

CREATING OPPORTUNITIES AND TACKLING INEQUALITIES SCRUTINY COMMITTEE	Agenda Item No. 7
5 JANUARY 2015	Public Report

Report of the Executive Director of Children’s Services

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REVIEW OF PLACEMENT STRATEGY FOR CHILDREN LOOKED AFTER AND THE IMPLEMENTATION OF THE FOSTERING ACTION PLAN

1. PURPOSE

- 1.1. This report provides Scrutiny with an update in relation to Children in Care placements and progress relating to the Fostering Action Plan.
- 1.2. It focuses on progress made in bringing the mix of placements for children in care in Peterborough closer in line with national averages through the recruitment and retention of in-house foster carers. It also details actions that we are taking to help to ensure that we only look after the right children, at the right time in their lives, and for the shortest possible period, in line with best practice.

2. RECOMMENDATIONS

- 2.1. The Committee is asked to note the contents of the report and particularly the continuing indications of success in the recruitment and retention of in-house foster carers for children and young people who are looked after in Peterborough.

3. LINKS TO THE SUSTAINABLE COMMUNITY STRATEGY

- 3.1. Creating Opportunities - Tackling Opportunities
 - Supporting vulnerable people

4. BACKGROUND

- 4.1. This report updates Members on progress made over the last 12 months in increasing the number of children and young people in care in Peterborough who are placed with our own foster carers as opposed to foster carers provided by independent fostering agencies.
- 4.2. The report also considers other indicators of performance including maintaining low proportion of children and young people who are placed in residential placements and in relation to the stability of placements.
- 4.3. The report also provides information on a new approach to the way in which we propose to reward our in-house foster carers, which we believe will place us in a stronger position in competing for carers with independent fostering agencies.

Context

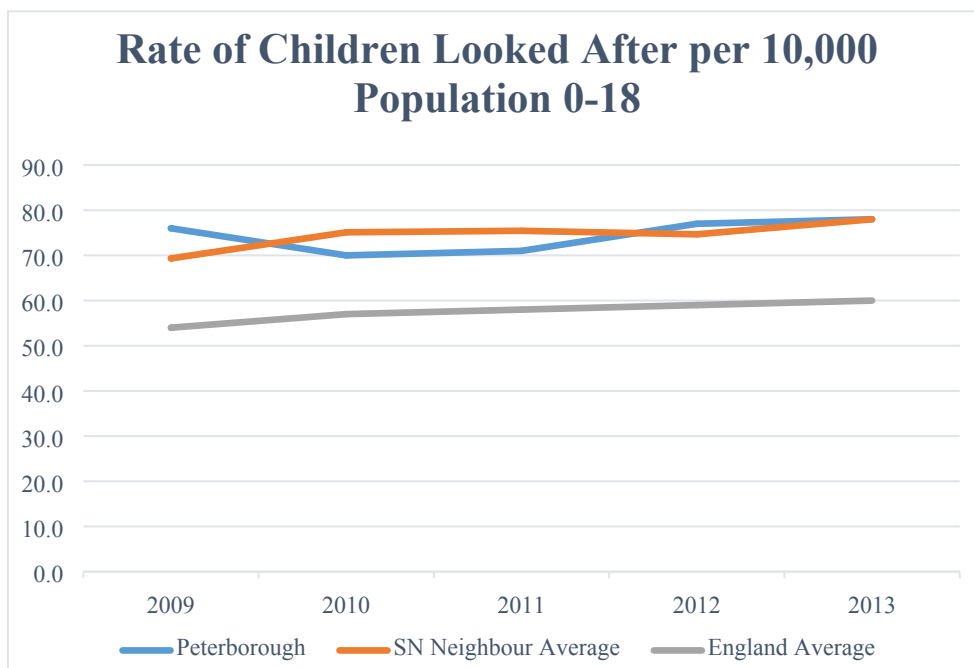
- 4.4. Most children and young people achieve the best lifelong outcomes by being cared for within their families. All families experience short term crises from time to time. In most circumstances, families are able to call on their own extended family or friendship networks to support them through such crises without the need for any other external support.

- 4.5. Not all families have access to informal support mechanisms, however, making it more difficult for them to manage the sort of challenges experienced by us all. In addition, some groups of families – those with a child with a complex disability for example – may have considerable support from their family and friendship networks, but still need this to be supplemented if the family is to not come under significant pressures.
- 4.6. A small group of children are unable to be safely cared for within their families without an intensive programme of assessment and support. A smaller group still cannot remain with their families at all because the risks to them are too great.
- 4.7. Where children do have to move from their birth families, it is better that they do so at as early an age as possible. This is so they can make secure attachments to their new permanent carers, who are either adopting them or who have applied for a Special Guardianship Order or Residence Order. In some cases, children can be placed permanently with relatives, ensuring that they maintain a link with their birth families.
- 4.8. Children who are adopted or placed permanently on a Special Guardianship or Residence Order from an early age the children are likely to achieve the best lifelong outcomes of any who come into the care system.
- 4.9. Our aim has therefore been to offer families with older children intensive and flexible support services so that they can address challenges they are facing without the need for their children to come into care, while ensuring that where families have very young children, we do not delay decision making either before they come into care or for the time that they are in care.
- 4.10. Not only is such practice the best way of securing positive outcomes for children and young people who come into the care system or who are on the edge of doing so, but it also leads to a better use of resources.
- 4.11. We have also decided, subject to Cabinet agreement, to explore the development of a contributions policy for children and young people who are looked after. The Children Act 1989 places a duty on Councils to consider whether a contributions policy should be implemented. In the very great majority of cases, parents would not be required to contribute towards the costs of the Council looking after their children as any contributions are subject to an assessment of financial means. However, we do believe that adopting such a policy would send an important message about parental responsibility and, in those cases where families have the financial means to make other arrangements that avoid their children coming into the care system, the existence of a contributions policy may encourage them to make different decisions.

