

EAST AYRSHIRE COUNCIL

SOCIAL WORK COMMITTEE : 25 JANUARY 2007

CHILDREN AND FAMILIES SERVICE

Report by the Executive Director of Educational and Social Services

1. PURPOSE OF REPORT

- 1.1 To provide Committee with a progress report on the implementation of the Best Value Review of Services to Looked After and Accommodated Children.
- 1.2 To advise Committee of patterns and trends emerging in Children and Families Social Work Services since endorsement of the above report.
- 1.3 To seek Committee agreement to enhance supports to Children and Families Social Work Services to meet the increased demands detailed in this report.

2. BACKGROUND

- 2.1 As part of the commitment to continuous improvement Children and Families Social Work Services have completed Best Value Reviews in relation to specific aspects of service delivery.
- 2.2 Social Work Committee was advised in 20th May 2004 of the outcome of the Member-Officer Best Value Review of services to Looked After Children. Further reports were subsequently presented to Social Work Committee on 9th September 2004 and the Policy and Resources Committee on 30th September 2004 in order to agree implementation of the key recommendations arising from the review.
- 2.3 Social Work Committee was thereafter advised of the outcome of the Best Value Review of Community and Youth Support Services which was presented to Social Work Committee on 19th May 2005.

3. CURRENT POSITION IN EAST AYRSHIRE

- 3.1 There is an increasing awareness nationally of the under-funding of children and families services within Local Authorities. This can be evidenced in Professor Midwinter's recent spending review on Scottish Local Authorities Social Work Services from 2007 – 2011. Professor Midwinter demonstrated the existence of a funding shortfall between Grant Aided Expenditure and local authority budget provision, this funding gap has continued to grow rising to 47% by 2000-1, and to 59.8% in 2005-6.

3.2 Pressures and Trends

- 3.2.1 There are a number of significant factors which are impacting on the children and families service in East Ayrshire. Increases in the overall numbers of children referred for support to the Children and Families service has had a consequential impact on the numbers of looked after children and children in the care of the local authority.
- 3.2.2 Referral activity within Children and Families between 2003/04 and 2005/06 demonstrates significant increases across a range of areas including report requests, domestic violence, child protection and child care concerns and these trends have resulted in increased demands on the frontline service to ensure safe child care practice is provided.
- 3.2.3 Specifically the last three years has also witnessed significant increases in activity in relation to Children's Hearings. In 2003/04, 1123 children were referred to the Reporter in East Ayrshire this figure rose to 1727 in 2004/05 and then to 1848 in 2005/06 (an overall increase of 39% over 3 years). In the same period the number of Children's Hearings convened rose from 1199 in 2003/04 to 1397 in 2004/05 and increased to 1317 in 2005/06 (an overall increase of 25% across the three years)
- 3.2.4 The number of Child Protection referrals in 2003/04 was 120, this rose to 229 in 2004/05 and increased again to 285 in 2005/06 (an overall increase of 137% across three years).
- 3.2.5 The increases in the numbers of children requiring care and protection significantly impacts upon the capacity of frontline children and families social work teams to continue to provide safe social work services. It also has a direct impact on the overall numbers of children entering the care of the local authority as many of these children do so as a result of child care and child protection concerns, parental alcohol and drug abuse.

3.3 Impact on Care Services

- 3.3.1 An examination of the 'as at' number of all looked after children indicates an increase from 401 in September 2005 to 438 in December 2006 (an increase of 9%). This includes an increase of 19 children in foster care placements between the 2005 and 2006 'as at' figure as detailed in the table at 3.3.2. For those children who remain on supervision increasing numbers are being cared for by relatives.

3.3.2 Foster Placements

	September 2005	December 2006	
Type Of Placement	Number	Number	Increase
Internal	69	74	5
External	16	30	14
Total	85	104	19

3.3.3 The previous table illustrates a rise in numbers of children placed in foster placements and highlights the increased reliance on the more expensive external placements. This is a complex situation and there are a number of factors to be taken into account when considering this as follows:

- Significant increases in the overall number of children being accommodated generally but also specifically to foster care.
- Pressures in relation to achieving sustained increases in the numbers of internal placements due to deregistration of carers.
- Increasing numbers of temporary foster carers who are choosing to care for children on a permanent basis thus reducing the availability of temporary foster placements.
- Extensive work with families in the community prior to children coming into care which is resulting in more children remaining in care following admission.

3.3.4 It is important to note that these trends reflect a national picture common to most Scottish Local Authorities.

3.4 Costs of Foster Placements

3.4.1 There are significant challenges for the Council in relation to the use and costs of placements for children. The average cost of an internal foster placement in 2005/06 was around £15,000 per annum compared to nearly £47,000 per annum for placing children with external agencies.

