

## **Report to Cabinet Member for Children and Young People**

**March 2022**

### **Fostering Service Redesign – Phase 2**

#### **Report by Executive Director of Children, Young People and Learning**

**Electoral divisions: All**

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### **Summary**

The County Council aims to create a high performing Fostering Service that provides those Children we Care for (CWCF) with the best start in life. This decision represents Phase 2 of a two-phase programme to redesign and transform the Fostering Service and deliver enhanced and sustainable outcomes for children into the future. Phase 1 concerned the preliminary decision ([OKD66 \(20/21\)](#), March 2021) to ensure that from April 2021, all internal foster carers received the same skills level payment for each child, where more than one child was in their care.

The purpose of the proposal is to ensure the County Council can offer in-house foster placements to different cohorts of children with a broad range of needs, strengthen the offer to existing carers to improve retention, and increase the social care workforce to ensure caseloads for staff within the service are manageable. These measures will help to address current challenges being faced in the fostering market, improve the ratio of in-house foster carers to independent providers and transform the Fostering Service to the desired position of become the 'provider of choice' for current and future foster carers across West Sussex. The proposal will result in enhanced life experiences for cared-for children. The proposed investment will also enable the Council to manage sufficiency budgets more effectively and control the costs of placements. The programme of improvement and recruitment of carers is based over five years, and it is projected that the initial investment will be balanced by the savings arising at the end of the programme.

### **Recommendations**

The Cabinet Member for Children and Young People is asked to:

- (1) Approve the proposed Redesign of the Fostering Service, as set out in Section 2 of this report and the appendix, with the changes to commence from April 2022.
  - (2) Agree the additional investment needed to deliver the proposal, as shown in the table at 5.1, required to supplement the permanent investment of £2.225m per annum, already agreed as part of the County Council's Budget. These additional sums will be financed through the reinvestment of the expected net savings accruing over the same period, as detailed in Section 5 of the report.
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## 1. Background and context

- 1.1 The County Council's vision for the West Sussex Fostering Service is that the Children we Care for (CWCF) are afforded the very best standard of therapeutic care, within available resources, delivered by highly trained and expertly supported foster carers. In particular, the Council wishes to ensure so far as possible that children can remain with our local families within West Sussex. Our in-house carers within the service are respected and integral members of the professional network and by working in partnership with them more effectively, we intended to ensure that all of our children have the opportunity to thrive and achieve their full potential within their own community, and they are valued and aspired to do so, through all the activities of the service.
- 1.2 The Council faces significant challenges regarding the recruitment and retention of foster carers in West Sussex, which this proposal is designed to address. The overall context is of an increase in demand for foster care provision, by around 40% since 2016; current placements in both in-house and independent settings now total around 460. This has been coupled with a reduction in the number of the Council's own in-house foster placements, leading to an increased compensating need for children to be placed with Independent Fostering Agency carers (IFAs), frequently at some distance from their home community and at higher cost to the Council. In 2021/22, 124 children were placed in out of county Independent Fostering Agency (IFA) placements (51% of all IFA placements). One of the principals of this proposal therefore, is to strengthen the County Council's market position and make this authority the 'provider of choice' for current and future foster carers across West Sussex.
- 1.3 Placing children out of area can have a detrimental impact on their outcomes, it is also something which the council is measured on by regulators and the Department for Education (DfE). The dislocation involved is damaging and traumatic for our children and compromises their ability to maintain family and friends' networks: this is destabilising and can undermine the potential for our children to return home and can significantly impact on sibling groups remaining together. It also disrupts and impacts on education attendance and attainment, which increase risks to our children across a much longer timeframe. Children and families have consistently expressed a strong preference for placement within the family's local area. Out of area solutions can also impact on the ability of the fostering service to provide support for the children in these placements – for instance securing a school place or accessing Child & Adolescent Mental Health Services (CAMHS) – and generally add to cost and pressure on staff.
- 1.4 A key challenge in the recruitment and retention of foster carers is to engage additionally with a younger generation of carers to secure stable living arrangements for our children through a sustainable service delivery model. Currently, the Council has a cohort of carers from 26 to 78 years old; 34 of these carers are aged over 64, and 5 are over the age of 70. As these carers look to retire, the Council is faced with the risk of a significant net loss of carers. The pool of in-house carers therefore needs to include younger, working families, and whilst the quality of the support is critical in delivery a good fostering service, the financial element of the core offer is also critical factor in their decision as to whether to put themselves forward as carers.
- 1.5 Like many Local Authorities, the Council is now overly reliant on IFAs to provide foster carers for those CWCF. The national benchmark ratio for in-house vs IFA

placements is 70:30. In West Sussex in 2017/18, the ratio was 66:34; by December 2021 this had dropped to 47:53. Investment will be required to turn the tide and regain market share, allowing the Council to realise its aim of become the 'provider of choice' and achieving the target of a 60:40 ratio in six years, and a 65:35 ratio in five years.

