

DUNDEE CITY COUNCIL

REPORT TO: SOCIAL WORK AND HEALTH COMMITTEE - 23RD FEBRUARY 2009

REPORT ON: PRESSURES ON THE EXTERNAL FAMILY PLACEMENT BUDGET

REPORT BY: DIRECTOR OF SOCIAL WORK

REPORT NO: 125 - 2009

1.0 PURPOSE OF REPORT

The purpose of this report is to advise the Committee of key actions to reduce the projected overspend in the budget for external family placements.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Committee:

2.1.1 Notes the context and current pressures on the budget for commissioning external family placements;

2.1.2 Notes that the Director of Social Work and Children's Services Manager are undertaking a review of Dundee's arrangements for the fostering of "Looked After" children; and

2.1.3 Notes the key actions taken by the Social Work Department to reduce the level of expenditure.

3.0 FINANCIAL IMPLICATIONS

3.1 The external family placement budget is £494,300 for financial year 2008/09. This budget pays for placements with external fostering agencies, which are commissioned in circumstances when internal resources are unable to meet the needs of a specific child at a specific time. This might be because of the nature of the child's needs or more typically when all available and suitable Dundee City Council foster placements are already committed. The budget for external foster placements in 2007/08 was £366,720.

3.2 In noting the above, however, the actual expenditure in this area of work has been rising, from £372,954 in 06/07 to £877,565 in 07/08. The projected expenditure in 08/09 is likely to be approx £1.7 million. This is specifically linked to the increase in the use of external family placements for vulnerable children who are in need of care and protection. Expenditure in 2009/10 is anticipated to be in line with budget through a combination of additional resources allocated to the external family placement budget in 2009/10 and anticipated reduced costs as a result of the actions identified in section 4.6 of this report.

4.0 MAIN TEXT

4.1 The reason for the above increase in costs has been a recent sharp rise in the number of Dundee children in external family placements, from 12 at March 2007 up to 38 in March 2008. It rose to 41 in June 2008 but is likely to fall to around 32 by 31st March 2009. This reflects the fact that Dundee, like most other authorities in the country, is dealing with a sustained and significant rise in the number of looked after children. Nationally, numbers of looked after children have risen every year since 2001 and as at March 2008 stood at 14,886 children, the highest number since 1983. In Dundee there has been an average annual increase of 9% since 2002 and as at September 2008 the figure stood at 627 children.

- 4.2 As such in recent years there has been a significant increase in the numbers of children placed in kinship care and foster care. This typically reflects the significant increase in the numbers of young children who are exposed to substance-misusing parents, but also Dundee's commitment to giving these vulnerable children a positive family life via kinship and foster care.
- 4.3 "Best practice" in fostering suggests that the number of children within a fostering household is limited to ensure that the carer(s) can give the foster child adequate time, attention and care. This has meant Dundee City Council's Fostering Service limits the number of children within a foster carer household to 4, although in practice the vast majority are approved for 1, 2 or 3 children.
- 4.4 In circumstances where the Council's Fostering Service has no available or suitable vacancy, the Council uses fostering agencies, including the following; Foster Care Associates (FCA), Foster Plus, Fostering Solutions, and SWIIS. During the last year several other agencies have also provided one place each, including Barnardo's, the Catholic Caring Society, Carolina House Trust and the Jane Moore Trust.
- 4.5 During 2008 Dundee children were placed in locations as diverse as Glasgow, Kirkintilloch, Livingston, Carnoustie, Abernethy and Kirkcaldy. For most of the children who have been placed out of Dundee, this has meant moving school, although for some children there is an effort, in the short term at least, to keep them at their home school in Dundee.
- 4.6 **KEY ACTIONS**
- The following are key steps being taken to reduce the commitment to this budget both in this year and for future financial years;
- 4.6.1 **Financial Scrutiny by Senior Management** via the Residential Resources Monitoring Group and the Placement Review Group, which ensures that all placements in external resources remain appropriate and that no in-house alternative exists.
- 4.6.2 **Permanence Implementation Plan** - this Plan involves various process and system improvements to ensure children are speedily moved through the legal system, to reduce where possible the length of time that children spend within the care system. One key outcome is that between July and December 2008 there was a significant increase in the numbers of children considered at Dundee's Adoption and Permanence Panel (which scrutinises cases of children who require adoption or permanent care). As these children move through to adoption or permanent care this should create vacancies within the Council's Fostering Service and therefore reduce the numbers of children in external fostering.
- 4.6.3 **Negotiations with External Fostering Providers** - in relation to the agencies we use most, we are negotiating with them to ensure the best possible value for the Council where we have children who are likely to remain with that agency long-term.
- 4.6.4 **Other Actions** - In addition to the above, social work and family placement staff continue to utilise kinship care arrangements where possible; continue to work intensively where required to have children return home or to family where it is safe to do so; and, continue to recruit and support foster carers. The Director of Social Work and Children's Services Manager are currently reviewing options for meeting future demand for fostering, including the possibility of the expansion of the Council's own Fostering Service.
- 4.6.5 **Other relevant information** - For a small number of young people in particular circumstances, an external family placement has been utilised as an alternative to an external Residential School. This is a more cost-effective option overall but of course this can mean additional pressure on the external Family Placement budget.

4.7 CONCLUSION

- 4.7.1 In managing the external fostering budget there is a continuing tension between budgetary considerations, the need to secure value for money and the legal requirement to promote the best interests of children, including responding to the need to protect children and secure their welfare. The Council's aim continues to be to place a child in an external placement only when that placement is absolutely necessary.

5.0 POLICY IMPLICATIONS

This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty and Equality Impact Assessment.

There are no major issues.

6.0 CONSULTATIONS

The Chief Executive, Depute Chief Executive (Support Services), Depute Chief Executive (Finance) and Head of Finance were consulted in the preparation of this report.

7.0 BACKGROUND PAPERS

None.

ALAN BAIRD
Director of Social Work

DATE: 4th February 2009