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Foreword by Chairman

Throughout this review, all involved in the process have been struck by the weight of evidence that is available on the subject of placements services for children and young people. Due to the high costs that are at stake when processes and strategies falter, above all in respect of children's welfare, but also in respect of the financial costs of placements, it is no surprise that this issue has and continues to receive such intense scrutiny, locally, regionally and nationally.

Mindful of the origins of this review, the Task Group came to appreciate at an early stage, that its primary focus should be to help the Department for Children & Education refine its approach to the planning and commissioning of services for children and young people looked after and those with learning difficulties and disabilities. However, it has been important to reflect upon the harsh realities for the existence of placement services, which have been demonstrated to the Task Group in a number of case studies drawn from actual children and family situations in Wiltshire.

I would like to thank all those who have been involved in this review, which, by all accounts, has been one of the most challenging scrutiny reviews carried out by Wiltshire County Council.

It is the Task Group's hope that the conclusions and recommendations of the review go some way towards assisting the Department in refining its approach to managing the costs and demands of contracted out placements, not just for the sake of balancing placements budgets, but more importantly for the sake of those children and young people, whose welfare and future depends on it.

Councillor Mrs Bridget Wayman

Executive Summary

Having been set terms of reference to review the cost of and demand for contracted out placements for children and young people, the Task Group agreed that the scope of its work should include three broad lines of enquiry into the Department for Children & Education's management of:

- placements budgets
- in-house and external placement services; and
- procurement, purchasing and commissioning strategies.

Evidence has been collected from a number of officers from within the Department and from the Central Procurement Unit of the Department for Environmental Services. Additionally, evidence has been collected from a number of best practice local authorities, from the independent foster and residential care service, the independent special school sector and from the independent statutory body representing parents of children with special educational needs.

The level of detail in this report reflects the Task Group's attempts to draw on the wide ranging local, regional and national sources of information which exist on the subject of placements for children and young people, in the hope that its recommendations could be robustly supported and justified.

The review concludes that, although demand for placement services in (and from) Wiltshire, particularly for looked after children, is comparatively low, the Council's ability to manage demand and the costs it incurs needs to be strengthened.

From the snapshot of time examined - from 2001/02 to the end of 2005/06, the Council's reliance upon the independent sector to supplement shortfalls in its in-house service has resulted in significant budget overspends and a consequent inability to invest in its in-house service.

Whilst measures have been put in place to strengthen in-house services, budgetary savings from these measures have yet to be realised.

Additionally, steps have been taken to strengthen the Council's purchasing power, where it needs to resort to independently provided placements, but, again, evidence suggests that placement, procurement and commissioning strategies need to be further developed.

The Task Group's key findings from the review can be summarised as follows:

- 1. There is scope to strengthen the Council's ability to manage the cost of and demand for placements**
- 1.1 Placements budget overspends have re-occurred because of a tendency to underestimate the resources needed. This has been coupled with a degree of optimism when setting recovery plans for the 2004/05 and 2005/06 budget overspends (paragraphs 22 – 28 detail).
- 1.2 The analysis of direct costs and activity in social care placement budgets since 2001/02 demonstrates a shift over that time in the balance of placements from in house provision to contracted out provision (Table 1).
- 1.3 Demand for looked after children and young people's placements is consistently low in Wiltshire when compared with its comparator authorities nationally. This may prevent the Council from achieving the "quick wins" made by, for example, Gloucestershire County Council, of significant reductions in demand and the consequent savings from such reductions (paragraphs 68 – 70).
- 1.4 An increase in more local placement options needs to be achieved as new foster carers are recruited and as contract foster carers in the Solo Foster Care scheme come on stream. In addition, the cost and supply of new residential placements is being negotiated to achieve more favourable terms (paragraph 56).
- 1.5 Following the example of other best practice councils, there may be scope for stronger partnership working with Swindon Family Court to help improve its performance in processing care orders and supervision orders, and thereby assisting the Council in securing placements in a timely and less costly manner (Table 18).
- 2. There is a need to further strengthen the Council's in-house placement services**

Foster Care

- 2.1 The Fostering Network estimates that nationally there is a shortfall of 8,000 foster carers. Along with this dwindling supply of foster carers, there has been a major growth in the independent foster care sector, which has had a negative impact on local authorities' ability to recruit, and has contributed to escalating costs of placements for the majority of Children's Services Departments (paragraph 73).
- 2.2 As a result of investment in the Council's in-house foster care service from 2001, there has been a marked growth in initial enquiries and foster carer applications, including several more enquiries than the service could manage. However, due to the number of foster carers retiring or leaving the service, a significant increase in the pool of carers has yet to be realised (paragraph 77).

Children's Homes

- 2.3 The Department's original Placement Strategy for Looked After Children and Young People sought to make provision for a residential service comprising a number of small Children's Homes with support services spread across the County (paragraph 87).
- 2.4 The two Council Children's Homes, Towpath Road and Orchard House, each cost approximately £0.5m per annum to run. Their low occupancy is leading to concerns as to their cost effectiveness and long term viability, and for this reason an options paper has been published on the future commissioning of Children's Residential Services in Wiltshire (paragraphs 81 – 91).

Special Schools

- 2.5 Whilst there have been problems of overspend in the independent special school budget in previous years, the projected figures for 2005/06, show an improved position. Fees have increased over recent years, but the actual number of placements has reduced over that same period (Table 2).
- 2.6 The Council's Special Educational Needs Strategy is helping the Special Needs Service to assess the factors which increase demand for special school placements, particularly in respect of demand caused by Autistic Spectrum Disorder (ASD) and Behavioural, Emotional & Social Difficulties (BESD). Additionally, opportunities for re-investment in county special schools and mainstream schools are being identified (paragraphs 108 - 112).
- 2.7 Commissioning of independent special school placements has improved since the introduction of the National Contract in 2003 (Table 7).
- 2.8 To address the current lack of any in-county long term residential provision for severely disabled children and young people, a new contract has been signed that will see a 24 hours a day, 7 days a week provision of care in accommodation based in the north of the County (paragraph 95).

3. There is a need to strengthen the Council's purchasing power and to develop more sophisticated procurement and commissioning strategies

- 3.1 Best practice suggests that the appointment of a dedicated Commissioning Manager and establishment of a central process for the commissioning of all placements, can result in improved services and budget savings (Table 18).
- 3.2 Similarly, best practice suggests that procurement methods such as block contracting, securing preferential contractual terms, and tracking and reviewing the top most expensive placements can lead to stronger purchasing power and more command over the placements' market (Table 18).
- 3.3 One of the outcomes of the recommendations of a report titled "Out of Area Placements", by the South West Region, has been the establishment of a South West Children's Services Commissioning Project, a key aim of which is to make savings of up to £6m per year (starting 2007/08) across the region, through better management of the placements' supply market (paragraph 18).