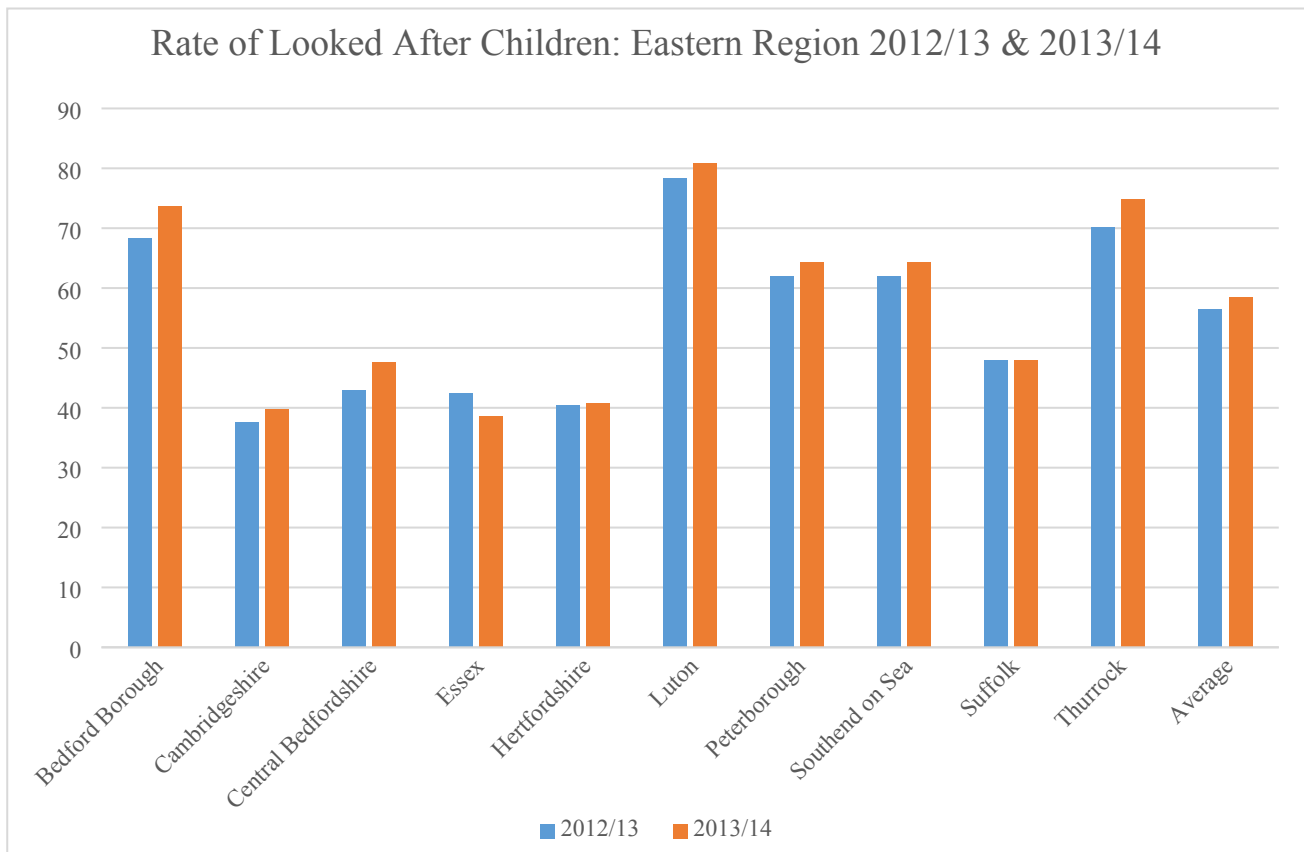
Overall Numbers of Children and Young People Looked After

- 4.12. The overall number of children and young people looked as of the end of October 2014 was approximately 370 [the number is always approximate as it fluctuates slightly on a daily basis as children enter and leave the care system]. Numbers of children and young people looked after in Peterborough have increased gradually since 2012, peaking at 385 in May 2014 and declining slowly since then. The current figure – 370 – a slight increase from the approximately 360 who were looked after in November 2013, when the last of these reports was prepared for scrutiny.
- 4.13. While we continue to take every step to avoid children and young people becoming looked after and would wish to see this number reduce, we also know that Peterborough has one of the fastest growing child population in the UK, and a particularly high birth rate. It would generally be the case that an increasing child population would lead to a higher number of children becoming looked after.
- 4.14. The most common way of expressing numbers of children and young people looked after is the rate per 10,000 population of children and young people. This enables comparisons

to be drawn with national and other authority trends and performance. The chart below compares the rate of children looked after in Peterborough with the average of our statistical neighbours and the England average over the last five years, up to and including the year 2012/13:



- 4.15. The chart above shows that there has been an increasing number of children and young people coming into the care system among our statistical neighbours as well as nationally between 2012 and 2013.
- 4.16. The chart also illustrates how having too few children and young people in the care system may be an indication that children and young people are not being adequately safeguarded. The rate in Peterborough in 2010 and 2011 was much lower than years previously or since, coinciding with the period when OFTSED assessed safeguarding arrangements in the City to be inadequate.
- 4.17. Unfortunately national data on the rate of children looked after as of March 2014 is unlikely to be published much before January 2015. However, we have obtained data from local authorities in the Eastern Region for their position in April 2014: ¹



4.18. The above chart shows that with the exception of Essex and Suffolk, increasing numbers of children in the care system is a feature across the region. The increase in the rate of children and young people in care per 10,000 in Peterborough over this period is in line with the average increase across the region.

4.19. The current rate of children and young people in care per 10,000 in Peterborough is around 82 per 10,000; every additional four to five children coming into the care system increases the rate by 1 per 10,000.

