of Report:	<b>Children's Services Update</b>
Lead Member:	Councillor Jemima Laing (Deputy Leader, and Cabinet Member for Children's Social Care, Culture and Communications)
Lead Strategic Director:	David Haley (Director for Childrens Services)
Author:	Temilola Salimon, Service Director: Children, Young People and Families
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Your Reference:	
Key Decision:	No
Confidentiality:	Part I - Official

## Purpose of Report

This report provides an update on and response to the Quarter 1 Financial Monitoring Cabinet Report presented in August 2024. The quarter 1 Monitoring Report identified a budget variation of £4.692m forecast overspend related to placement costs of children in Plymouth's care. This report provides an update and response to that position.

## Recommendations

That Cabinet note the report.

## Relevance to the Corporate Plan and/or the Plymouth Plan

Keeping children, adults and communities in Plymouth safe.

## Implications for the Medium Term Financial Plan and Resource Implications:

The report relates to MTFP commitments for the cost of care for children in our care. Any financial issues left unresolved in the current financial year 2024/25 could have an impact on the future MTFP.

## Financial Risks

There are significant financial risks to the Council from pressures in this area as set out in the paper.

## Carbon Footprint (Environmental) Implications:

None

## Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

*\* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

The paper addresses risks to the organisation.

## Appendices

*\*Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7

**Background papers:**

*\*Add rows as required to box below*

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

**Sign off:**

Fin	DJN. 24.2 5.08 3	Leg	LS/00 0031 97/15 /LB/0 6/09/ 24	Mon Off		HR	CS.24 .25.02 0	Asset s		Strat Proc	
Originating Senior Leadership Team member: David Haley (Director for Children’s Services)											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 05/09/2024											
Cabinet Member approval: Councillor Jemima Laing (Deputy Leader, and Cabinet Member for Children’s Social Care, Culture and Communications)											
Date approved: 05/09/2024											

## I. Background and context

- I.1 Plymouth is working in a national context where the demand for residential children's homes placements exceeds demand, and this is driving residential placement costs to higher and unprecedented levels. The average residential placement cost for a Plymouth child is £6182 per week. For five children with very complex needs a regulated placement is currently not available and these children are living in an unregistered provision at an average cost of £12,376 per week.
- I.2 We are making progress in increasing the number of children placed with our own Plymouth foster carers. Over recent years, a lack of in-house fostering growth in line with demand has led to a higher proportion of Plymouth children being looked after with Independent Fostering Agency (IFA) carers. IFAs have also struggled to recruit sufficient carers to meet the needs of children in care and a lack of fostering growth overall has led to an overuse of residential placements.
- I.3 Plymouth is reliant on the independent sector for a significant number of fostering and residential placements. At the same time, the independent sector has demonstrated that it is not able to provide sufficient high-quality and value for money placements to meet the needs of our young people. This is a national issue impacting on all Local Authorities and has been considered in the Independent Review of Children's Social Care published in May 2022, with a national response set out in Stable Homes Built on Love published in February 2023.
- I.4 The approved Council budget for Children, Young People and Families in 2024/25 is £60.334m of which £36.725m is allocated to the placement costs for Children in the Care of Plymouth Local Authority. At the end of June 2024, the predicted forecast budget spend is £41.417m (a variance of £4.692m).
- I.5 At the end of August 2024, 521 children were in the care of the Local Authority. The places where children live, and their costs, are set out in the chart below showing estimated numbers when budget setting was undertaken and actual numbers as of the end August 2024;

Type of Placement	Estimated Numbers	Existing Budget £m	Actual Numbers	Forecast Budget £m	Variance £m
External Residential	50	15.248	56	18.052	2.804
Unregistered	6	3.387	9	5.808	2.421
External Fostering	158	9.251	161	9.052	(0.199)
In-House Foster Care	126	2.855	139	2.855	0
In-House Connected Carers	42	0.952	61	0.952	0
External Supported Living	41	3.758	36	3.424	(0.334)
Other Placement Settings - Children in Care	65	1.274	59	1.274	0
<b>TOTAL CHILDREN IN CARE</b>	<b>488</b>	<b>36.725</b>	<b>521</b>	<b>41.417</b>	<b>4.692</b>

- I.6 The key reasons for the budget forecast overspend at the end of Q1 2024-25 are as follows;
- There are 33 more children in Plymouth's care than the 2024/25 budget was based on.
  - There are 6 more children in external residential placements than budgeted for and 3 more children in unregistered placements, at a predicted spend of an additional cost of £2.804m and £2.421m respectively.
  - This is offset slightly by three more children living with in-house foster carer (£0.199m) and five fewer children being in External Supported Living (£0.334m).
  - As a result of their changed circumstances and an increase in the complexity of their needs, a number of children already in care have experienced unexpected placement moves increasing the

cost of their care. 22 of these children moved to more expensive placement with 5 moving from already high-cost placements (£6,182 per week) to very high-cost placements (£16k per week.)

