

Cabinet



Date of meeting:	11 November 2024
Title of Report:	Children's Services Update
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 is the third children's services update report as recommended in the Quarter 1 monitoring report and provides a further update and response to that position.

Recommendations

To 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.

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If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.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
A	Briefing report title							

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Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.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 5.11 7	Leg	LS/00 0031 97/19 /LB/3 1/10/ 24	Mon Off	N/A	HR	N/A	Asset s	N/A	Strat Proc	N/A
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: 30/10/2024											
Cabinet Member approval: Councillor Jemima Laing (Deputy Leader, and Cabinet Member for Children’s Social Care, Culture and Communications)											
31/10/2024											

I. Background and context

- I.1 The approved Council budget for Children, Young People and Families in 2024/25 is £59.975m of which £36.725m is allocated to the placement costs for Children in the Care of Plymouth Local Authority. At the end of September 2024, the predicted forecast budget spend is £40.604m (a variance of £3.879m).
- I.2 517 children were in the care of the Local Authority at the end of September. The places where children live, and their costs, are set out in the chart below.

Type of Placement	Estimated Numbers	Existing Budget £m	Month 5 Forecast £m	Actual Numbers Month 6	Month 6 Forecast £m	Variance to Month 5 £m	Variance to Budget £m
External Residential	50	15.248	17.943	57	17.683	-0.260	2.435
Unregistered	6	3.387	5.166	5	5.419	0.253	2.032
External Fostering	158	9.251	8.922	146	8.880	-0.042	-0.371
In-House Foster Care	126	2.855	2.855	140	2.855	0.000	0.000
In-House Connected Carers	42	0.952	0.952	51	0.952	0.000	0.000
External Supported Living	41	3.758	3.475	43	3.540	0.065	-0.218
Other Placement Settings - Children in Care	65	1.274	1.274	75	1.274	0.000	0.000
TOTAL CHILDREN IN CARE	488	36.725	40.588	517	40.604	0.016	3.879

- I.3 Currently we have 7 seven cared for young people cared for in unregistered arrangements. This is a reduction from 9 in August 2024. Two are in CQC registered provision (both age 16), one is in a 28 day provision (age 15), one is in a Children's Home going through registration (age 16) and three are in rented homes with staff (1 age 15 and 2 age 17).
- I.4 Unregistered Placements can cost on average between £12,000-£16,000 per child a week, although in some cases have cost over £29k per child per week. Our current forecast spend for unregistered placements is £5.420m. Any reduction in this placement type will result in substantial budgetary reductions.
- I.5 A key reason for the forecast budget overspends at the end of September is because we continue to experience challenges finding fostering placements for children in residential settings who are ready to move onto a family setting.
- I.6 Fifty-seven (10.9%) of children in care are currently placed in residential settings – this is stubbornly high and includes one 6-year-old, one 8 year old, two 9 year olds and four 10 year olds. Twenty children in residential placements are currently identified as ready to move into a fostering setting but despite daily and local and national searches, including from a consultant undertaking national searches, no suitable foster carers have been identified for these children at this time.
- I.7 A programme of conversations with off-framework providers remains in place, and we have had some interest in our children from IFAs who have carers due to be approved in coming months. However, the market remains highly challenging. There are several children where moves were scheduled to be achieved to achieve savings, and foster placements have not yet been identified. Children transitioning from residential care will need experienced, specialist foster carers and there is a limited number of this calibre of carers available in Plymouth and across the Country.
- I.3.1 A high support model of fostering is being developed by Foster for Plymouth to recruit and support in house foster carers to meet the needs of children stepping down from residential care.

This will include an expectation that foster caring is a full-time commitment attracting a higher weekly fee. In addition, enhanced training and support from the Supervising Social Worker as well as therapeutic parenting support and support from the Virtual School would be provided.