4.20. We continue to do all that we can to ensure that only those children and young people for whom there are no other options become looked after. Where we do look after children and young people, we make sure that we do so for the least possible time. We do this in a number of ways:

- We commission crisis family support services that aim to prevent family breakdown in families where there are older children and young people. These services are available at times when families are typically under pressure – evenings and weekends for example.
- Provision of commissioned and directly provided support services that work with families with younger children, helping them to develop their parenting skills within the home and address the difficulties that they are experiencing so that their children are able to remain safely in their care;
- Development of a highly responsive and flexible range of support services for families who have children with complex disabilities, enabling this group of children to remain being cared for within their own families for as long as is possible and in line with what families and children with disabilities tell us that they want;
- An adoption tracking process that ensures that young children who come into care and for whom a safe return home to family or extended family is not possible are placed for adoption as quickly as legally possible;
- A fortnightly performance meeting that oversees progress for all children and young people who are looked after;

- Oversight of high cost resources through the Peterborough Access to Support Panels, chaired by the Acting Assistant Director, Commissioning.

4.21. Despite these approaches, pressures on the system remain significant and we continue to explore new approaches and partnerships to help us meet needs of children and young people which prevent them from becoming looked after. An example is a new partnership with Axiom Housing to develop more capacity to respond to the needs of potentially homeless young people aged 16 and 17 who might otherwise become looked after

Recruitment and Retention of in-house Foster Carers

4.22. Where children and young people do need to come into care, it makes sense for a number of reasons that they are placed with our own foster carers, as opposed to carers provided by independent fostering agencies. There are a number of reasons for this, including:

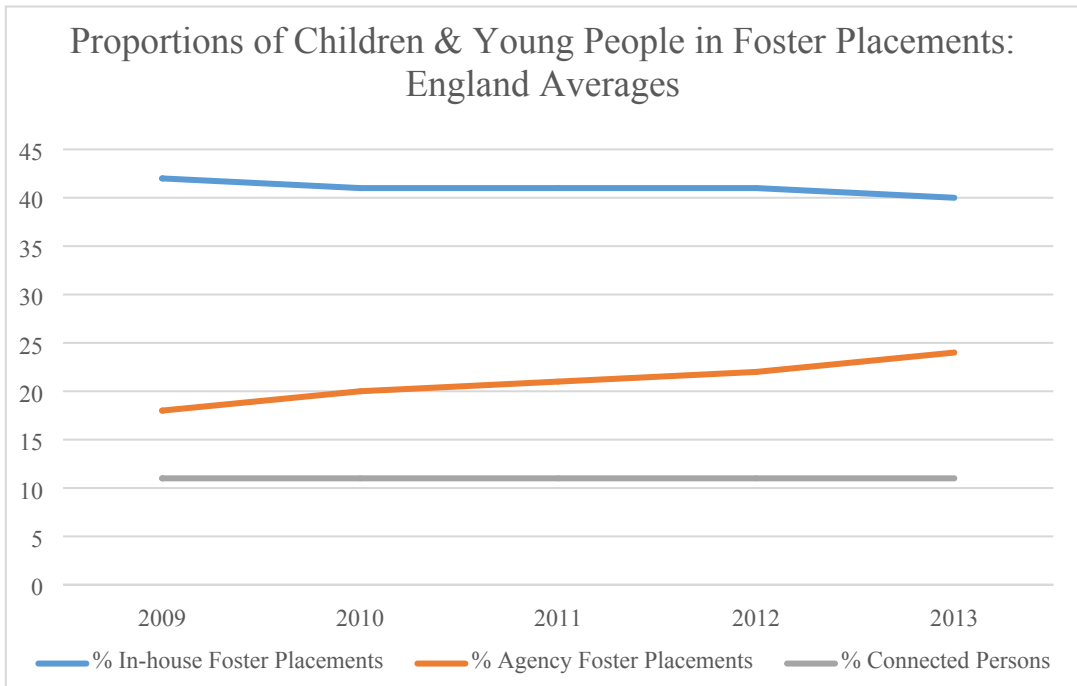
- Our own carers are much more likely to be local and living in or close to the City, making it easier for children to retain school places, have contact with their families and maintain peer relationships;
- We get to know our own foster carers really well, making it easier for us to match the needs of children coming into care with the foster carers available;
- Using our own carers is a better use of financial resources as unit costs are lower because we do not have to pay fees to the agency.

4.23. Recruiting our own foster carers therefore remains a high priority for the service. Foster care recruitment is an area where constant activity is required simply to maintain the status quo as a number of carers will always leave fostering during any one year. Often, foster carers cease fostering for the very best reasons in relation to individual children; for example a number of carers stop fostering for Peterborough every year because they have decided to adopt children who have been placed with them. This is a great result for the individual children concerned but still results in a reduction in foster placements available to the City.

4.24. The impact of new legislation allowing young people to 'stay put' with their former foster carers beyond the age of 18 is also having an increasing impact on the availability of fostering placements. The Children and Families Act 2014 increased the eligibility for young people to access Staying Put schemes so that any young person who has been looked after for at least 13 weeks in the run up to their 18th birthday and who wants to remain with their foster carers can now do so for up to three years, providing that their carers agree. Under previous guidance, these arrangements were in most cases only available for up to a year. This has a financial impact on local authorities since such arrangements must be funded as well as an impact on placements available because foster carers run out of bedroom space for fostered children when young people have opted to stay put.

4.25. These changes are very positive for young people concerned and recognise that most young people would not leave their family homes at the age of 18. However, the scheme is having and will continue to have a significant impact on availability of foster placements for children coming into the care system.