- Five children are currently placed in residential homes that are not registered by Ofsted at an average weekly cost of £12,376 – 2 of which have been costing the Authority over £40k per week. The total annual forecast of children placed in unregistered settings this year is £5.808m, a variance of £2.421m to Budget.
- 1.7 In order to meet the needs of children who are in a home that is not right for them and address and tackle the financial overspend we have a transformation programme in place, 'Family Homes for Plymouth Children'.
- 1.8 In order to help families even earlier we have re-organised and expanded our Targeted Help and Family Support Service. From 01 July 2024, three Targeted Help teams have been aligned to the Multi-Agency Safeguarding Hub (MASH) and start to work with families as soon as they become known to us. As a result of this there has been less demand for statutory social work services;
- At the end of September 2023, there were 148 children receiving Targeted Help, at the end of July 2024 this was 328 (up 122%).
  - The number of new families requiring a social work response has reduced from an average of 330 in 2023/24 to 230 during June and July 2024 and 172 in August.
  - Since May, 49 homeless young people have presented for support, and none have entered care.
  - Between April and August 2024, the Edge of Care Team have prevented 55 children from entering care and supported 9 to return home. The average cost for a child being in care for one year is £86,000 so this represents significant cost avoidance.
  - Families coming to our attention for help more than once (re-referrals) reduced from 34.1% in April 2024 to 16.4% at the end of July demonstrating an increased effectiveness of the help provided.

## **1. The Family Homes for Plymouth Children Transformation Programme**

- 2.1 There are two dynamics in the system. Firstly, we need to ensure that effective early help and targeted support is provided to families when challenges emerge to enable children to remain within their families and where children cannot be safely cared for at home ensure that all alternative arrangements within their extended family and friends network are explored.
- 2.2 Secondly, when children cannot remain safely within their family and friends' network, we need to be able to provide a care placement that enables the needs identified in the child's care plan to be well met which for the majority will be in a family home. Failure to place a child in the right placement often results in the child failing to make good progress, placement breakdown or distress in the child.
- 2.3 Our programme of work to ensure children in care have a home that meets their needs, and wherever possible that children grow up in families, and to control costs is called 'Family Homes for Plymouth Children.' It has several elements:
- Recruit more foster carers for our in-house fostering service, 'Foster for Plymouth' and support more of our carers to be able to look after children with more complex needs or challenging behaviours.
  - Use an evidence-based approach to support children who are ready to live in a family to move on from a residential setting to a foster family in a timely, managed and supported way.
  - Grow the local independent sector market for both residential and foster care.
  - Develop options for the Council to directly provide children's residential care.

- Strengthen the Council's brokerage function so that we maximise our capacity to identify the right placement at the right price for all children from when they first come into care.
- Support children who have been in care for some time to be reunified with their families when it is identified that there have been significant changes in the family.
- Support families to keep children at home and utilising family options when children do need alternative care, including further developing the use of approaches that build family capacity so that more children can remain cared for within their friends and family network.

## **2. Foster for Plymouth Growth**

2.1 So that more of our children in care can live with our foster carers close to Plymouth and to help us recruit more foster carers to our in-house fostering service we have:

- Introduced an improved offer for our foster carers based on what our foster carers told us at the 2024 Foster Carer Summit. The offer covers both financial and practical support alongside practice improvement work for our workforce which foster carers will be part of delivering.
- Stepped up our marketing and recruitment work to attract new carers, including being part of the South West Regional Hub and having an increased presence with community groups, faith groups, businesses and partners across Plymouth to widen our reach and encourage applications to foster from diverse experiences and communities. There are currently 16 new families being assessed, potentially offering placements for an additional 20 children this financial year once approved. In addition, five existing IFA carers have applied to move to our in-house service and although they already have our children placed with them there is a saving of £85k which represents the IFA premium.
- Improved our support to carers to enable them to care for children with more complex needs, including those stepping out of residential, including through introducing a stronger support model for foster carers delivered by other foster carers, an emergency foster care model and a bespoke package of support for foster carers who take young people stepping on from residential.
- Current modelling indicates that 20 additional in-house foster placements would generate a full year financial benefit of £888k based on current average placement costs based on an assumption that of 20 new children placed by Plymouth, 2 children would have been placed in residential, 8 with Independent Fostering Agencies and 10 children would have been placed with in-house foster carers.