2. The Family Homes for Plymouth Children Transformation Programme Update Foster for Plymouth Growth

- 2.1 Focused work continues in relation to both recruitment and retention/carer development. We are seeing an uplift in in-house fostering activity as a result of strengthened fostering recruitment activity. In addition, recruitment is now supported by being part of the South West Regional Fostering Hub. Foster for Plymouth are currently progressing 21 fostering assessments, including 5 carers transferring from IFAs.
- 2.2 Focused work is taking place to refocus our recruitment and promote the offer to Foster Carers from Foster for Plymouth. Our first Mockingbird constellation, a model where foster carers support each other to meet the needs of children in care placed with them, is being launched on 1st November.
- 2.3 Foster for Plymouth continues to implement a range of approaches to enhance fostering recruitment. In the past month this has included hosting the launch of a short film, 'Everything', about the impact that fostering makes on the lives of children and foster carers. The event included hearing from a foster carer and some young people about what fostering means to them and what they think builds an ideal foster carer. The event included attendance from partners and four local businesses who are supporting us to recruit more foster carers. In addition, on Friday 1st November we formally launch our first mockingbird constellation, providing enhanced support to a group of foster carers.

3. Market development

- 3.1 As part of the 'Family Homes for Plymouth Children' programme, agreement has been given to develop the business case for Plymouth City Council to become a direct provider of residential care for children in three areas;
 - Development of a hub providing residential overnight short breaks for children with complex health needs and disabilities as part of a wider support offer to families.
 - Residential provision for children in care.
 - Residential care for children with very complex emotional and behavioural needs to be developed in partnership with the ICB.

Residential short breaks for disabled children

- 3.2 There is considerable evidence nationally about the value of short breaks for children and young people with special educational needs and disabilities (SEND) to help children to develop skills, make friends and gain independence. Some Local Authorities have a wide offer of short breaks for disabled children on a continuum ranging from inclusive community-based activities to more specialist community activities, overnight short breaks, including in families, and overnight short breaks in residential settings for those with the most complex health and care needs.
- 3.3 Plymouth Children's Services is committed to inclusive approaches for children with disabilities and a review of our current short breaks offer is currently being completed in that context. We are also seeking to improve opportunities for disabled children to access family based overnight short breaks through targeted recruitment activity by Foster for Plymouth focusing on recruiting more foster carers to specifically provide short breaks for disabled children. However, family-based short breaks will not be suitable for all disabled children, particularly those with the most complex support needs who will need access to specialist equipment and staffing.
- 3.4 Currently there is one fully registered children's home providing residential short breaks to disabled children in Plymouth. Downham House is provided by Plymouth City Council providing overnight residential short breaks for children and young people with a severe learning disability aged 8 – 18 for between one and three nights every week of the year. This short break is provided as part of a

support plan to the family and provides the child with a range of fun activities and a 'home away from home' environment.

- 3.5 There are no other residential short break provisions within Plymouth, either run by the Local Authority, the NHS or independent sector providers. There has been a specific gap in provision for children with complex health needs and physical disabilities since Woodview children's home (part of Woodlands Special School) closed in 2021. The home was run by the school at the time but was closed due to recruitment challenges, including of a registered manager.
- 3.6 Disabled children in Plymouth who would benefit from an overnight short break are currently being supported in other ways and the development of the proposed provision would improve their care package considerably. In addition, 17 disabled children have been identified as at risk of coming into care which could be prevented by an overnight short breaks package.
- 3.7 The provision of residential short breaks will lead to cost avoidance by supporting children to remain at home, preventing children from entering high cost 38 week and 52 residential education and care. Four examples have been identified where children with complex health needs and disabilities are in high cost 52-week care at a distance from Plymouth following the closure of Woodview. Two of the children would have met the criteria for the proposed provision and it is likely that they would not have needed a residential placement if an overnight short break had been available earlier. Annual costs for the two children is £785,000.
- 3.8 A business case has been developed which sets out for consideration a proposal that Plymouth City Council develops provision which would;
- Provide overnight short breaks for children with complex health and disability needs following an assessment to identify eligibility and determine a resource allocation.
 - Enable the development of a 'hub' for partners working with children with complex health needs to become co-located and integrated in Plymouth.
 - Provide support to families including through family support, outreach and activity-based care in the community, in combination with a short break residential offer, to stabilise children's placement at home.
 - Prevent some children coming into longer term residential care as a result of not having a suitable short break or having the early intervention and family support that could be achieved with a more varied offer of combined outreach support and residential breaks.
 - Improve care planning and outcomes for children and young people including preparation for and transition to adulthood.