4.26. Recruitment of foster carers is an activity that takes place in a highly competitive market. There are a number of large fostering agencies that are well-established within the Peterborough area. These agencies have access to significant financial backing, and have developed expertise in the recruitment, training and assessment of foster carers. Over recent years across the country, Agencies have been steadily increasing their share of looked after children placements, as shown by the chart below:



- 4.27. The above illustrates the challenge on a national level of recruiting and retaining in-house foster placements in the face of a concerted effort to increase market share by fostering agencies. Agency foster placements are typically around three times the cost of in-house placements so even small changes in overall proportions can have significant impact on placement budgets.
- 4.28. However, owing to a concerted recruitment campaign in the City, we are achieving net increases in the number of fostering households year on year. In the financial year 2013-14, a total of 39 new in-house fostering households were recruited, while 7 fostering households ceased to foster over the same period, resulting in a net gain of 32 households, 27 of which were mainstream carers and 5 were connected carers. Connected carers are carers approved to look after specific children; these will be children who are well known to them and who are usually related. This is a significant increase on the previous financial year, where a net gain of 10 fostering households was achieved.
- 4.29. The target for recruitment in the two years to April 2016 is for a net increase in mainstream foster carers of 50. So far this financial year there has been a net increase of 4 mainstream carers, which may appear disappointing. However, this reflects two factors; in the first part of the year attention was given to removing inactive foster carers from the service by mutual agreement, which has an impact on the net gain to date. There was also an extraordinary push to get the maximum number of carers approved by the end of the last financial year, affecting performance in the initial part of the current financial year.
- 4.30. There are also currently just over 20 fostering households in the process of assessment, meaning that the service should be close to achieving a net gain of 25 carers this financial year.
- 4.31. As stated above, the fostering recruitment market is a very competitive one, and we are currently consulting on a new approach to rewarding our carers, which we believe will be a useful tool in recruitment. This new approach is briefly described in the next section.

Foster Care Rewards: A new Approach

- 4.32. In-house foster carers receive a lower weekly allowance than agency foster carers. Independent fostering agencies know we can never compete on fees directly because increasing fees to our carers by a relatively small amount costs large amounts of money,

owing to the number of carers we have. Agencies also know that they can increase the fees they offer to their carers in response to any increase we make, maintaining their recruitment advantage. Because their margins are high, they can do this without increasing fees to local authorities – at least until their competitive advantage is restored.

- 4.33. Rates of allowances are only one factor in the successful recruitment of carers. Foster carers come into fostering because they want to make a difference to the lives of vulnerable children and young people. Carers who are recruited by agencies are much less likely to have placements as agencies typically operate at 50% vacancy levels. Agency foster carers will also have children from all over the country placed with them, with additional difficulties in communication with social workers and in maintaining links with the child’s family and friends.
- 4.34. Among our own looked after population, it is older children and young people and those who have had a number of previous placement moves who tend to be placed with agency foster carers. This is not because those carers are any more skilled than our own. It is because while our carers know that if they decline a placement of a more challenging child or young person they will be offered another placement very soon after. Agency carers know that if they are contacted about a placement, it will always be likely to be a child or young person who presents as more challenging to care for, and that if they decline, they may not be contacted again for a considerable period.
- 4.35. We are therefore developing a payment by results model that provides incentive payments to carers who look after older children and young people and children and young people who have had more placement moves. Other incentives can be offered where we are asking carers to go above and beyond what they might usually do in order to meet the objectives of the child or young person’s care plan.
- 4.36. We believe that this approach will provide us with a significant edge in our recruitment activities while enabling us to reward our carers for doing what they want to do – achieving the best outcomes for children and young people placed with them. We are currently consulting with our carers over the finer details of the scheme and expect to be ready to launch early in the coming months

Placement Mix Performance 2012-15:

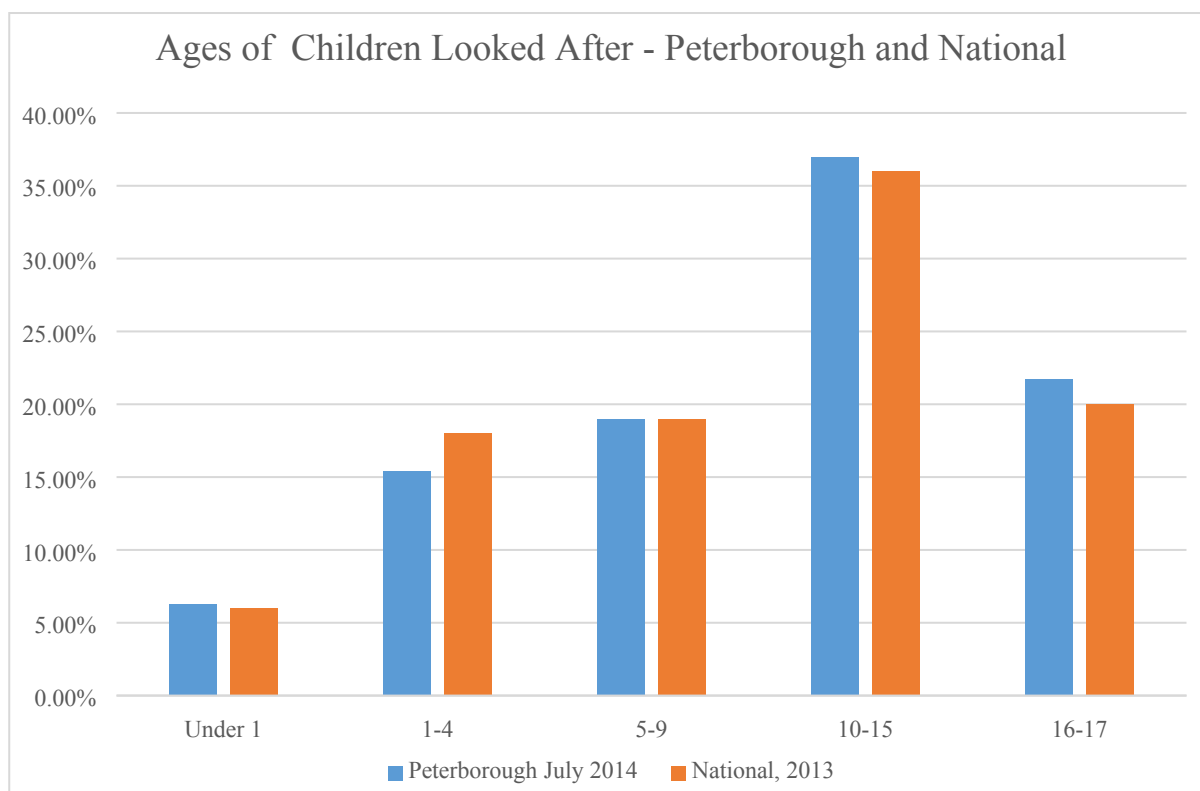
- 4.37. We are seeing steady positive changes in the placement mix of the looked after population in Peterborough. The proportion of our children and young people placed with in-house foster placements is increasing while the proportion placed with Agency Fostering is declining:

