

**Briefing Paper to the Finance & Value for Money
Overview and Scrutiny**

Wards

22nd February 2019**Children, Young People and Family Services – Update.**

Briefing Paper of the Director of Children, Young People and Family Services

1 Introduction

- 1.1 This paper provides an outline of the financial position of the service, as reported to previous meetings of the Commission, highlighting the two areas of significant cost pressure alongside a summary of the activity designed to reduce the costs and mitigate budgetary pressure in future years.

2 Financial Summary

- 2.1 As previously set out in the Council's revenue monitoring report considered by the Commission in October, CYPS face two significant financial challenges; an on-going deficit within the High Needs Block of the Direct Schools Grant (DSG) and the increasing costs associated with the Council's cohort of Looked after Children.

3. High Needs Block

- 3.1 Latest projections as reported last month suggest that in 2018/19 the High Needs Block is facing an in year deficit of £0.720m and a cumulative deficit of £2.763m at 31/3/2019.
- 3.2 The main pressure on the High Needs Block is attributable to increased demand on services. There is an overall population increase that is leading to an increase in the number of children with Education and Health Care Plans in mainstream schools and increased demand for places in Special Schools and Alternative Provision.
- 3.3 A High Needs Working Group of the Schools Forum that was previously in place was re-established in October 2018, and is overseeing activity to review options for reducing costs in five areas of the service to develop a detailed plan to reach a balanced budget in the medium term.

The five workstreams established are:

SEND Sufficiency – ensuring the development of sufficient school places for children with SEND for September 2019, and putting in place a strategy for school places over the next five years.

Oakfield Residential – looking at options to reduce the cost of residential provision attached to the school.

Independent Provision – a small number of independent placements have been reviewed. Complex Needs Panel makes decisions about all future placements.

Alternative Provision – Service level agreements in place with clear performance indicators and strengthened monitoring.

Outreach Provision – Review of IPASS services.

4. Looked after Children

4.1 The number of looked after Children grew in the later stages of 2017/18 and as a result cost pressures within 2018/19 were inevitable and have been highlighted in monitoring reports since March. The movements in numbers and costs are shown at Appendix A.

4.2 In order to contain costs there is a need to address both the number of children in care and the costs of provision. Changes in the staffing structure and improvements in the timeliness and quality of interventions have reduced caseloads which in turn should lead to better outcomes and, all things being equal, lower numbers of looked after children in the medium term.

4.3 In addition there are two specific initiatives, one seeking to impact on the numbers of children requiring care and the other on the costs and quality of care.

a. **Edge of Care Team** has been in place since May 2018. The intention is to prevent young people from becoming looked after through provision of flexible tailored respite and outreach support.

Early indications are that this is resulting in a reduction of the number of 10-16 year olds entering the care system in an emergency, compared to the same period last year.

b. Residential Strategy plans are underway to build on our internal residential estate in order to keep more looked after children in Hull/or return to Hull from external placements, better meet their needs and improve value for money. Three new residential children's homes are in development:-

- Two x two bedroom homes by Spring 2019
- One x four bedroom home by Summer 2019

Once completed, these will provide between four and eight additional local placements for local children with the most complex needs, depending on occupancy.

One of the two bedroom children's homes was registered by Ofsted in January 2019, and is now operational. This is enabling planned moves of three other young people from external residential provision back to another internal residential unit.

In addition, a recent recruitment exercise for internal foster carers should also begin to impact on a reduction in use of external agency foster carer placements.

Director of Children, Young People and Family Services

Contact Officer: Alison Murphy

Officer Interests: None

Background Documents: -