## **3. Transitioning children from residential care to family homes**

3.1 So that we realise our commitment to children growing up in families, we are:

- Utilising an evidence-based tool that assesses children's readiness to move from a residential placement to identify children and young people who are ready to step out of residential care into family settings and to ensure that this happens in a timely way.
- Delivering a robust pattern of weekly challenge meetings through the High Cost Placement Panel to scrutinise progress of the identified children and young people, review all children or young people who have been approved to move into residential care and review the circumstances of those previously not deemed ready to step out to foster families to ensure that the searches for family-based care happens without delay.
- For our older young people who are in residential children's homes, this includes options to move to supported accommodation to prepare for independence, or a transition to adult services.

3.2 Of the 55 children currently in residential care we are currently actively searching for family placements for 15 children and £1.407m was identified as potential savings from these moves. It is a

significant challenge to identify and progress fostering placements and despite extensive searches, none of these children currently has a foster family identified.

3.3 A further six children have been placed in residential care recently as there were no family placement available for them at a cost of £0.901m for the remainder of the year.

3.4 We are using a focused approach to support these children to move into family placements as soon as possible. A further nine children have been identified as being suitable to begin work to enable them to move on from residential into a fostering setting and work has started with them

3.5 As at the end of August, £0.533m has been achieved in this area, with two children successfully moving into new homes or lower cost placements

3.6 All of the remaining children in residential settings have been reviewed to ensure their residential plan is appropriate. Twenty-three are 15+ and will have plans progressed to move onto semi-independence or independent living. This will achieve £1.335m cost reduction this financial year, of which £0.878m has been achieved as at August 2024. This includes three children who have successfully moved from unregistered placements into OFSTED registered placements.

## **5. Market development and brokerage**

5.1 To improve the range of high-quality residential placements and foster care closer to Plymouth we are:

- Strengthening how we work with fostering and residential providers in the region and elsewhere, in line with the objectives set out in our Children's Placements Sufficiency Strategy, to support them to develop more provision in Plymouth.
- Improving our brokerage capacity so that we maximise available placements local to Plymouth.
- Consider all options for Plymouth City Council to become a provider of residential care across a number of types of provision including short breaks for disabled children, short term intervention to return young people back home and longer-term residential children's homes for children with more complex needs. An options appraisal will be considered in September 2024.

## **6. Reunifying children with their birth families and wider networks**

6.1 We have work in place to ensure children are supported to return to their birth families when they have been in our care for some time, and this can be done safely. Thirteen children in care are currently identified where reunification is being progressed. This work includes;

- Supporting children to maintain lifelong links with their birth families.
- Making sure that we continuously review changes in children's circumstances that may make reunification possible.
- Refocusing our Targeted Help offer to provide intensive assessment and support to enable more children to return home from care to their birth families.

## **7. Conclusions**

This work is highly volatile given the changing nature of children's needs and it is difficult to predict precisely which children are going to need to come into our care and when this will happen. In addition, the shortage of family homes for children and young people provides a high degree of uncertainty about when we will be able to achieve a plan for a child to move from a residential setting to a family.

In this context, at the end of August 2024, there is £1.53m identified as potential savings from this programme of work this year against the overall financial pressure of £4.692m. The breakdown of these anticipated savings are shown below.



<b>Homes for Cared for Children</b>	<b>2024/25 Impact £</b>
Homes for Cared for Children - Achieved	(0.533)
Homes for Cared for Children - Potential	(0.119)
<b>Homes for Cared for Children - Total</b>	<b>(0.652)</b>
<b>In Year Monitoring Decision</b>	<b>2024/25 Impact</b>
In year positive placement moves achieved	(0.878)
<b>Placements summary</b>	<b>(1.530)</b>

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