Placement Type	Peterborough Nov 2012 %	Peterborough Nov 2013 %	Peterborough Nov 2014 %	National Average 2013
In House fostering	35%	38%	39%	40%
Agency Fostering	38%	33%	32%	24%
Connected	6%	9%	9%	11%
Residential including secure, secure remands & residential schools	10%	9%	7%	12%
Semi- Independent Living	5%	4%	6.5%	3%
Placed for Adoption	5%	4%	5%	5%
Placement with Parents	2%	2%	2%	5%

- 4.38. We have continued to maintain a much lower proportion of children and young people in residential placements than is the case nationally. To some extent this explains our continuing reliance on agency foster placements, which although reducing, remains higher than the national average. We seek to avoid residential placements wherever we can because this type of placement is typically associated with some of the poorest outcomes. These placements are also the most expensive.
- 4.39. We also ensure that whenever possible, young people move to semi-independent accommodation from residential placements soon after they have completed statutory schooling. Semi-independent placements are much better at helping them to prepare for independence at 18 than children's homes. Often the initial cost of semi-independent accommodation can be almost as high as residential placements as many young people need intensive and bespoke packages of support. However, because this type of provision is very flexible, the amount of support can reduce as the young person becomes more independent, which also reduces the cost.

Other Performance Measures:

- 4.40. Peterborough continues to perform very well in comparison with our statistical neighbours and national averages when it comes to the stability of placements for children and young people in care. This is important as unplanned moves can result in significant disruption to the lives of the children and young people concerned, many of whom also experience these events as rejections that impact on their emotional resilience.
- 4.41. The chart below shows the age distribution among children and young people looked after in Peterborough compared with the most recent data for England as a whole:



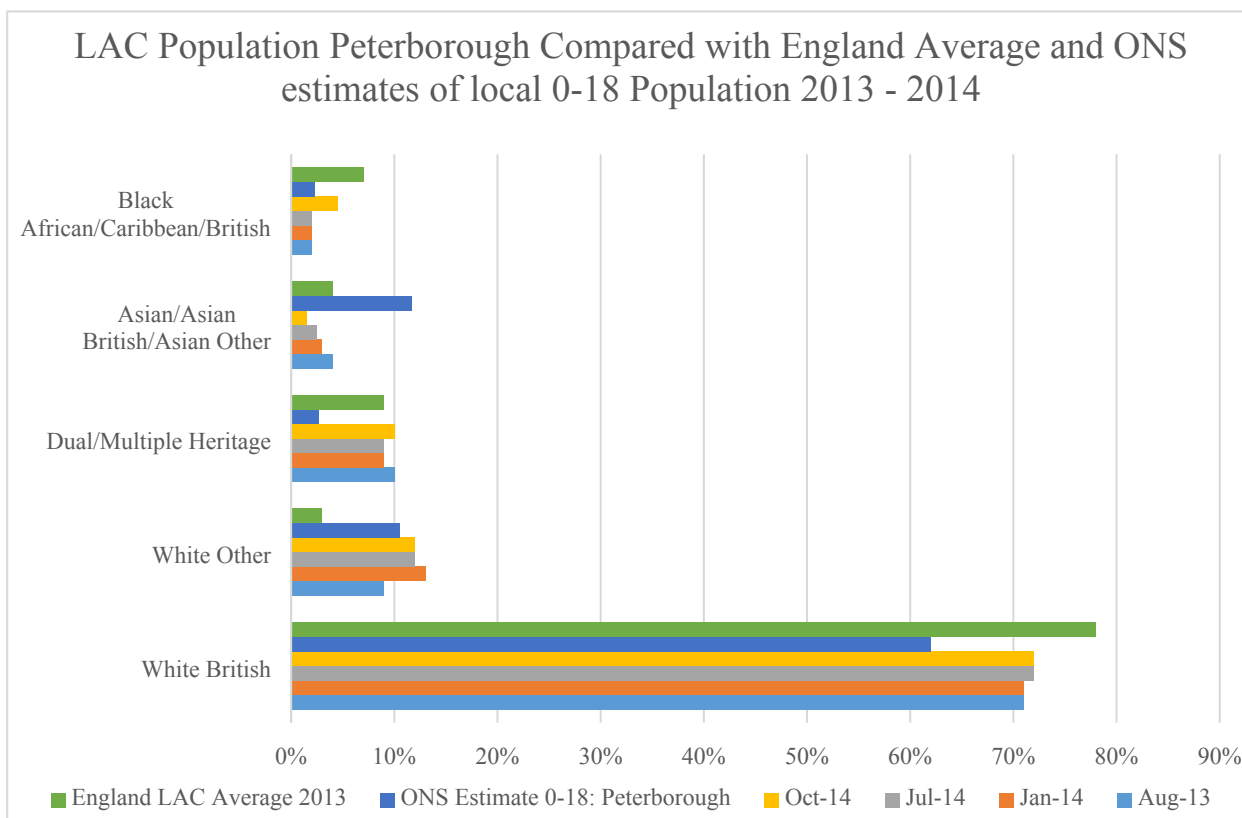
- 4.42. Although the actual numbers involved are very small, there are slightly more older children and young people in care in Peterborough than in England and slightly fewer young children aged between 1 and 4. Two fewer young people aged 16 and 17 who are looked after in Peterborough would bring us into line with national averages, for example, while if we had 133 young people looked after aged between 10 and 15 instead of the 137 we actually have, we would be in line with the national position.

4.43. That said, we do need to understand better the journeys of those older children and young people aged 10 and above and whether there are any common themes that may have avoided them becoming looked after which we can apply in future. This is a piece of work that will take place in the coming months.