Background to the Review

1. Following consideration of a Department for Children & Education budget report in November 2004, the Children's Services Scrutiny Committee (then the Education & Improvement Scrutiny Committee) registered concerns regarding the overspend on out of county placements and requested that accurate projections of demand and cost be presented in order to increase members' understanding of the service and the budget position.
2. This information was presented to the Committee in February 2005, with updated information presented in June 2005, as follows:

Projected Overspend as at 31.12.04 <i>(February 2005 report)</i>	Actual Overspend at 31.03.05 <i>(June 2005 report)</i>
£3.038m	£3.115m
	Exceeding demand by 8,449 nights (23fte placements)

3. It was reported that shortfalls in in-house services and a higher level than anticipated of demand for placements were being met through external providers at higher unit costs, especially for foster care placements where the unit cost of a placement exceeded in-house costs by £102.48 per night. Additionally, unit costs within the in-house residential service were 30% higher than budgeted for, as the cost of staffing and running the homes were fixed, and occupancy was low.
4. 2003/04 benchmarking data showed that social care expenditure in Wiltshire equated to £743 per week of placing a child in residential or foster care – as opposed to £628 average in England. This weekly cost rose again in 2004/05 to £859 in Wiltshire.
5. It was also reported that, although there had been 15 (10%) fewer placements within independent special schools than budgeted for, the unit costs of these placements were higher than budgeted for: £44,734 rather than £33,883 per placement/per year.
6. Details of the actions to reduce costs and demand were considered by the Cabinet and the Children, Education & Libraries Advisory Panel during 2003/04 and 2004/05, these included:
 - a review of all mainstream placements to identify those children that could be brought back into in-house services or returned home with support
 - the development of the Crisis Intervention Service, as an Invest to Save scheme, which aimed to work with young people and their families to prevent the need for placements
 - the appointment of an additional Contracts Officer to review contracts and ensure more effective procurement of placements
 - the procurement of a 1:1 Solo Foster Care service for children with complex care needs

7. Based on forecast proposals, the Council approved an increased budget for mainstream and disability placements in 2005/06 by £2.5m, and the Schools Forum agreed an additional contribution of £0.850m for independent special school placements.
8. However, early on in 2005/06 the Department was projecting even higher demand than had been anticipated for foster care and children's home placements, a higher number of external placements, and the escalation of unit costs.
9. Consequently, in June 2005, the Children's Services Scrutiny Committee commissioned a review of the cost and demand of contracted out placements to be carried out by a Scrutiny Task Group of five members.

The terms of reference for the review was agreed as:

- (1) To conduct a detailed review of contracted out placements for children and young people – cost and demand.
- (2) In undertaking the review, to invite witnesses from best performing authorities, and the independent and voluntary sector to take part in the review.
- (3) To make effective use of the work already carried out by officers in the Department for Children & Education and expert procurement advice from the Central Procurement Unit.

Process of Review

10. In carrying out this review, the following lines of enquiry have been pursued:
 - the management of placement budget overspends since 2001/02
 - the Council's placements' policy and decision making processes
 - the effect of protracted court proceedings, tribunals and mediation
 - the cost and demand for family placement, children's homes and special school placements
 - arrangements for the monitoring and review of placements
 - arrangements for early intervention as a means to influence demand
 - arrangements for placements, purchasing and commissioning strategies
 - the best practice of other local authorities and the independent sector

National Context

11. In recent years, the Department for Education & Skills (DfES) has published a series of reports detailing the Government's agenda regarding children and young people who live or who are educated away from home. Milestone documents, such as *Removing Barriers to Achievement*, setting out the strategy for Special Educational Needs (SEN), and *Every Child Matters – the next steps*, have made reference to this group. Detailed work has subsequently been undertaken as part of the *Choice Protects* and *Education Protects* initiatives, supported by the SEN Regional Partnerships.
12. *Every Child Matters* sets out proposals for reform which aim to help every child achieve his / her potential, to intervene earlier to solve problems, and to shift the balance towards effective prevention. This reform requires local authorities to have in place a range of effective services that can intervene at the earliest stage, in many different situations, where the needs of children and young people are not or cannot be appropriately met by parents or carers. The effectiveness of such services depends largely upon the local authority's ability to manage demand for and cost of placements.
13. In March 2005, Lord Filkin, the then junior minister for children and families said there was "a firm government commitment that, save in exceptional circumstances, out-of-authority placements for looked after children should be restricted to those cases where they are clearly in the child's best interests." He ordered councils to review placements, and warned that the Commission for Social Care Inspection (CSCI) would be monitoring policies for their reduction.
14. The DfES Good Practice Guidance (June 2005) on commissioning placements and services for looked after children, and children with special educational needs (SEN) and disabilities in residential placements states for looked after children:

"We expect Local Authorities to focus in particular on creating greater placement stability by ensuring: a greater range of placement options for looked after children and young people; fewer out-of-authority placements; and more personalised support and better access to activities and opportunities."

....for children with SEN and disabilities in residential placements

"We want to see Local Authorities and SEN Regional Partnerships working together and with other agencies to develop local capacity and decrease the need for children to be educated in high cost placements, far from home."

Regional Context

15. A project was commissioned in 2004 by the 15 local authorities in the South West (social services departments and local education authorities), funded by *Choice Protects*, to consider the concerns and risks posed by the failure to control costs in children's services, to develop potential solutions, and to establish a regional picture. The project focused on two areas – commissioning and intervention, recognising that both were significant in controlling costs and ensuring successful outcomes. The main regional and national policy issues that were identified as a result of this project were:
 - the impact of a market economy on children's services
 - the true costs of quality care
 - the impact of changes in the employment market
 - the implications of an ageing workforce
 - competition for staff between councils and other partner agencies
 - the scope for regional approaches to some of these issues
16. A separate report titled "Out of Area Placements", commissioned for the South West region into the placement of children with very specialised and complex needs, was published in February 2005, in response to concern regarding the growing number and high costs of children being placed "out of area".
17. These concerns led to a recognition of the need to develop a regional approach to addressing this issue, with the aims of:
 - developing a comprehensive overview of placement provision
 - understanding decision making processes and threshold criteria
 - reviewing and evaluating commissioning and contracting arrangements
 - developing refined practices to ensure that demand for and supply of out of authority placements was effectively managed
18. One of the outcomes from the recommendations of this report has been the establishing of a South West Children's Services Commissioning Project, with the key aims of:
 - (a) enabling savings of up to £6m per year (starting 2007/08) across the region, through :
 - better management of the supply market
 - accurate benchmarking of local authority and provider costs and performance
 - facilitating the commissioning and development of new services in a timely manner
 - efficiency savings in placement officer and contract officer time
 - (b) Delivering better outcomes for children, by:
 - assisting with the delivery of the target to place children nearer to their home and community
 - better matching of children to placements

Wiltshire Context

19. The Council's Children's Services Report from the Social Services Inspectorate in July 2003 recorded 58 (20%) looked after children's placements outside the geographical boundary of the county. In the same report, observations were made that:
 - the Council was endeavouring to monitor and address deterioration in placement stability
 - despite the establishment of the Department for Children & Education (DCE), there remained some tension between budget holders over funding young people with complex needs who needed social and educational support
 - due to the temporary closure of one of the Council's residential homes in 2002 and insufficient alternative resources, an increased number of young people were placed either with Independent Foster Care Providers (IFPs), or in expensive out of county residential placements – this was the trigger for the overspend of £989,000 in 2002-03
 - recruitment and retention of foster carers was difficult and restricted choice for significant numbers of young people
 - the out of hours response to foster carers was limited
 - the relationship between the Council and IFPs tended towards being competitive rather than seeking potential for collaboration
 - placements with IFPs were generally purchased individually and as a final resort due to the absence of an available in-house placement
 - the failure to anticipate the 2002-03 overspend was attributed in part to a temporary lapse in management oversight combined with a lack of connection between activity data and finance information
 - the 2003-04 budget was already under pressure from a projected overspend on agency placements, the intention to increase foster care allowances and the carry forward from the 2002-03 overspend of £239,000.
20. The Ofsted Inspection Report - January 2002, identified gaps in the Council's provision for primary pupils with emotional and behavioural difficulties, physical disabilities, and pupils on the autistic spectrum, which was leading to a significant number of pupils being placed in out of county schools, placing the Council in a vulnerable position in terms of expenditure increases for these placements.
21. Work to improve performance and to strengthen the Council's in-house placements' service is referred to in the main sections of this report, and recognition of the progress so far made has been recorded by the Audit Commission in the Annual Performance Assessment Letter for the Council, dated December 2005.

