

Appendix 4c: Transforming the Fostering Service and Support for our Foster Carers: Executive Summary

Introduction and Key Principles

Blackpool council strongly believes that it's every child's right to grow up in a family home, with their own birth family. Blackpool Children's Services will do everything it can to support children to grow up in their own family. For those very few children where it is not safe to live with their birth parents, all research evidence shows that their best alternative home is within their extended family (assuming that there are viable, safe alternatives). If this is not an option, for whatever reason, the next best option is to live in another family's home (foster care). For the very small number of children where there needs cannot be met within a family home, residential provision in a children's home is the best place for them to live.

Being able to quickly and accurately assess the quality of care that wider family carers are able to provide to children and having sufficient numbers of non-family foster carers to support children in the council's care are critical functions of Children's Services and they also underpin our ability to meet the needs of children in our care in the best possible way: the way that is best able to replicate and stand in for growing up in their own, loving birth family.

Foster carers are crucial to Blackpool's new approach to working with children and families: 'Blackpool Rocks'. Foster carers played an important role in co-producing the new approach, but also, for every child they care for, carers will be one of the most important relationships in that child's life: providing support and love through a period of difficult change. They will also support ongoing contact with a child's birth family and help to keep other aspects of their children's lives, such as school or interests or hobbies, as stable and consistent as possible. In sum, foster carers are absolutely central to any relationship-based approach to working with children and families. This report seeks to outline a package of proposals to urgently grow the number of local carers and develop their ability to look after our children in care, keeping as many children as possible in a family home and local to Blackpool.

Local Context

Blackpool has the highest number of children in care per 10,000 head of population in England. Over 650 children and young people are in the care of the local authority. Most of these children and young people (72%) live within a family setting in 'foster homes' or emergency placements with relatives/friends. In addition, there are a small but significant number of number of young people, currently 63, who are supported in residential care settings ('children's homes' or 'residential care homes'); and a further 30 young people aged 16 and 17 years old who are supported in "semi-independent" supported housing. Full details are outlined in the table below.

While the *proportion* of children in our care in residential or in independent fostering agency placements is not out of line with the national pattern, because the *number* of children in our care is very high, the actual number of children in residential provision and IFAs is also very high, when scaled per child living in Blackpool. This places a substantial financial pressure on the council.

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In the past six months, the council has commissioned two external reviews of residential and fostering services. Both reviews recommended block contract arrangements with external providers in order to secure sufficiency and to stabilise cost. In addition, the fostering review recommended increasing capacity of the service and increasing the allowances that our in-house foster carers receive. Finally, in March 2020, the DFE commissioner requested that Essex County Council undertake a diagnostic review of the Fostering service, which concluded that substantial investment was required to reinforce and reinvigorate the service, both in terms of the rates and allowances paid to foster carers, but also the capacity of the service to support and review existing foster carers and to recruit and assess new carers.

Recent Trends & Their Implications

Over the past year, we have seen a rise in the number of children placed in residential care (Children's Homes); and a very significant rise in foster homes provided by Independent Fostering Agencies. Both of these patterns reflect the insufficiency of local fostering options.

Blackpool council does not have enough of our own foster carers and we do not have a sufficient variety of skills or types of foster care placement across the current group of carers to meet the needs and the number of children in Blackpool's care. The situation is being made critical by the continued entry of children into care, together with the existing high numbers. It is compounded and, substantially created by the council's difficulties in recruiting new foster carers in recent years; which is precipitated both by the capacity issues of the service and the fact that Blackpool Council allowances for foster carers are not competitive compared to neighbouring councils or independent fostering agencies.

Blackpool is therefore forced into the market to purchase additional foster carers and specialist placements to meet the needs of children in the council's care. While it is always going to be the case that, as a small local authority, there will be some children for whom the council cannot meet their needs within local, council provision, there are a growing number of children being placed in externally provided homes for whom their needs could be met within stronger local foster care provision, if it existed.