Residential Children's Homes

- 3.9 In addition, a business case has been developed for PCC to consider becoming a provider of residential children's homes. Like many Local Authorities nationally, PCC has become reliant on the independent sector for a significant volume of fostering and residential provision for children in the care of the Local Authority. 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.
- 3.10 The approved Council budget for Children, Young People and Families in 2024/25 is £59.975m of which £40.087m is allocated to the full placement costs for all children supported by Plymouth Local Authority – This includes Looked After Children as well as those placed with Special Guardians and Potential Adopters. At Month 6 (September 2024), the predicted forecast spend on children's placements is £43.966m (a variance of £3.879m).
- 3.11 At the end of September, children in residential care homes were forecast to cost £17.683m this year. Thirty-three of these children live outside of Plymouth at a cost of £11,341,963.40 per year (£218,114.68 per week).
- 3.12 The current average weekly cost of a child placed in a residential children's home in Plymouth;

- £5,775 in a two-bed home (£300,300 per child p.a.).
 - £4,675 in a three-bed home (£243,100 per child p.a.).
- 3.13 The current average weekly cost of a child placed in a residential children's home outside of Plymouth is £6,610 (£343,720 per child p.a.). A placement in an unregulated setting can cost between £12000 - £16000 per week.
- 3.14 It is proposed to utilise up to £2m of service borrowing to purchase two four-bedroom homes with annexes to establish two children's homes in Plymouth. Exact property purchase and refurbishment costs can only be confirmed when the properties are identified. The service borrowing costs will be factored into future year's placement budgets, in line with rates provided by our Capital Finance Team. These costs will be offset by the financial benefits realised from this proposal.
- 3.15 It is anticipated that Capital requirements will be in the region of £1.5 - £2m for the two homes. There will potentially be the opportunity to apply for a DfE capital allocation for 50% of the funding should the development meet the DfE criteria. The national programme is expected to be confirmed in the Autumn budget and the DfE decision about which Local Authorities are funded will be made in June 2025. It is more likely that one home, for older young people with more complex needs and risk-taking behaviour, will meet the DfE criteria.
- 3.16 As well as impacting on financial pressures in this area, there is other added value of PCC developing its own children's homes which includes;
- Potential to prevent a child moving into an unregulated arrangement which has been a significant financial burden to Plymouth over a number of years.
 - Savings from social workers and Independent Reviewing Officers not having to visit children at a distance from Plymouth. £100k additional expenditure has been allocated to Social Worker travel costs in recent years because of increased numbers of children being placed at a distance from Plymouth. Direct savings from six children are £15,000 from Rail Fares, Car Hire, Subsistence & Accommodation (based on average costs per journey).
 - Ability to support children with local education and health services.
 - Improved potential to achieve step down to fostering and reunification to families when children are in Plymouth.
 - Reducing the average length of time children spend in residential.
 - Improved experiences for children with fewer moves and increased placement stability.
 - Improved family time for children to maintain links and relationships with their families where possible.
 - Better quality assurance, scrutiny and consistency of care.
- 3.17 The key risk of not proceeding with this proposal is that the private market providers will continue to raise their unit costs and PCC will find it increasingly difficult to identify suitable placements for children local to Plymouth or indeed anywhere in the Country.

4. Conclusions

The evolving nature of children's needs and predicting the specific timing and requirements for their placement in our care remains a challenge. Additionally, the scarcity of family homes for children and young people adds uncertainty to our ability to transition a child from a residential setting to a family when we would like this to be achieved for the child. The development of in-house residential provision for children is a key development as part of an overall approach to support more children to live in families close to Plymouth.