Managing Costs and Budget Overspends

22. Budgets for children's care placements have been overspending since 2001/02, prior to the dis-aggregation of budgets from the former Social Services Department. The main reasons for this overspending were recorded in a report to the Cabinet in July 2003, as:
- growth in the number of looked after children and young people (LACYP) at that time
 - capacity constraints, which were hindering the Department's ability to find appropriate placements for LACYP – partly due to difficulties in recruiting and retaining foster carers, and partly due to reduction in capacity in the Council's children's homes, because of new requirements of the National Care Standards
 - the temporary closure of Orchard House Children's Home during 2002/03
 - anomalies in management and forecasting of agency budgets
 - reorganisation of area teams during 2002/03
 - unclear management information data
 - anomalies in management of the placement processes
 - lack of management information to inform the budget setting process, coupled with a tendency to underestimate the overall likely costs of children's cases, relative to adult cases, when operating under the old structure – by about £400,000.
23. Analysis of direct costs and activity within Social Care placement budgets for the period 2002/03 to the projected position for 2005/06 is detailed below at Table 1. This analysis demonstrates the shift over that time in the balance of placements from in-house provision to contracted out provision.
24. Analysis of direct costs and activity since 2003/04 within Special School Placement budgets are also detailed below, at Table 2. Independent Special School budgets have overspent in recent years because of increases in unit costs, with the actual number of placements reducing over that time.

Table 1

Analysis of Activity and Expenditure - Mainstream & Disability Placements

	2002/03	Nights Care		2005/06
		2003/04	2004/05	
In House Foster Care	67,137	59,785	54,289	53,620
In House Residential	3,817	3,892	3,205	1,292
Total In House	70,954	63,677	57,494	54,912
Foster Care - Contracted Out		10,588	14,682	20,600
Residential - Contracted Out	20,321	15,776	19,128	21,148
Total Contracted Out	20,321	26,364	33,810	41,748
Total Nights Care Delivered	91,275	90,041	91,304	96,660
				5.9%
	2002/03	Expenditure		2005/06
		2003/04	2004/05	
In House Foster Care	945,000	1,025,488	1,227,778	1,197,765
In House Residential	944,000	1,113,639	1,118,946	922,149
Total In House	1,889,000	2,139,127	2,346,724	2,119,914
Foster Care - Contracted Out		1,174,821	1,832,258	2,453,407
Residential - Contracted Out	3,269,000	2,712,953	3,793,539	5,596,662
Total Contracted Out	3,269,000	3,887,774	5,625,797	8,050,069
Total Expenditure	5,158,000	6,026,901	7,972,521	10,169,983
				97.2%
	2002/03	Unit Cost		2005/06
		2003/04	2004/05	
In House Foster Care	14.08	17.15	22.62	22.34
In House Residential	247.31	286.14	349.13	713.74
Foster Care - Contracted Out		110.96	124.80	119.10
Residential - Contracted Out	160.87	171.97	198.32	264.64
Average Unit Cost	56.51	66.94	87.32	105.21
				86%

Table 2

Analysis of Activity and Expenditure - Independent Special Schools

	Budgeted Targets			Actual Activity		
	FTE Placements	Expenditure	Unit cost	FTE Placements	Expenditure	Unit cost
2003/04	150	4,566,100	30,441	146	5,062,254	34,649
2004/05	150	5,049,604	33,664	135	5,783,139	42,734
2005/06	115	5,567,046	48,409	120	5,347,046	44,448

25. The main budgets which exist to fund children's placements include:
- (a) Mainstream Placements
 - (b) Disability Placements
 - (c) Recoupment Placements (where the Council places a child in another local authority placement, and where it receives funding from other Council's placing a child in a Wiltshire County Council placement)
 - (d) Special School Placements
26. The Task Group believe that there is a strong case for the pooling of these budgets, particularly as the Children's Trust arrangements for Wiltshire progress. However, the Department remains cautious in its approach to pooling budgets with local NHS and Primary Care Trusts in particular, due to their current management and financial pressures. In addition new budgetary complexities have been introduced with the establishing of the Dedicated Schools Grant (DSG), as part of the local government finance settlement for 2006/07. The rules on accounting for the DSG require that it must be spent on services that come under the Schools Budget regulations. However there is provision in the regulations for use of DSG to fund "combined services", for example pooling budgets in respect of placements, "provided that the expenditure is for the benefit of pupils and that the expenditure is commensurate with the benefit to those pupils."

Recovery Planning

27. At the 9th December 2005 Children, Education & Libraries Advisory Panel meeting, the Director, DCE confirmed that there had been a tendency in previous years to underestimate the resources needed for placements, and a degree of over optimism when setting the recovery plans for the 2004/05 and 2005/06 budget overspends. The County Treasurer requested an Internal Audit review of the 2005/06 recovery plan, to verify the concerns he had with respect to the realism of some of the recovery actions. The findings of this review, led the Treasurer to recommend to Cabinet, when setting the 2006/07 Budget, that the Department's projected overspend for 2005/06 be offset by the use of the Revenue Budget Contingency Reserve. This recommendation was agreed by the Council on the 7th February 2006.
28. The three main areas of planned savings relevant to children and young people's placements in 2006/07 include:

Table 3

Area of Saving	Planned Saving	Explanation
Reprovisioning of the Council's Children's Homes to increase their cost effectiveness	£0.5m	Each Children's Home costs approx. £0.5m p.a. to run, and current low occupancy is resulting in high costs (at 66% occupancy, £2,400 per week is spent on each young person resident). The DCE is currently exploring options to secure cost effective use. Options may include working with another agency to provide.
Reduction in in-house foster carers budget	£0.1m	This would reflect current usage, with expenditure on this budget currently being £0.100m less than projected.
Family Support: efficiencies and reconfiguration of services	£0.293m	A proposed reorganisation of social work and family support services to reduce the number of teams and to improve economies of scale, with every effort being made to ensure that this minimises effects on front-line services.

Table 4 (Sources of Funding 2006/07 – Vulnerable Children and SEN & Disability)

Funding Source	£m	Notes
General County Council resources	32.386	Funded by Revenue support Grant and Council Tax
Dedicated Schools Grant	15.242	Ringfenced for Schools budgets. Funds services such as Independent Special School placements, Named Pupil allowances, YPSS, etc
Learning & Skills Council	0.920	Contribution from LSC towards post 16 pupils in independent special schools and statemented pupils in mainstream schools
County Council Invest to Save Fund	0.200	Funds Crisis Intervention Service, to be repaid from the placement budget over 4 years from 2004/05
Children's Services Grant	0.891	New grant which replaces Vulnerable Children's Standards fund, Choice Protects and Adoption Support
Other Specific Grants	1.449	Including School Development Grant, CAMHS, Teenage Pregnancy, ICS Grant, etc
	51.089	

Risk Assessment

29. The Department has stated that it could never be 100% certain of the level of placement services required in any one year, and therefore the risk of higher demand for placements than predicted will always be a factor requiring careful management. As placement spend is therefore led by fluctuating demand, and the services involved are vital in safeguarding the needs of vulnerable children, a key risk for the Cabinet to mitigate when prioritising the Council's resources is to ensure that it assigns sufficient funding for placements budgets.
30. One option the Task Group has explored with officers during the course of the review was the scope for budget top slicing, in order that a Departmental Reserve Budget might be created to cope with the more unpredictable demands on budgets, such as the intake of large sibling groups, or for delayed court proceedings and tribunal cases.
31. A key risk facing the Department in 2006/07 is the future of the Council's Children's Homes, which are currently under-occupied, and therefore not providing a cost-effective service. This is an area for saving which has been identified in the 2006/07 budget setting process and is described in further detail at paragraphs 82 - 92. Also, the Department is including within its predictions for spend on placements in 2006/07 an assumption that savings will be made from the Solo Foster Care Contract.