All the above means that the current situation cannot be sustained indefinitely. The council is faced with a decision to either withdraw from running its own fostering service, which would remove the need for the upfront investment described in the proposal below, but would leave the council more exposed to the uncertainty and increasing cost pressures of external market for foster care placements, or to bite the bullet and invest and transform the current fostering service and in-house foster carers. Successfully transforming the council's fostering service/foster care provision, has the potential to yield huge savings to the council and would be one of the cornerstones of any medium term financial plan for children's services: redirecting money paid to external private sector companies for placements for children in our care to preventative services aimed at keeping children with their families and improving their lives and outcomes.

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The Wider Care Market Context:

Due to the continued national increase in the number of children in care, the demand for homes for children in public care is outstripping supply. All providers are busy and this means there is fierce competition for placements for children within the market. Providers can pick and choose; and this means children, especially children with a high level of support needs, are increasingly hard to place.

As noted in several recent reports in the national media, venture capital firms have entered the market providing placements for children in care – noting both the absolute legal duty of councils to find suitable placements for children in care, the growing complexity of the needs of children entering care; and the rapidly rising cost of placements for children in care in recent years. This is leading to a consolidation of providers in the market and a continued relative weakening in the bargaining power of local authorities. This is most evident in the residential care (Children’s Home) sector, but is also becoming evident in Independent Fostering Agencies (IFA). For example, the largest local IFA (Excel) has been taken over in the past year.

This context places a premium on local councils having sufficient local fostering provision to meet local demand and to have sufficient skills within its group of foster carers so that they can support and meet the needs of the vast majority of children in care, thereby limiting the council’s need to find placements in an increasingly difficult and expensive external market. To achieve this aim, the council needs a fostering service that is able to recruit foster carers for the council and then develop, retain and support those carers so that they can meet the needs of the children. The service also needs to be able to quickly and appropriately assess the suitability of extended family members and friends to care for children and then support them to do so when their birth parents are unable to safely do so, through either ‘connected carer’ or ‘Special Guardianship Order’ assessments.

How are Foster Carers Currently Paid?

Blackpool Council spent a total of £4.1m on Foster Care Payments in 2019/20. The payment of foster carers has three component parts currently:

- National Minimum Fostering Allowance (age based and set by central government – all local authorities are expected to pay all foster carers at least this amount):

	Age 0 to 2	Age 3 to 4	Age 5 to 10	Age 11 to 15	Age 16 to 17
London	£152	£155	£174	£197	£231
South East	£146	£150	£166	£189	£222
Rest of England	£132	£135	£149	£170	£198

- A Skills-based payment
 - Level 2 - £40 per week per child (13% of carers paid at this level)
 - Level 3 - £85 per week per child (29%)
 - Level 4 - £130 per week per child. (55%)
 - Level 5 - £200 per week per child. (3%)

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- Additional one-off age-dependent allowances for birthdays, holidays, Christmas (other local authorities have an equipment allowance as well, which Blackpool currently does not: an issue raised by foster carers and by colleagues from Essex CC in their recent diagnostic evaluation of the service).

By comparison, Lancashire County Council in addition to the minimum national allowance, currently has a basic skill payment of £115 for each child in placement; more skilled carers receive £230 a week per child, with some carers receiving more for individual children depending on the additional need. Local Independent Fostering Agencies are paying carers over £330 a week for each child, in addition to the national allowance

Proposed New Service Structure, Growth Plan and Payments for Carers

A transformation of the service is required to make it fit for purpose now and in the future. The proposed transformation has three main component parts:

1. Increased payments and simplification of the fee structure for foster carers
 - The allowances for the council's carers will be competitive with what those offered by other agencies and neighbouring local authorities
 - The proposed fee structure will move to being skills-based to payments which are specific to the children in the placement. Skills development will form part of the regular review process and minimum skill sets will be required to support more complex work with children (which will be reflected in the fee structure).
2. Restructure of the Fostering Team into three distinct areas of work, with appropriate resource for each to meet anticipated levels of work
 - Recruitment and Assessment
 - Support for approved fostering households (maximum of 19 households per FTE worker): Research across the region (and the knowledge brought our commissioners from and Essex by senior managers within the department from previous local authorities) shows that the normal number of households supported per worker nationally is 19 households.
 - Connected Carers/ SGO Assessment and Support service: a 'planning for permanence team'.
 - Health assessments to be undertaken and reviewed for foster carers every 3 years in line with good practice and to ensure appropriate matching
3. Additional capacity to be added to the service to enable it to perform its functions well:
 - Dedicated resource for the recruitment and assessment of new foster carers (4 social workers, 1 Business Manager, dedicated business support to chase down leads and checks on prospective carers, including support to the fostering panel))
 - A maximum of 19 households supported by each social worker, slightly above the regional average of 18 households, which equates to 10 Social Workers.