- 1.6 To reach these objectives, investment is required to transform the service, through enhanced and additional payments to our carers; employing additional staff to recruit, assess, train, supervise and support additional carers; implementing new practice models; enhanced marketing and engagement functions; and restructuring the service to proportionately manage current and future demand across the county.
- 1.7 The introduction of the Family Safeguarding Model (FSM) throughout Children's Services in February 2022 complements and supports this proposal, since these two critical transformation projects have interdependencies and strengthen each other's service delivery. Adopted together, they would support a reduction in fostering demand in future years, ensuring that the right local placements are available for children at the right time.

## 2. Proposal details

- 2.1 The proposal comprises the following elements, which will be achieved by a comprehensive redesign of the Fostering Service; further details appear in the Appendix.

Delivering improvements to the **Business as Usual** element of the service, through:

- The use of additional staffing.
- Increasing the frequency of Foster Panel meetings to manage the growing demand more efficiently, and enable a greater number of cases to be assessed.

**Service Transformation** through the following:

- Implementing a new, enhanced, simplified tiered model of fee payments to strengthen the Council's ability to recruit and retain foster carers and compete with the IFA market, to increase the Council's market share and attract new carers who better meet the needs of children coming into foster care, in particular those between 11–15 years old.
- Increase the levels of support offered to foster carers and cared-for children; this will make the Council competitive with IFAs, which typically visit their foster carers around 30% more frequently than the Fostering service is currently able to.
- Increase the levels of clinical and therapeutic services available to support in-house carers.
- Enable the Fostering Service to re-engage with the current in-house carers through co-production of a refreshed Fostering Charter. The Charter will strengthen the relationship between County Council services and foster carers, enabling carers to feel a greater sense of value.
- Pursue goal of the County Council becoming a *Foster Friendly Employer*, as recognised by the Fostering Network. Implicit in this approach is that foster

carers and children and young people will be involved in the co-design of services for the future.

- Achieving a full digitally supported service infrastructure through online portals, co-designed with foster carers, thereby delivering the Council's corporate approach to self-service and digital by design.

The Appendix provides information and further details on the delivery of these proposals.

### **3. Other options considered**

Two alternative options have been considered and rejected, as follows:

#### **i) Continue the current practice unchanged**

- 3.1 If no action is taken to improve the in-house service, it is inevitable that poorer, more damaging outcomes for our children will result, with yet more having to be placed at distance from their own communities and out of county. The net loss of in-house carers will continue, marking a deterioration in the Council's position within the community and a reliance on IFAs will further increase. This stance would also mean additional costs for the Council, without a plan to manage them and further pressure on staff resources within the service.

#### **ii) Commission an external company/organisation to provide the service**

- 3.2 This approach is unproven and risks poor outcomes both for children and for the Council. Desktop research has been undertaken to review other local authorities that have chosen to outsource permanency services. Nationally, only one is known to have outsourced its permanency services - to a voluntary, not for profit charity. This was at a substantial cost (in excess of £135m over 10 years) but has proved unsustainable since the provider was unable to recruit the required number of carers. Risks to the Council would be of a further weakening of relationships with foster carers in the community, a loss of negotiating capacity and expertise, and of market presence. The model is therefore not a recommended option for this Council.

### **4. Consultation, engagement, and advice**

- 4.1 Extensive prior research and continuing consultation has been conducted in developing and testing these proposals, as follows:
- A comprehensive service review was carried out during 2021/22 using national research and evidence from the Fostering Network, 'State of the Nation's Foster Care Report', an in-depth interview with Hertfordshire County Council, and consultancy and peer support from other local authorities rated Good and Outstanding. The service review was co-produced with current in-house foster carers.
  - Discussion with all Foster Carers and Fostering Service staff via Task and Finish groups.
  - The Children and Young People's Services Scrutiny Committee will consider the proposal at its meeting on 9 March 2022 and make recommendations to the Cabinet Member.

## 5. Finance

5.1 The Revenue budget consequences from 2022/23 to 2028/29 (Years 1-6) are summarised in the key points as follows:

- i) For each of Years 1-6, the table below shows the actual annual investment required for service transformation under these proposals in relation to the Fostering Redesign budget (line A).
- ii) A permanent budget increase of £2.225m has already been agreed as part of the County Council's budget for phase 1 in 2021/22 and phase 2 in 2022/23 (line B). Therefore, the level of additional annual investment required over and above this amounts to between £0.3m and £0.7m over the next 6 years (line C).
- iii) The proposal is also expected to generate annual savings from the Children's Services revenue budget of up to £3.3m by 2027/28 (line D). This is based on reversing the current decline in the numbers of the Council's in-house foster carers and achieving 65% of in-house placements by the end of Year 6; this equates with approximately 72 additional in-house foster placements that would not incur higher costs in the independent foster care system.
- iv) Since the level of annual savings exceeds the level of additional annual investment required (line E) this report is seeking agreement to this additional investment being funded through reinvesting the necessary balance from the new savings being generated.