Managing Demand

32. The paramount consideration of all Wiltshire County Council's intervention and actions in children's lives is the promotion and protection of their welfare. There are unique advantages for children to be brought up in their own families and every effort is made to support families and to preserve the child's home and family links.

Placements Policy for Looked After Children & Young People

33. This policy seeks to:
 - provide LACYP with a range of placements which are safe, which meet their identified needs and which promote good life chances
 - develop and implement commissioning strategies that enhance the overall range of service provision and in doing so, maximise cost effectiveness
 - provide a placement within the child or young person's community to preserve as much continuity as possible in the child and young person's life, except where this is contrary to the child or young person's safety and wellbeing
 - ensure that quality time is spent with children and young people placed out of county in agency placements, to ensure that their networks are maintained and to enable them to return to in house provision or home as appropriate

Placements Policy for Children with Special Educational Needs

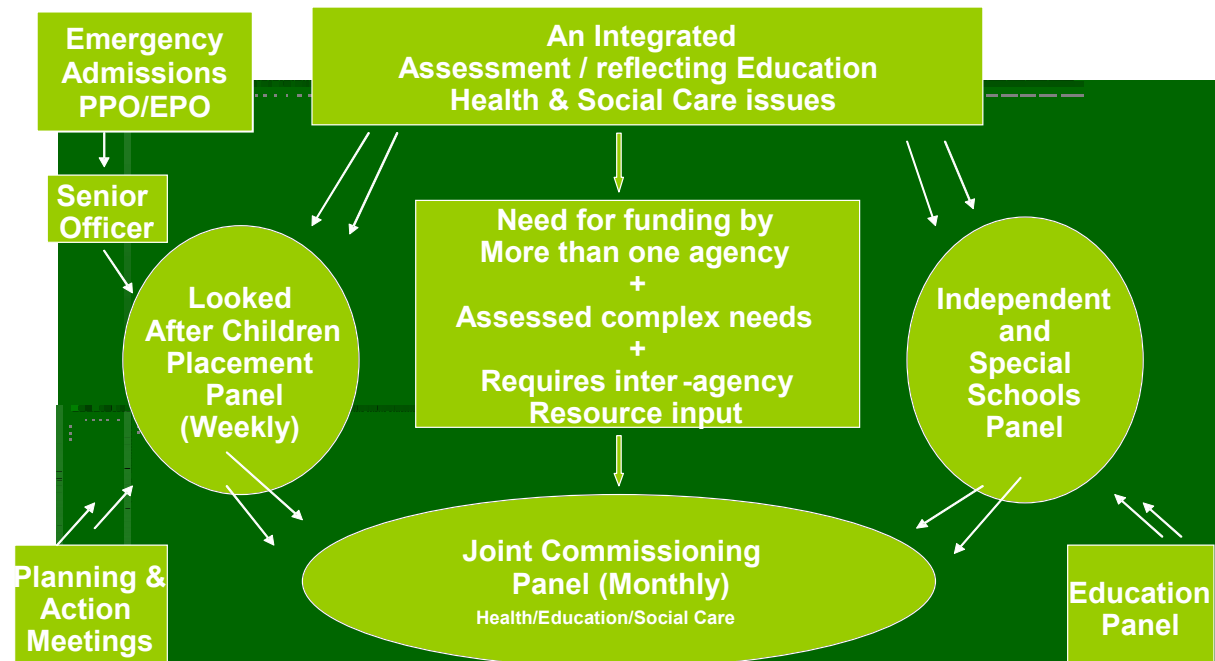
34. Statements of policy for services to children with special educational needs, including those relevant to this review, are, in the main, included within the Council's Special Educational Needs (SEN) Strategy, the relevant extracts from which include:
- meet the needs of children and young people in mainstream settings wherever possible
 - be clear about the role of special schools in providing directly for some individuals and supporting mainstream settings in furthering inclusion
 - link the SEN Strategy with other areas of joint work, e.g Commissioning Strategy for Looked After Children and those in residential care
 - build capacity for early intervention in the primary Behaviour Support Service and restructure the service to enable work with the more challenging pupils to avoid exclusions
 - develop integrated services for children with Behavioural, Emotional and Social Difficulties (BESD)
 - build capacity in all schools to support pupils with dyslexia effectively
 - meet the needs of those with ASD with reference to the Every Child Matters five outcomes
 - ensure that fewer children are educated out of county
 - ensure that parents / carers, and school and Council staff feel more confident and be more knowledgeable about provision for pupils with ASD

Decision Making - Placements for Looked After Children & Young People (LACYP)

35. Decision making processes were reviewed in 2004/05 and consequently revised in 2005/06. The number of decision making panels was reduced, as a result, and processes were streamlined to achieve some consistency and coherence, with a key aim of achieving better control over the use of resources.
36. An illustration of the existing panel structure follows in Chart 1:

Chart 1

Decision making process



37. The left hand side of the chart relates to LACYP. The right hand side reflects the process with regard to children with SEN. The Joint Commissioning Panel (Complex Needs) is concerned with the more complex matters which attract involvement and resources from more than one agency.
38. The Looked After Children Weekly Panel and the monthly Joint Commissioning Panel are both chaired by the Assistant Director (Children & Families) with input from relevant senior managers. All external placement decisions are considered by this Panel.

Protracted Court Proceedings for LACYP

39. The Task Group has found that Family Court proceedings can be protracted for a variety of reasons, including the availability of court time, the availability of expert witnesses and guardians, late applications by relatives, or late identification of relatives to be assessed as carers.
40. If the Council is unable to place in-house at the beginning of court proceedings, it is usually the case that it has to maintain an external placement throughout proceedings. When the plan is for permanence away from the family of origin, the policy would be to seek permanence via adoption. Where young people have been placed with private agency foster carers for as long as a year and a mutual attachment has been formed, in some cases it has not been in the child's best

interests to begin adoption proceedings, and so additional costs have been incurred through ongoing placement fees.

41. Placement costs, arising because of protracted court proceedings, can range from £16,000 per child, to £170,000 for a family of 6 children, and in other instances costs have been estimated to increase even above £170,000.
42. Additionally, the Department is concerned by the length of time it takes to get a case heard and processed by the Swindon Family Court, the main Family Court used by Wiltshire County Council. On investigating this concern, the Task Group received information from the Department for Constitutional Affairs which confirmed that during the period April 05 – December 05, Swindon Family Court only managed to process 8% of its care orders and supervision orders within the national target time of 40 weeks, against a national average of 45.7% and a regional average of 43%.

Decision making – Placements for Children with SEN

43. The process for making a Statutory Assessment of (SEN) is laid down in the Code of Practice published by the DfES in 2001. The Assessment is a detailed examination to find out exactly what a child's special educational needs are and the special help s/he might require to ensure these are met.
44. In Wiltshire, when a Statutory Assessment is completed, it is considered at an SEN Panel. Previously there were four Panels in the County, each chaired by an Education Officer, and with representations from headteachers, schools, educational psychologists and others. These four Panels have now been brought together as one panel, chaired by the Central SEN Manager, to ensure uniformity of decision making.
45. The Panel makes decisions on financial resources for individual pupils in mainstream schools, requests for placements at in-house special schools, for recouplement placements and for independent special school placements. Due to the high cost of the latter, the Panel holds a special meeting to consider these requests.
46. The existence of the Panel has strengthened decision-making on all SEN provision. It also allows a clearer view of commissioning.