As a result of the increased use of external placements there has been a consequent increase in the costs to the fostering service budget.

3.4.2 The following table shows the current financial position as at Period 9:

	Annual Estimate 2006/07	Projected Actual to 31/3/07	Variance
Fostering Services budget	1,677,626		
Mid-Year budget review	400,000		
Revised budget	2,077,626	2,411,626	334,000

The table shows a projected adverse variance of £334,000, as at Period 9.

3.4.3 Senior Management within Social Work sought to address these significant challenges by conducting a rigorous review of professional and financial practices including a request for an Internal Audit review on Fostering and Adoption processes. As a result of this review a number of management actions have been progressed as noted at section 7 of this report.

4. **LINK CARERS**

4.1 East Ayrshire Council Link Carers arrangements allow social work to provide financial assistance to the extended families of children who cannot live with their parents in order to avoid children being taken into the care of the Local Authority.

- 4.2 These families provide an essential service to these children and it is important that the financial support provided by the Council continues to assist them to care for them.
- 4.3 There are currently 59 children whose carers receive link carer payments resulting in an annual expenditure of £94,718. This equates to a weekly payment of around £30. This rate corresponds to 1/3 of the basic fostering rate based on 2004 levels.
- 4.4 There is an urgent need to reconsider the level of payments to this group of carers to ensure that we continue to provide appropriate levels of financial support. A formal review of the link carer arrangements is currently underway. The outcome of this review will be reported to Social Work Committee in March 2007. Early indications suggest that the review will result in proposals for enhanced payments to these carers which is likely to result in an estimated additional cost of approximately £200,000 per year.

5. RESIDENTIAL CARE

- 5.1 Significant budget pressures are evident in relation to the provision of internal residential care services.
- 5.2 There is a total annual budget available across the three children's units of £1,693,862. The projected overspend against this budget is estimated at £74,740 at period 9. These figures include a non-recurring element of £117,000 of Scottish Executive funding. This brings the overall estimate budget deficit to £191,740 based on 2006/07 figures.
- 5.3 Increases in the overall number of children in care has impacted upon residential services resulting in Children's Units regularly accommodating more children than their registered numbers. Increases in the number of children resident in units have a consequent impact on the overall staffing costs associated with offering safe levels of care.
- 5.4 Requirements in relation to ensuring continuous professional development within the residential care sector due to the registration of the workforce have also impacted on the overall budget position. This includes increased staff replacement costs to ensure staff are able to participate in appropriate professional training and that East Ayrshire Council is able to fulfil its statutory requirements in relation to continuing to provide suitably qualified staff to provide safe care to children in care.
- 5.5 There has also been a considerable turnover in staff over the last year due to staff leaving for promoted posts or better salaries with other organisations. This, in return, has resulted in staff shortages and consequently increased costs for staff cover through overtime and sessional staff expenditure.

6. FIELDWORK

- 6.1 The current demand on the Children and Families Service are documented at section 3 of this report. Work to address this increase in service demand has taken place in relation to reviewing both practice and processes to provide a more effective and efficient service. It is evident that increased investment in Children and Families staffing is necessary, nevertheless, to ensure that we as a Council,

are able to effectively meet these increased demands, provide good quality care and continue to provide continuous improvement in service delivery

- 6.2 Consequently a report will be prepared for the next Social Work Committee (March 2007) highlighting the need to consider an increase in frontline staff to ensure the Council meets the challenge of providing a robust, safe service to the most vulnerable children and families in East Ayrshire

7. MANAGEMENT ACTION

7.1 Professional Practice

- 7.1.1 Social Work Services continue to work to address the trends resulting from the above factors in a range of ways. These are consistent with the recommendations reported to Social Work Committee from the Best Value Review of Services to Looked After and Accommodated Children (2003/2004).
- 7.1.2 It is clear nevertheless, that work to address the issues highlighted within this report against the backdrop of increased numbers of children at risk will require to be actioned over a period of time in order to realise continuous improvement.
- 7.1.3 Specific management actions which are in place in respect of children in care include:
- Social Work Services anticipate that the Best Value Review target of 33 new placements, identified in the Looked After and Accommodated Children Report of 2004, will be exceeded. There are, however, continuing challenges in relation to achieving sustained increases in the overall number of placements available due to de-registrations of carers.
 - Intensive recruitment campaigns will continue to take place throughout 2007. These campaigns will include
 - regular features in local newspapers
 - the use of innovative advertising in local communities including large portable adverts
 - the attendance of staff at Local Committees
 - specific recruitment events based in local communities.
 - assistance from public relations staff in relation to the co-ordination and planning of the campaign.
 - Negotiation with existing external foster care providers to reduce current fees for permanent placements will be concluded shortly and supported by a formal contractual arrangement for reduced fees for block purchased placements in partnership with the procurement team. This will be progressed within the context of clear management accountability in relation to agreeing external placements.
 - The progressing of care plans for children currently in internal foster placements which should result in decreased usage of external placements, as children will either return to their natural family or move to more permanent alternative arrangements.