Increasing Diversity of our Child Looked After Population

4.44. Given that the population of Peterborough is becoming increasingly diverse, it is not surprising that the child and young person in care population is reflecting this.

4.45. The following chart shows how the looked after population in Peterborough compares with the national average looked after population and with estimates of the make-up of the population of Peterborough children and young people aged 0-18 by the Office of National Statistics:

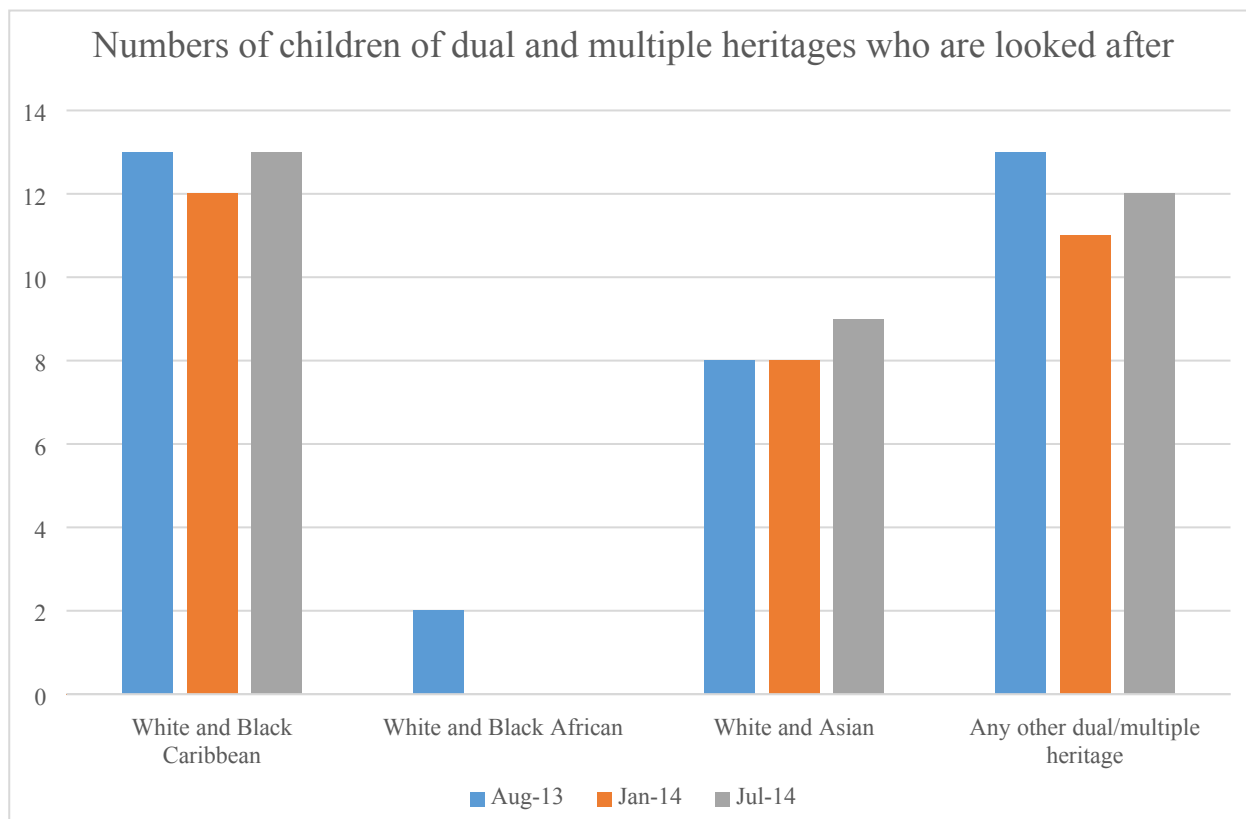


4.46. The chart shows that white British children and young people are slightly over-represented in the care system in Peterborough compared with ONS estimates of the local population. The chart also shows that this group is a slowly increasing proportion of the overall looked after population. The proportion of Black African/Caribbean/British looked after population has increased slightly and is now higher than ONS estimates of the general population. This increase can, however, be attributed to a small number of unaccompanied asylum seeking young people who have arrived into Peterborough in the last few months.