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- Sufficient capacity in the connected carer and SGO assessment and support team to support 150+ completed assessments a year (estimated 6 social workers)
- Additionally capacity to increase the quality assurance function in terms of:
 - IRO capacity to undertake fostering reviews (1 additional IRO, on top of existing 0.5 FTE)
- Increasing our Clinical Psychology capacity to include a part time Clinical psychologist to develop and support foster carers, to better enable our carers to support our children in our care and meet a wider range of needs in our children.

The new service will be expected to:

- Recruit 25 additional fostering households per year for the next 5 years (net of existing households ceasing to provide homes for children in our care)
- Develop (within the support function) a peer support network for foster carers including the development of a support and advice telephone line to foster and SGO carers.
- Develop short break support for foster carers as a specific home type for both mainstream children and complex / additional needs.
- Develop in house foster care service for PACE and emergency placements linked to the YOT service and new edge of care service.
- Develop or recruit in-house foster carers capable of supporting mother and baby/family placements. The development of in house placements for mother and baby would be a priority – not least because of the additional benefits of supporting mothers and babies within their home community
- Develop or recruit in-house foster carers who want to support care leavers stepping down from residential not yet ready for semi independence

Additional Initiatives for consideration in order to reduce numbers of children in care, increase placement stability, and lower costs to the authority:

- Given the lead-in time for recruitment and the urgent capacity issues, consider contracting with a private sector provider to recruit foster carers on a payment by results basis, while the council seeks to employ its own recruitment capacity.
- Providing therapeutic training to our foster carers that supports the care of complex young people that is trauma informed and strength-based ensuring that all foster carers offer a therapeutic based parenting offer.
- Develop foster carers to provide community based support for children and young people returning home from care.
- Considering how specialist services to wrap around children in care are best sourced with certainty of service access, including those at risk of sexual offending, victims of sexual abuse / exploitation and play therapy, which we can use to inform work undertaken during public law outline pre-proceedings and care proceedings, for example, block contracts with providers reducing cost and ensuring consistency in delivery.

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5 Benefits Expected

1. Better outcomes for our children
2. Increased local placement provision, both in terms of number, quality and skills-base
3. Reduced number of placement breakdowns, and disruptions
4. Reduced need for high cost local and out of area placements - lower placement costs per child
5. Increase in the number of children and young people subject to Special Guardianship Orders with family members thus reducing the number of children in care
6. Increased staff retention and capacity
7. Lower additional spend on therapy , sexual abuse/offender interventions attached to placement costs meaning reduced cost on some IFA and residential placements

7 Cost

The overall investment in the new fostering service and support for foster carers is £1.59m – allowing for the increase in staffing in the revised service structure (£490k); the increase in payment rates to foster carers (£1.1m)

9 Investment Appraisal

Additional annualised cost of the new external placements with Independent Foster Carers during 2019/20 to date is £2.3m, £1.5m more than if the children were placed with Blackpool’s own foster carers. Growth in Mother and Baby foster placements across the year gives a cost pressure of £600,000. Recruitment of more in-house capacity able to meet the needs of a wider type of placement will prevent this ongoing additional cost. It will also enable a shift in the balance of placements between in-house and independent foster carers. It will also enable a shift in the general placement in pattern in Blackpool.

Modelling of the required investment and expected return suggests that returns should begin to be seen in 2020/21, with annual return equalling annual investment by 2022/23; and cumulative return exceeding cumulative investment in 2024/25. However, the single most important point to take from the analysis is that the value of the investment is mainly to be found in its impact on Blackpool’s dependence on and use of the wider market for placements of children in care – not least because that is where the extreme cost lies. The analysis makes no assumption on improved placement stability, although greater sufficiency and more time for workers to support carers (& psychological support for carers) are all likely to improve stability and avoid emergency placement and the additional cost of breakdown and new placement.