Tribunals and Mediation for Children with SEN

47. Parents whose children have special educational needs can appeal to the independent Special Needs & Disability Tribunal against decisions made by local education authorities in England about their children's education.
48. The Department does not have a set budget for tribunals. The cost of each tribunal can vary according to circumstances, and a Tribunal Officer is employed to assist with this. National and local data for the last five years on numbers of tribunals follows in Table 5. This illustrates a high number of appeals in Wiltshire, which can be attributed to a range of factors, including comparatively low levels of delegation of SEN funds to schools to support a mainstream inclusion policy, low levels of

investment in the Council's parent partnership service SENSS (further illustrated in Table 6), and a history of difficulty with a previous provider of this service.

Table 5

Appeals	2001 – 2002		2002 – 2003		2003 – 2004		2004 - 2005	
	Ave no of appeals per LA	No per 10,000 pop	Ave no of appeals per LA	No per 10,000 pop	Ave no of appeals per LA	No per 10,000 pop	Ave no of appeals per LA	No per 10,000 pop
England	19	2.99	22	3.20	22	3.04	21	4
Wiltshire	40	6.17	48	7.33	38	5.77	47	7.15

49. The aim of informal disagreement resolution arrangements (mediation) is to prevent the development of long term problems, thus reducing, in time, the number of appeals going to tribunal.
50. By law, the Council has to have an Independent Mediation Service, and it provides this jointly with the South West Regional Consortium of local authorities. In 2006/07, this will cost the Service £6,000 for a set number of sessions, which is as many as the service is likely to use.
51. There is a national debate over whether mediation works in avoiding tribunals, but until the legislation is altered the Council will need to continue to provide this service.
52. Also by law, the Council has to have an independent Parent Partnership Service, to represent parents in the tribunal process. National and local expenditure on Parent Partnership Services is detailed below:

Table 6

	2004-2005	2005 – 2006	% Change	Per Pupil
England	£13,527,724	£15,600,475	15.4%	£2.57
Wiltshire	£51,400	£78,451	52.6%	£1.19

Monitoring & Review of Placements

53. The revised decision making processes described in paragraphs 35 - 38 are having the desired impact of achieving better control of key resource decisions.
54. Apart from the panel decision making process, external and agency placements are subject to further review as part of the monthly budget monitoring process with the Director of the Department. Whilst this is not a detailed review of individual cases, the process offers an added level of analysis of the overall position.

55. Efforts to monitor and review placements have, to date, focused on the development of an effective decision making process. Data is now beginning to be collated which will demonstrate what savings can be achieved as a result of decisions to end a placement or move a child to a less expensive resource.
56. An increase in more local placement options needs to be achieved as new foster carers are recruited and as contract foster carers in the Solo Care scheme come on stream. In addition, costs for new residential placements are being negotiated to attempt to achieve the most favourable terms. Two of the Council's larger providers of children's residential care have recently agreed discounts in this respect. In the medium term, it appears inevitable that there will be an ongoing reliance on the independent sector.
57. The monitoring and review of independent special school placements has been assisted by the introduction of the National Contract, the purposes of which are to:
- ensure there is a single core contract covering care, health, and education, that can be used as the national standard throughout England
 - reduce bureaucracy and repetition
 - share good practice
 - improve partnership
 - improve quality by ensuring and safeguarding high standards of education and care
 - facilitate dialogue between local authorities as the purchasers and the special school providers
 - provide a model that both day and residential schools can sign up to
58. The percentage fee increase for schools under the National Contract fell significantly for 2005/06 compared to the previous year, while the fee increase for schools not in the National Contract also fell, but only slightly (see Table 7 below). This does suggest that the National Contract is having an impact on inflation increases.

Table 7

	Under the National Contract	Not under the National Contract
Special Schools used by WCC	24	19
Placements purchased by WCC	73	36
Average fee increases in 2004/05	6.5%*	6.4%
Average fee increases in 2005/06	4%	5.9%

** The main reason for the above average increase was appliance of requirements from CSCI.*

Early Intervention to Influence Demand

59. The Department is required to work with schools, health visitors, pre-school, youth services, Connexions and other agencies, to meet the needs of children and young people wherever possible in working toward the Every Child Matters five outcomes:
 - Stay Safe
 - Be Healthy
 - Enjoy & Achieve
 - Achieve Economic Wellbeing
 - Make a Positive Contribution
60. Where it is not possible to meet identified needs through universal services, the Common Assessment Framework, introduced to assist Children's Services to deliver integrated services with education, health and social care, will form the basis to identify unmet need and a mechanism for vulnerable children and families to access targeted and specialised services.
61. A range of services provided by the Council sit within those that are available to children identified as vulnerable, including social care, mental health care, family support, and education support. These services are viewed as early intervention.
62. Early Intervention Services form a link between universal and targeted services, and good partnership working is essential to meet the changing holistic needs of children and young people, and to support achievement of the five outcomes. As evidenced from other best practice authorities, strong investment in early intervention services can help to address the needs of vulnerable children at an early age, and so stem the flow in demand for placements services. The following services deliver early intervention. A number of the services are currently running as pilots, or have only

been provided in a few locations across the County. The Task Group hopes that, where successful, these schemes will be rolled out across the County and will have a positive impact in reducing the number of children taken into care.

63. A possible additional early intervention service which the DCE might consider exploring is that of the Learning Mentor scheme, which, in Bradford, is helping teaching and pastoral staff to identify, assess and support pupils who need help to overcome barriers to learning. These barriers include:

- behavioural problems
- low self-esteem
- bullying
- bereavement
- poor peer relationships
- difficulties at home
- problems transferring from primary to secondary school
- failure to meet expected attainment levels

Whilst this is part of the Government's Excellence in Cities funding initiative, there is scope for the DCE to model the scheme in Wiltshire.

Table 8

Service	Type of early intervention
Early Years	- supported through specialist workers, are key in the early identification of behaviour and developmental concerns for pre-school children
Mini Sure Start	- working with children 0-4 years and parents, giving childcare provision and activities such as 'Stay & Play'
Voluntary Organisations	- family centre provision - family group conferences
SpEL Centres	- providing early intervention for Key Stage 1 and 2 pupils who display early indications of behavioural/emotional difficulties
Family Support Teams	- working with children, young people and families who are known or have been referred to child care teams. These teams have a clear remit to provide intervention services to prevent accommodation. The teams include, social workers, teachers, psychologists and staff with substantial childcare experience
School Counselling Service	- providing counselling support for school children
Children Centres and Extended Schools	- providing a base for a number of education and health services
Pathways for Troubled Children,	- working with children and young people where there are mental health concerns
Education Support Services, including primary and secondary behaviour support, education welfare, educational psychology, learning support	- all support children and young people within school and therefore within their family, with the aim of avoiding accommodation.

64. Another type of early intervention service is being developed by the Council in the form of a Family & Friends (Kinship) Care Policy. This policy advocates the importance of providing care within the family and family network to avoid a child becoming looked after.

65. Also the Crisis Intervention Service (CIS) was established over the summer of 2004, with two main aims:
- (a) financial – to reduce the number and therefore cost of placements for looked after children
 - (b) improve outcomes for children – based on evidence that outcomes for children and young people are improved when they are able to remain safely within their own family, rather than entering the care system
66. Whilst the impact of CIS, as illustrated in the table below, has yet to demonstrate cashable savings, it is helping to ease the pressure on placement budgets. The overall effectiveness of CIS is currently the subject of an independent evaluation.