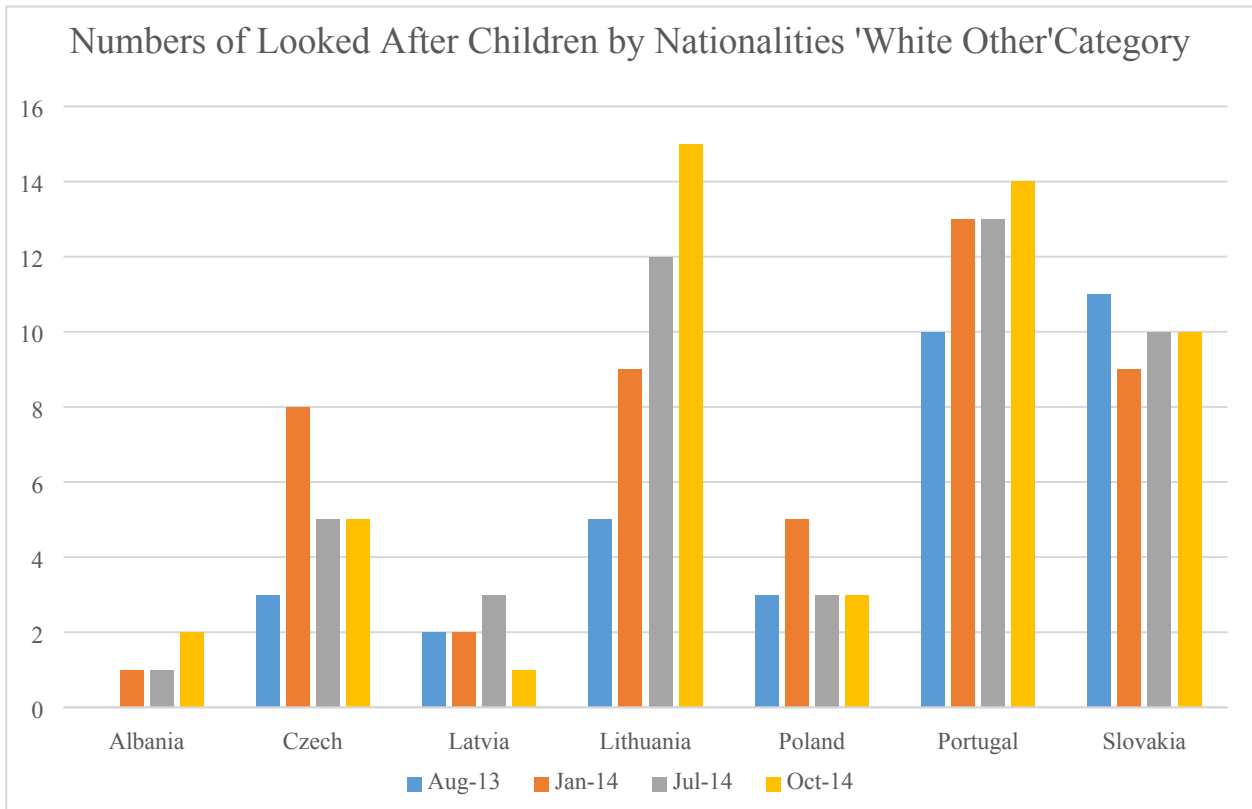
4.47. Children and young people from Asian backgrounds are underrepresented in the care population compared with the population of children and young people from these backgrounds in the City, and are also slightly underrepresented when compared to the England average for looked after children. This may indicate that families from these communities are more able to respond to difficulties facing them by, for example, calling on support from extended families and the broader community. It may also be the case that services are less able to identify children and young people at risk of significant harm from these communities. However, just under 10% of children and young people subject to child protection plans in the City are from Asian backgrounds, which is closer to the

percentage of the population. This would suggest that agencies are able to identify children who are at risk of harm within these communities.

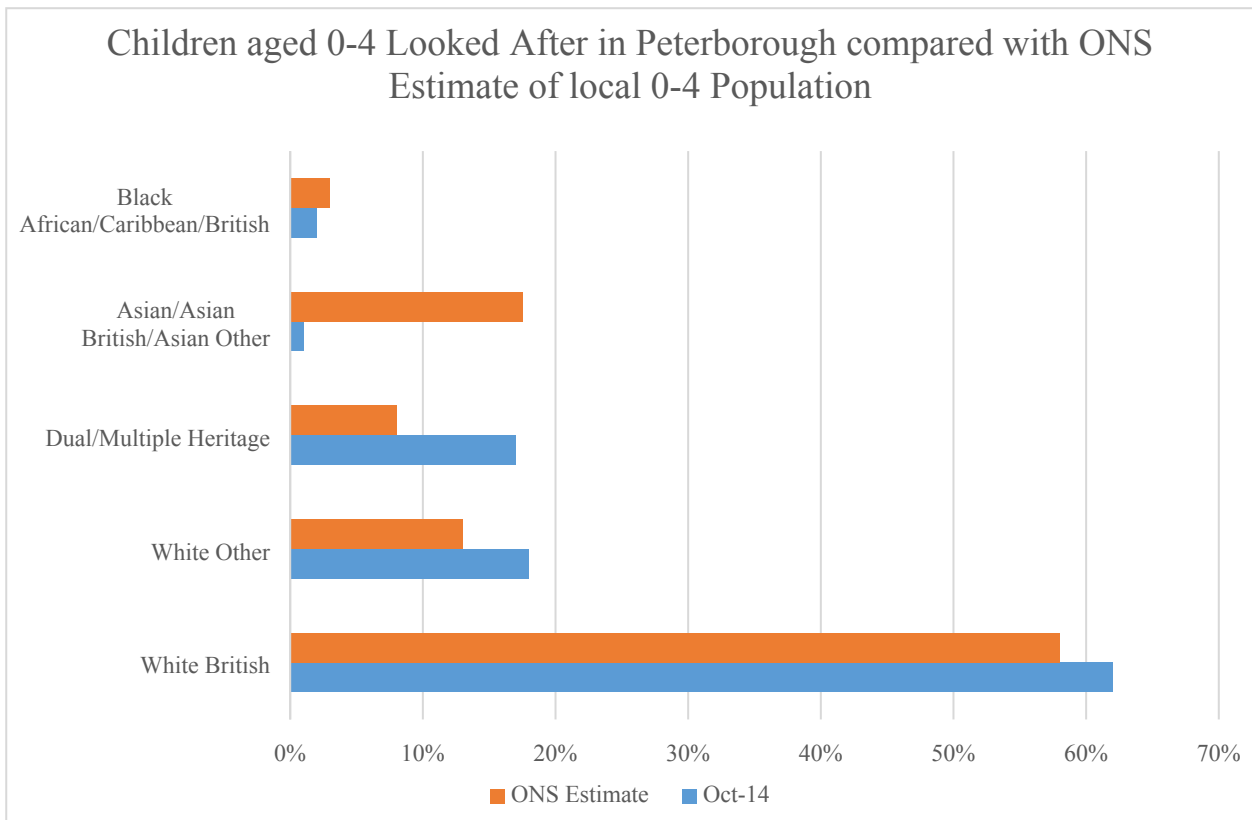
4.48. Children from dual and multiple heritages are over-represented in the looked after system when compared to ONS estimates of local population. This is also the position within the England looked after population as a whole, where a similar proportion of children and young people looked after are from dual and multiple heritages. The chart below provides further details about this group of children and young people:



4.49. The proportion of 'White Other' children and young people looked after in Peterborough currently stands at 12%, which is slightly higher than the proportion of children and young people from 'white other' backgrounds in the City. This category includes children and young people from Portuguese and Italian backgrounds as well as those from Central and Eastern Europe. The chart below breaks this category down further into the number of children and young people looked after by nationality that together make up the 'white other' category and shows how these have changed over the last 18 months:



4.50. The overall proportion of children from 'white other' backgrounds is also higher among younger children in the care system, as the following chart indicates:



4.51. 18% of children in care aged between 0 and 4 years are from 'white other' backgrounds. All of these children are from Eastern or Central Europe. The largest group of 'white other' children among the 0-4 population in care is again from Lithuania.