It is anticipated that there will be an annual budget requirement of £2.7m (at current costs) from 2028/29 onwards.

	22/23	23/24	24/25	25/26	26/27	27/28
Project year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	£m	£m	£m	£m	£m	£m
Total annual investment required [A]	2.073	2.490	2.658	2.793	2.918	2.672
Less: Existing 22/23 budget [B]	2.225	2.225	2.225	2.225	2.225	2.225
<b>Additional annual investment required [C=A-B]</b>	<b>-0.152</b>	<b>0.265</b>	<b>0.433</b>	<b>0.568</b>	<b>0.693</b>	<b>0.447</b>
Total annual savings [D]		-0.282	-0.913	-1.677	-2.573	-3.321
<b>Net annual saving compared to 2022/23 base budget [E=C+D]</b>		<b>-0.017</b>	<b>-0.480</b>	<b>-1.109</b>	<b>-1.880</b>	<b>-2.874</b>

5.2 **Human Resources:** It is expected that a full Staff Consultation will be required to implement the proposed redesign of the Fostering service, due to the number of new posts, change in team locations and management oversight required. A new service structure is provisionally expected to be achieved by mid-June 2022.

5.3 **Value for Money:** The preceding analysis has indicated the necessity of investment to ensure the stability and sustainability of the service, which is

currently subject to financial inefficiency due to market vulnerability. This proposal will yield progressively greater financial savings as the Transformation Programme matures, and these will lead to a net saving on the overall programme by the end of Year 7. This will be achieved while delivering significant improvements in the lives of Children we Care for.

## 6. Risk implications and mitigations

Risk	Mitigating Action (in place or planned)
That the programme does not deliver the increase in in-house foster carers expected.	This proposal has benefited from extensive research, analysis and consultation with key stakeholders. The motivations of existing and potential foster carers are well understood, and the proposed improvements in the fee structure to a competitive level, together with the progressive range of support mechanisms within this proposal, are expected to be effective in attracting appropriate new foster carers, including those of a younger age group.
That the Council's cohort of foster carers does not fully engage with the transformation programme to deliver improved prospects for Children we Care for.	The views of existing foster carers and children have played a key part in the formation of this proposal. The techniques being advanced to provide networks of support (such as the Mockingbird programme, see Appendix) are accredited, leading-edge approaches that have demonstrably helped to build capability and sustainability within other fostering services. Alongside, the service redesign measures within this proposal will increase staff expertise to achieve a standard of care and support that matches best practice elsewhere, with a view to achieving the County Council's vision of a thoroughly modern, effective service in which all stakeholders are committed to contribute fully for the benefit of Children we Care for.

## 7. Policy alignment and compliance

- 7.1 This proposal fully aligns with the County Council's ambitions for Start of Life services, the West Sussex Joint Health and Wellbeing Strategy 2019-24, and the Children Looked After and Care Leavers Strategy 2020-2024.
- 7.2 **Legal Implications** – The County Council has a statutory duty to provide care and a place of safety to all children and young people who are cared for by the authority. This proposal ensures the County Council continues to meet this duty through increasing local provision, as well as further enhancing the quality of care.
- 7.3 **Equality Duty and Human Rights Assessment** – This proposal supports the drive for enabling Children we Care for to be placed in a local family setting and to have a nurturing childhood experience, such as any parent would desire for their

own children. Children and foster carers with protected characteristics will have their needs recognised and addressed within the proposal.

- 7.4 **Climate Change** - This proposal will create the opportunity to reduce travel for professionals, carers and families by creating more placements for children and young people within West Sussex, who might otherwise have been placed further away.
- 7.5 **Crime and Disorder** – Not applicable.
- 7.6 **Public Health** - Creating more in-house foster carer placements supports a key goal for the West Sussex Joint Health and Wellbeing Strategy 2019-24, under the 'starting well' priority, for children to grow up in a safe and healthy home environment with supportive and nurturing parents and carers.
- 7.7 **Social Value** - This proposal is designed to create more placements in a family home setting within West Sussex, which provides the opportunity for West Sussex residents to become foster carers and play a key role in caring for vulnerable children and young people. The foster carer role has a heightened social value, including providing a safe and nurturing home, creating social networks, and supporting engagement with the local community, thereby promoting a sense of belonging for the child/young person.

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**Appendix 1:** Further Analysis of the Fostering Review Proposal

**Background papers** - None