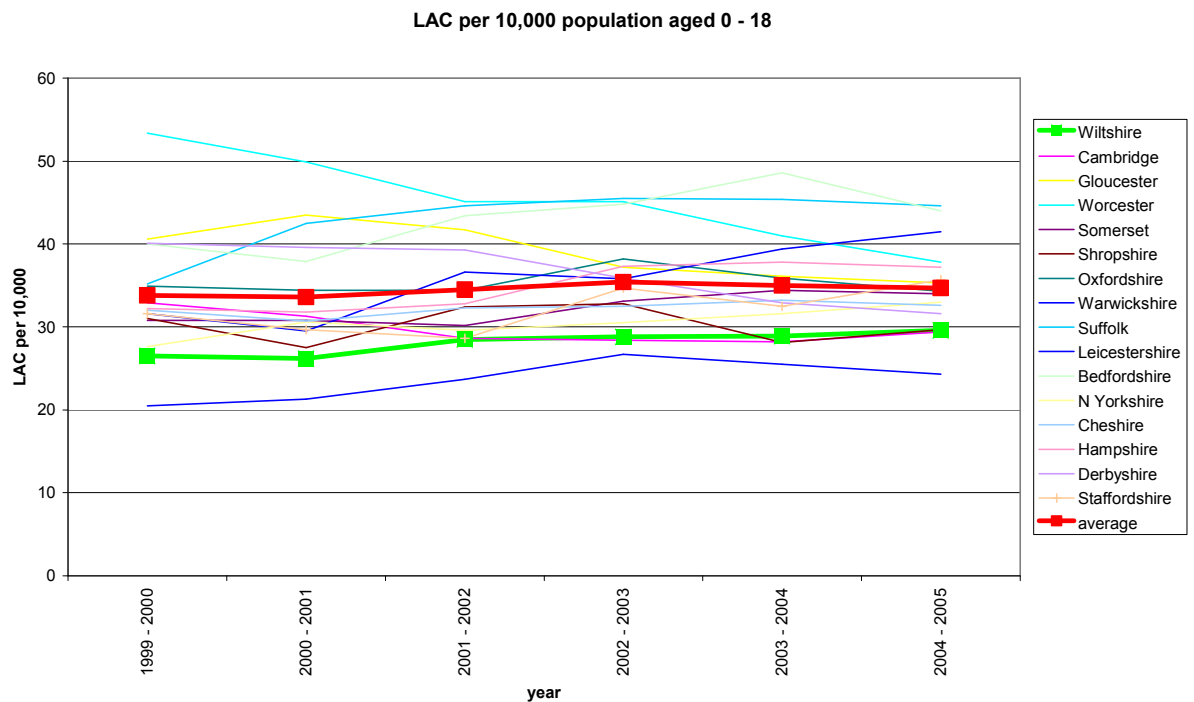
Table 9

Period	No. of young people who received support	Potential Minimum Placement Fee Saving	Potential Maximum Placement Fee Saving
Oct 04 – Jan 05	86	£100,000	£208,000
Jan 05 – Mar 05	77	£116,592	£208,962
Apr 05 – Sept 05	98	£127,212	£233,130

In-House Family Placements & Children's Homes

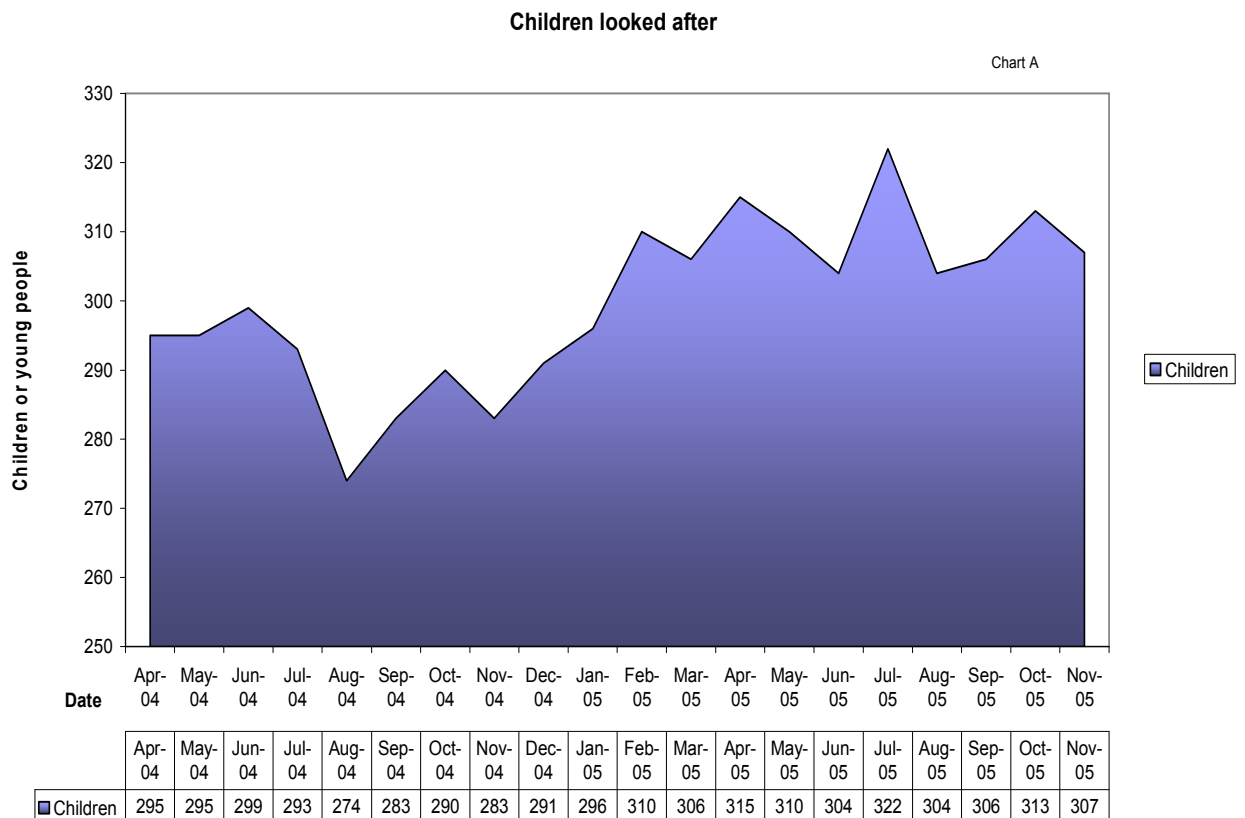
67. Family Placements & Children's Homes are managed by the Head of Children Looked After, Placement & Support Services, as part of the Children & Families branch of the Department for Children & Education. The Service consists of three small teams of family placement officers, each with a team manager, one based in West Wiltshire, one in North Wiltshire & Kennet and one in Salisbury. A structure Chart of the Children & Families Branch is attached at Appendix 1.
68. Demand for looked after children placements is consistently low in Wiltshire when compared with its comparator authorities nationally, as illustrated in Chart 2 below.

Chart 2



69. However, during 2004/05, Wiltshire experienced a fluctuation in the number of children looked after, as detailed in Chart 3 below.

Chart 3



70. From a low base in August 2004, efforts to 'hold' situations and maintain the looked after population within 'normal' boundaries were broadly successful until December 2004. At that point, a number of large sibling groups became looked after as a result of statutory proceedings at the turn of the year. This contributed to an upward trend in the looked after children population, which continued, apart from a 'dip' in June 2005, until reaching a peak of 322 in July 2005.