- The establishment of a monthly Placement Planning and Monitoring meeting of Children and Families and Finance managers to oversee progress on care plans and budgetary expenditure for children in foster care is in place.
- The organisation of additional Fostering and Adoption Panels to meet the increased demands from placement planning.

7.1.4 Despite these actions, it should be noted that, the rising trend of children entering the care system clearly creates a need for increased placements which may not always be available from the internal market.

7.2 Financial Practice

7.2.1 The Executive Head of Social Work invited colleagues from Internal Audit to review the processes for Fostering and Adoption. The outcome of the review was published in December 2006 and an action plan has been agreed to update financial procedures and controls within these budgets through joint work between Social Work and Finance Officers.

7.2.2 The actions arising from the Internal Audit Review will be progressed alongside the management actions noted at section 7.1.3 of this report.

7.2.3 The action plan will specifically:

- Ensure annual reports to Social Work Committee on Foster and Adoption Panel operations.
- Establish formal contractual arrangements with external foster care providers;
- Update payment rates in line with Social Work Policy and Guidance;
- Clarify financial responsibilities of all staff involved;
- Review existing Link Carers Support Scheme which will include benchmarking with other Local Authorities in order to ensure that the vital services provided by this group of carers continue to be properly supported and financed ;

8. **POLICY/LEGAL IMPLICATIONS**

8.1 All policy implications will be reported to Social Work Committee as a result of the management action measures being pursued.

9. **FINANCIAL IMPLICATIONS**

9.1 The following financial implications in relation to fostering services will only be realised if the sustainability and quality of internal foster care services meet current care provision and future needs. Committee is therefore requested to take into account the trends highlighted at section 3.2.2. of this report when considering the following information.

- (i) It is anticipated that 10 children will move from external placements by April 2007 to more permanent placements. This should result in a full year reduction in costs for 2007/2008 of approximately £300,000.

- (ii) Negotiations with existing external foster placement providers should also result in decreases in placement costs for the authority. The detailed nature of these costs will be reported to Social Work Committee in due course.

9.2 The updating of payment rates will be reported annually to Social Work Committee as part of the social work charging report.

9.3 The review of the Link Carers Scheme will be reported to Social Work Committee when completed but it is anticipated that significant financial implications will arise from the review of this service, as indicated at section 4.4 of this report. The outcome of this review will be reported to Social Work Committee in March 2007.

9.4 Budget pressures in relation to residential child care will continue to present challenges to the Council in ensuring safe care arrangements are in place for children in care.

9.5 Financial implications will arise from the review of staffing levels in frontline services and these will be presented to Committee in due course.

10. COMMUNITY PLANNING IMPLICATIONS

10.1 It is anticipated that the external activities around meeting the challenges of increasing demands on Childrens Social Work Services will be discussed within the structures of East Ayrshire Council's Children's Services Plan and East Ayrshire Council's Community Plan. There are clear links to the Improving Opportunities and Eliminating Poverty themes of the plan.

10.2 The publicity surrounding the planned recruitment of carers within East Ayrshire will ensure a high profile on this matter throughout community planning structures.

11. RECOMMENDATIONS

11.1 Social Work Committee is asked to:-

- (i) note the issues highlighted within the report in relation to the Children and Families Social Work Service and the consequent impact on resources;
- (ii) note that the outcome of the review of the Link Carers Scheme will be reported to Social Work Committee in March 2007
- (iii) request the Executive Director of Educational and Social Services present an updated report on Children and Families staffing to the Social Work Committee in March 2007; and
- (ii) otherwise note the contents of this report.

Graham Short
Executive Director Educational and Social Services
SB/LB
6 January 2007
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LIST OF BACKGROUND PAPERS

- (1) Best Value Review of Services to Looked After and Accommodated Children (2003/2004) – East Ayrshire Council.
- (2) Best Value Review of Community and Youth Support (2005) – East Ayrshire Council
- (3) Expenditure Controls Foster and Adoption Payments (2006) – East Ayrshire Council.
- (4) Consultation on National Fostering and Kinship Care Strategy (2006) – Scottish Executive.
- (5) Spending Review 2007: An Assessment of Expenditure, Need by Scottish Local Authorities on Children's Social Work Services from 2007 – 2011

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