- 4.52. There is clearly work to be done to understand more about why children from dual or multiple heritages are overrepresented among the overall child in care population. However, this is a position that is reflected nationally, whereas the increasing proportion of children in the local care system from Eastern European backgrounds is an issue that is more specific to Peterborough.
- 4.53. There is an increasing body of evidence that suggests that vulnerable people from Lithuania in particular are being trafficked into the region by exploiters and used to supply cheap labour through a network of illegal gang-masters. The police and other partners locally are developing an increasingly robust response to these activities including providing advice on new legislation relating to modern slavery. This growing population of children coming into care from central and eastern European backgrounds may also be a symptom of this much larger problem.
- 4.54. However, for services locally this increasing proportion of children coming into care from these backgrounds is leading to significant challenges. The children concerned require immediate safeguarding and protection. However we do not at the moment have foster carers who speak the child's first language. Many of the younger children we bring into care do not speak English. This must only add to the sense of confusion and anxiety that many children experience when they first come into care.
- 4.55. We are therefore committed to working with the community and voluntary sector to identify how we can better support children and families who are newly arrived into the UK while also developing links with those members of the same communities who are becoming more settled and who may be able to become foster carers for the Council. This will enable children and young people from these communities who do need to come into care to be placed with families with similar cultural histories, practices and approaches to life.
- 4.56. The latter point is a particular challenge when it comes to recruiting carers from communities who are newly arrived into the country. Foster carers in general are often parents who have older or grown up children; they have become established in the community and are looking for new challenges. They are therefore usually from a slightly more mature group than the population as a whole. This more mature group has yet to form among those communities who are newly arrived in the country simply because they have not yet been here for long enough.

5. KEY ISSUES

5.1. Key issues arising from the above include:

- Although national comparator data is not yet available, other information would seem to suggest that the overall numbers of children and young people in care in Peterborough reflect the national and regional position;
- The proportion of the children and young people in care who are placed with our own in-house foster carers continues to increase and is now close to the national average;
- The proportion of children and young people placed in Agency foster placements has reduced significantly, although remains above the national average;
- We have achieved considerable reductions in the proportion of children and young people placed in residential placements and our performance is now significantly better than national average performance in this area;
- These changes have been achieved while maintaining best child-care practice and not considering placement moves for children and young people who are settled in their placements;
- Progress in relation to the recruitment and retention of foster carers has been strong, and the stretch target of 50 additional mainstream foster carers by April 2016 remains within reach. Achieving this target would be an exceptional performance;
- It is clear that we are seeing an increase in numbers of children and young people from Eastern and Central European backgrounds entering the care system locally. This

may be a symptom of a much bigger problem relating to organised exploitation, however, for those children and young people who require immediate action to safeguard their wellbeing, our ability to provide them with culturally similar placements is currently minimal.

- 5.2. Significant progress has therefore been made in relation to managing overall numbers of children and young people within the looked after system in the City, while bringing the placement mix more into line with national averages through the recruitment of more foster carers over the last 12 months.
- 5.3. We continue to innovate and our proposals relating to payment by results systems for rewarding in-house foster carers is the latest approach in the on-going battle to recruit and retain our own foster carers in the face of stiff and concerted competition from fostering agencies locally.
- 5.4. While our ambition is to see overall numbers of children and young people in care in the City reducing by continuing to improve outcomes across early help and specialist services, pressures on the system remains significant and the projected increase in child population in the City is likely to increase the pressure on overall numbers of children and young people in care in future years.

6. IMPLICATIONS

- 6.1. The continuing financial targets in relation to the costs of children's placements are stretching and are built on assumptions that we will continue to be successful in placing a greater proportion of our children and young people with in-house foster carers. Placements with our own carers are also more likely to be in the interests of the child or young person concerned because they are more likely to be closer to the City, meaning less disruption to their lives. However, the current proportion of our children and young people in care placed with our own foster carers is already close to national averages, emphasising that success in this area is by no means a foregone conclusion.
- 6.2. However, innovations such as the model of payment by results should help us to continue to compete effectively with the independent fostering agencies active locally.
- 6.3. The continuing fast growing child population in the City will also lead to on-going pressure on the looked after system. All other things being equal, a higher population of children and young people will result in more children and young people coming into care.
- 6.4. The increasing diversity of our care population – particularly as this relates to children and young people from Central and Eastern Europe – means that we must do all we can to work alongside these communities and community and voluntary sector organisations to ensure that they have access to support that prevents their children from becoming looked after.
- 6.5. We must also do more to recruit foster carers from these communities, while recognising that this will be a challenge on many levels. The latest fostering recruitment strategy is targeted at our black and minority ethnic populations and will be closely scrutinised in order to assess how successful it is in attracting carers from these backgrounds.
- 6.6. The implications of this report relate to the City as a whole as opposed to any individual wards.

7. CONSULTATION

- 7.1. Consultation has taken place with the Children's Services Directorate Management Team and with the Fostering Service.

8. NEXT STEPS

- 8.1. The new approach to rewarding foster carers through a payments by results model will be in place in time for the next financial year.
- 8.2. A Cabinet report outlining proposals for a contributions policy for children looked after will be produced for consultation in the coming months.
- 8.3. It is suggested that an updated report on the continuing efforts to recruit in-house foster carers and the continuing implementation of the Placement Strategy is prepared for Scrutiny in January 2016.

9. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985:

- 9.1. National Data on the numbers of children and young people in the care system can be obtained from the Office of National Statistics:
<https://www.gov.uk/government/statistics/children-looked-after-in-england-including-adoption>

10. APPENDICES

- 10.1. None.

ⁱ Norfolk was unable to provide data for this exercise