Family Placements - Fostering

71. The Council currently has 154 in-house foster carers providing 46% of foster care placements for children looked after. 43 of these carers provide respite care only. As at March 2006, 54 children and young people were placed with foster carers from independent fostering agencies.
72. Cost comparisons of average weekly foster care is detailed in Table 10 below:

Standard In-House Foster Care	Solo Care (1 to 1 specialist foster care)	Standard Independent Foster Care
£250	£800	£800

73. Since 1997, there has been considerable national focus on fostering services. The decreasing number of foster carers has meant a shortfall of suitable placements for looked after children and this has contributed to the escalating costs of placements for the majority of children's services. The national organisation for fostering – the Fostering Network – estimates that nationally there is a shortfall of 8,000 foster carers. Along with the dwindling supply of foster carers, there has been a major growth in the independent sector nationally, which has had a negative impact on local authorities' ability to recruit.
74. Until the late 1990's, Wiltshire was successful in recruiting and retaining a sufficient pool of in-house foster carers. However, there was then a rapid growth in the number of independent agencies operating locally and the Council found that it was unable to compete with these agencies in recruiting new carers, partly through not matching the higher payments foster carers received from independent providers and partly through a lack of support services for carers. Consequently, the Council lost 97 foster carers between 1998, when it had 230 registered carers, and 2002 when it had 133.
75. The Placement Strategy, which was approved by the Children in Need Board in 2003, recognised the need to invest in in-house fostering services in order to improve fostering recruitment and retention.

76. Since then, there has been considerable investment and improvement in Family Placement Services, assisted by a successful £200,000 Invest to Save bid at the end of 2003/04, and *Choice Protects* funding of £152,000 in 2004/05 and £287,000 in 2005/06 facilitating the following:

Table 11

Investment	Date	Cost
50% increase in fostering allowances to national recommended rates	Dec '03	£500k
Appointment of three dedicated Recruitment Officer posts	Phased in '02-05	84k
Setting up of the Crisis Intervention Service	Oct 04	£200k
Strengthening of Family Placement Teams through the creation of local Team Manager posts and a Countywide Service Manager	Dec '04 - 2005	62k
Appointment of 3 Family Placement Support Workers to direct support to foster carers over and above the supervision and support provided by qualified Family Placement Officers	2004-2005	52k
Out of hours telephone support line for foster carers, staffed by Family Support Officers	June'05	11k

77. Since these improvements, there has been a marked growth in initial enquiries and foster carer applications; a growth which the Department was not entirely able to manage, within its existing staffing and resources during 2005/06. However, due to the number of foster carers retiring or leaving the service, a significant increase in the pool of carers has yet to be realised. Whilst there has been an increase in the number of fostering households who can manage young children who do not exhibit extremely challenging behaviour, there is still a marked shortfall in foster carers with the skills to foster older young people with a variety of challenging behaviours and to help with an emergency over-night placement service.

Table 12 (Fostering recruitment statistics January – December 2005)

	North & Kennet	South	West	Total	(2004)
Enquiries	70	38	82	190	(218)
Initial Visits	38	20	40	98	(61)
Training completed	15	9	10	34	(37)
Foster Carers approved	8	8	15	31	(16)

78. The Task Group would like to see further improvements made to the Family Placement Fostering Service, such as:
- the recruitment of a dedicated training officer for foster carers
 - a further increase in staffing capacity in the service, for example to help in the provision of leisure and respite activities for existing carers
79. Information received from one of the Council's main independent foster carer providers as part of the review, indicates a more proactive approach on the part of independent providers to the recruitment and retention of foster carers, than that currently carried out by the Council. This approach includes:

Table 13

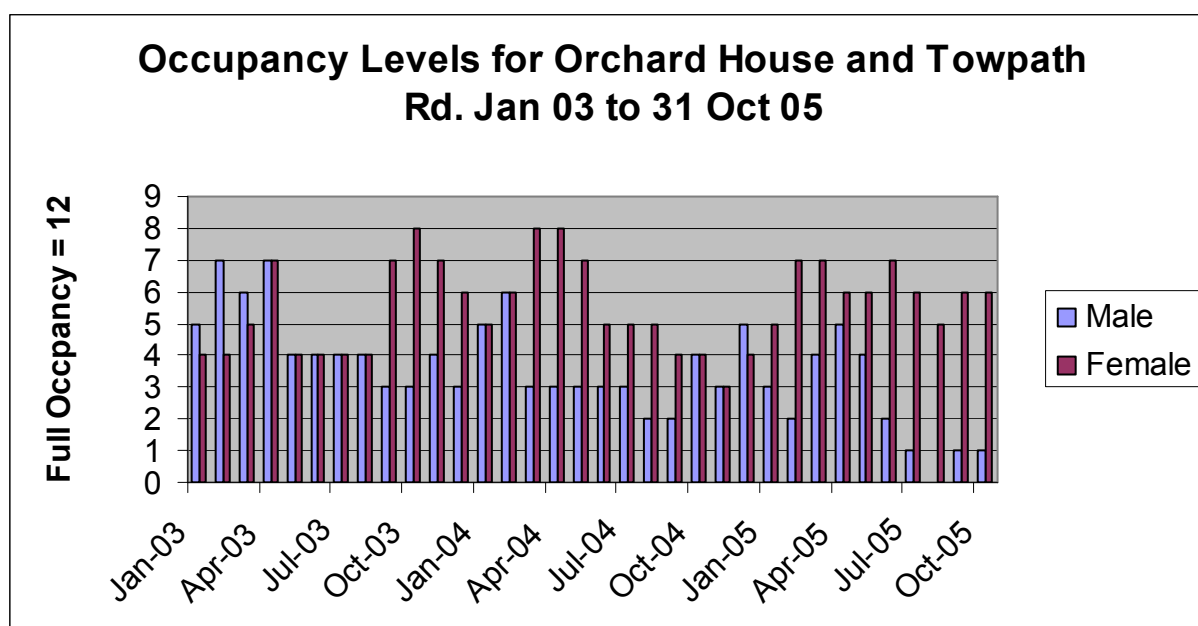
Independent Foster Care Provider	Wiltshire's Family Placement Service
Strong foster carer support, with 1 full-time social worker per 12 foster carers.	Strong foster carer support but caseloads per Family Placement Officer = 1 full time social worker, to an average 14-15 foster carers and/or adopters
Family support officers being assigned no more than 9-10 cases at any one time, which enables them to carry out daily support work where needed.	4 Family Placement Support Officers have between 6 and 10 cases each and carry out direct support work complementary to family Placement Officers. They support adopters too.
A mentor system – experienced foster carers providing informal support to new foster carers.	Experienced foster carers provide support and family placement officers link new carers to experienced foster carers as they join the service
24/7-365 support – good, reliable customer service and support skills.	Feedback from foster carers confirms satisfaction with Family Placement Team support, including daily duty cover and out of hours telephone support (till 11pm) and Emergency Duty Service.
Support and drop-in groups.	There are a number of well attended support groups across the county all of which have a training element No drop-in.
Personalised service.	<p>Each foster carer has a nominated link worker who provides support appropriate to need. There are annual social events for all foster carers based in their local area i.e. summer barbecues and Christmas parties. There are annual consultation events with Head of Children and Families and lead Cabinet member for foster carers in the local centres.</p> <p>Quarterly newsletter to all carers and regular updates and bulletins. Healthy Care partnership participation events are planned.</p>
Service breaks/respite.	Foster carers are able to have short breaks and respite. A day care service is also available for specific events to enable foster carers to attend training etc.
Unique training service which ensures foster carers begin their service on a secure footing.	All foster carers are provided with basic skills to foster training and safe caring training. However training has been identified as an area for improvement, and we are working with staff development managers to develop Training Pathway.

80. During the review, the Task Group was informed that there is no national or regional co-ordinated process for the clearing of already registered foster carers in one local authority or independent provider, wishing to foster a child from another local authority area. Consequently, there was concern that the requirement to duplicate the entire application process, reputed for its thorough, yet often excessively bureaucratic administration, was deterring foster carers from continuing their work in another local authority area. The Task Group considered that there was scope for the streamlining of the application process for previously registered foster carers, subject to this not weakening the robustness of vetting procedures.

