

# Update on Corporate Risks 1.5 and 1.6:

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- High cost placements for children's social care and special educational needs
- Pressure on LCC revenue budget and Dedicated Schools Grant (High Needs Block)
- Controls in place to address costs
- Future actions to address demand and costs

## High cost placements for children's social care

- Leicestershire's average number of children in care (CiC) per 10,000 is significantly lower than statistical neighbours and the national average:

	CiC per 10,000 population
<b>Leicestershire CC</b>	<b>35.0</b>
<b>Statistical Neighbours</b>	<b>47.8</b>
<b>East Midlands</b>	<b>53.0</b>
<b>National</b>	<b>60.0</b>

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## High cost placements for children's social care

- The rate by which those levels are increasing year on year is low compared to other East Midlands LAs and the national rate:

Leicestershire	3.2%
East Midlands LAs	4.8%
National	6%

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## High cost placements for children's social care and education

- Leicestershire performs well with regard to costs:

Type of Care	Average Weekly Cost Leicestershire £/pw	CIPFA Benchmark weekly cost £/pw	Variance  £/pw
Internal Fostering	450	467	-17
External Fostering	750	887	-137
Internal Residential Care	2,788	2,980	-192
External Residential Care	3,200	3,400	-200

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## High cost placements for children's social care

But...

Small numbers of children whose complex needs continue to require high cost provision:

13% (60) of the total number of children in such placements cost 50% (£9m) of the available placements budget in 2015/16

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## High cost placements for children with special educational needs

- Leicestershire currently spends £17,688,600 on independent and non-maintained special school places.
- 25 of these are residential placements at a cost of £2,400,000.
- 7 placements further afield generally for more specific needs, for example epilepsy or visual impairment. ↘
- 18 of these placements are joint-funded with social care and/or health.
- 300 day placements in independent/non maintained schools.

## High cost placements for children with special educational needs

- The priority need is for children and young people with social, emotional and mental health needs or autistic spectrum disorder.
- Leicestershire spends more than other East Midlands LAs on out of county placements.

Total number of placements purchased	Number purchased outside LA area	Average cost outside LA area	Total spend (rounded)
<b>Derby</b>	69	£72,041	£6.7m
<b>Derbys</b>	72	£38,179	£3.8m
<b>Leicester</b>	60	£77,798	£5.4m
<b>Leics</b>	138	£60,720	£18.0m
<b>Lincs</b>	102	£64,667	£9.7m
<b>Northants</b>	64	£101,193	£9.0m
<b>Nottingham</b>	21	£104,131	£2.5m
<b>Notts</b>	86	£36,578	£5.4m
<b>Rutland</b>	11	£51,878	£1.4m
<b>1092</b>	623	£67,465	£61.9m

- There is a sparsity of local specialist provision, particularly residential provision, for children with these needs.



## **Pressure on LCC revenue budget and Dedicated Schools Grant (High Needs Block)**

### LCC revenue

- 2015/16 forecast over spend on social care - £5.9m
- 2016/17 forecast over spend on social care - £7.9m
- Actual over spend 2015/16 - £4.6m
- Growth in 2016/17 - £7.9m
- Savings target in current MTFS - £5m (approx)

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### DSG High Needs Block

- 2015/16 over spend in DSG - £4.4m (met by use of reserves)
- 2016/17 forecast over spend - £7.6m (met by transfer of funds across blocks and 1% reduction in AWPU (age-weighted pupil unit) plus savings target £2.8m in SEND placements)

## Controls in place to address all placement costs

- New, more robust panels created to challenge placement options and inform decisions;
- Involvement in regional and national projects to look at the costs of care and SEN;
- Block contracts re-negotiated to reduce cost;
- Closure of one LA children's home;
- Introduction of charges to schools for specialist teaching services;
- Working with maintained and academy special schools to increase capacity to meet high levels of need;
- Increased commercial skills in commissioning arrangements

## Future actions to address demand and costs

- Increase market share of in-house foster carers;
- Create new models of social care for older children e.g. Parallel Carers scheme;
- Reduce reliance on residential provision by developing new models of care; ⇒
- Create local specialist and complex needs provision;
- Ensure full financial contributions from health commissioners.

## Future actions to address demand and costs

- New MTFS transformation programme;
- Contingency to respond to spikes in demand;
- Continue to improve data and analysis for accurate forecasting;
- Continue to invest in early help services to minimise demand.