Children's Homes

81. Family Placement is the preferred placement choice for the majority of children and young people. However, for a small minority of young people, placement in a children's home is more appropriate. Children's Homes are governed by the Care Standards Act 2000, and the Children's Homes Regulations and National Minimum Standards, which became operational in April 2003.
82. The Council has two residential Children's Homes - Orchard House and Towpath Road, each with capacity for 8 children, but, due to the National Minimum Standards, only able to accommodate up to 6 children (each) at a time.
83. The fabric and design of Orchard House is out of date and inadequate to meet new care standards. Recently, it has had to be temporarily closed, following the discovery of asbestos materials as a result of the commencement of refurbishment works.
84. Additionally, although the numbers requiring a residential placement are comparatively low, the needs of this group are diverse and cannot be met within a single establishment. For example, the group may include persistent offenders, young people who self-harm, who have experienced abuse, and who exhibit abusive behaviour. Therefore, the challenge of avoiding an inappropriate mix of young people in one home, often means that the Council has to revert to external placements, leaving its own homes under-occupied. Chart 4 below provides occupancy data from January 2003 to 31st October 2005.

Chart 4



85. The cost-effectiveness of the Council's current in house residential service is illustrated below, which details the analysis of unit costs based on activity at 31st October 2005.

Table 14

	Projected Activity	Revenue Costs and Maintenance	Total Expenditure	Overall Unit Cost
In-house Residential Service	2,923 bed nights	£1,142,132	£1,783,132	£390.00
External Residential Placements	8,507 bed nights	£3,065,983	£3,065,983	£360.41

86. Additionally, the service has difficulty in recruiting staff of sufficient skill and experience, particularly more senior and management staff, mainly due to the very demanding nature of the job, the relative low rate of pay, status and career prospects, and the high profile risks associated with such work.
87. The Department's Placement Strategy recognised that a residential service would be most effectively provided by a number of small Children's Homes with support services spread across the County, but that there was insufficient capital and revenue resources to achieve that goal immediately. Consequently it was agreed that the Department should invest in Orchard House to update accommodation to modern standards, and maintain Towpath Road, which was purpose built and opened in 2001.

88. The difficulties that the Council's residential service has recently faced can be summarised as:
- very high placement costs
 - placements not always positive and effective for clients
 - lack of flexibility because of limited places
 - intermittent but recurring staffing difficulties
 - a rigorous inspection regime
89. A snapshot of all placement types for the 307 children and young people in residential care on the 20th January 2006 produced the following results:

Table 15

	Female	Male	Sum	% of LACYP
In-house Children's Home	4	0	4	1.3%
Agency Children's Home inside LA boundary	6	5	11	3.6%
Agency Children's Home outside LA boundary	9	13	22	7.2%
Care Home	-	1	1	0.3%
Residential School	4	14	18	5.9%
	23	33	56	18.1%

90. It is not financially viable to continue to run the two Children's Homes with continued low occupancy. The Council is currently bearing the risk of low occupancy within its own provision, in addition to the costs of spot purchasing additional placements from external providers. There are indications that external providers may be able to offer a service that both meets the needs of the County's young people and at a lower weekly unit cost.
91. In March 2006, the Department issued an options paper to the Cabinet on the future commissioning of Children's Residential Services in Wiltshire. This paper highlighted the need for the Department to move away from a model of in-house provision supplemented by spot purchasing, to a commissioning model residential service that may include independent and in-house provision working together in a spirit of partnership.

Special Schools

92. The vast majority of pupils with SEN are educated in mainstream local education authority (LEA) schools, and given the appropriate support to do this.
93. The Council runs six maintained special schools, and during the period 1st April 2005 to the 1st September 2005, take up was as follows:

Table 16

Special School	No. of placements
St Nicholas, Chippenham	70
Larkrise, Trowbridge	72
Exeter House, Salisbury	99
Springfields, Calne	68
Downlands, Devizes	68
Rowdeford, Devizes	96

94. The Council also provides social care provision to those children in special school placements, e.g. for those with severe learning disabilities.
95. Currently there is no in-county long term residential provision for severely disabled children and young people, and to remedy this, the Department has recently awarded a contract to provide 24 hours a day, 7 days a week care in accommodation based in the north of the County from 2007. This accommodation will have the capacity to accommodate 5 children, and the Council will initially purchase three of these placements.
96. When appropriate special school provision cannot be made in Wiltshire, then a placement may be made in a special school maintained by another local authority. Wiltshire has been a traditionally high user of such placements (recoupment placements) because of nearby surrounding other local authority provision, and due to historical links with Swindon Borough Council.
97. When placements cannot be made in a county special school or as a recoupment placement, then an independent special school placement request is considered.
98. The range and type of independent special school varies to cater for the many categories of SEN.
99. Increases in independent special school fees in 2003-4 were partly due to the increases in employers contributions to pensions and national insurance – increases in 2004/05 were more modest. Fees range from £11,000 to £238,298 per year.

100. The highest demand for special school placements arises from those with ASD, BESD, Physical Disabilities (PD) and Specific Learning Difficulties (SLD).
101. Analysis of the rise in ASD, suggests that Classic Autism and High Functioning Autism in mainstream primary pupils is on the increase in Wiltshire, but that occurrences of Asperger Syndrome or relatively minor Autism only appears to be more prevalent due to new ways of diagnosing behaviours and new teaching methods.
102. However, whilst data to predict future trends regarding children with the most challenging behaviours has and continues to be recorded, evidence confirming that ASD is on the rise has yet to prove conclusive, in part due to diagnoses variances.
103. Statistics from the National Autism Society published in 2002 suggests that the prevalence of Classic Autism was 3:2000, this ratio was 2:2000 20 years ago. In Wiltshire, the trends relating to Classic Autism indicate that budgets need to cater for 1 to 2 additional cases each year.

104. View of the Special Educational Needs Support Service (SENSS)

SENSS, whilst contracted by the Council, nonetheless acts in an independent statutory capacity on behalf of parents and their children. A summary of SENSS appraisal of the Council's service to children with SEN, provided at the request of the Task Group, follows. The views expressed in this summary are not wholly accepted by the Department.

- (a) there is a high use of contracted out placements by the authority, due to a shortfall in in-house provision, especially at secondary school level and in particular for children with ASD or Specific Learning Difficulties (SpLD)
- (b) some parents' perception of the service is:
 - that it is stronger in the primary school sector but lacking in the secondary school sector
 - the needs of children with global difficulties are being overlooked, with very few placements available for this category of need across the county, and children are therefore being placed in special schools outside the county where provision is better
 - there is a high number of tribunals, where parents, being dissatisfied with the offer of a mainstream school place by the local authority, contest this offer, preferring what they perceive to be the 'safer option' of a special school - local authority provision for which is restricted (see Table 5)
 - the local authority needs to be more creative with its in-house provision for children with SEN, to help parents place their children within the county and closer to home
 - the Council's provision for children with emotional or mental health needs is also insufficient, and placements in units for children with BESD are often inappropriately made
 - provision for children with Aspergers Syndrome is inappropriate both in

county special schools and units and in certain independent special schools

- parents are concerned that schools appear to require the child to fit to the needs of the school, as opposed to the school being prepared to fit to the child's needs.

(c) there is scope for SENSS to assist the Council in managing its spend on expensive contracted out placements, due to the influence it has on parents' perceptions and ultimate trust in Council SEN services.

Managing Supply - Placement, Purchasing & Commissioning Strategies

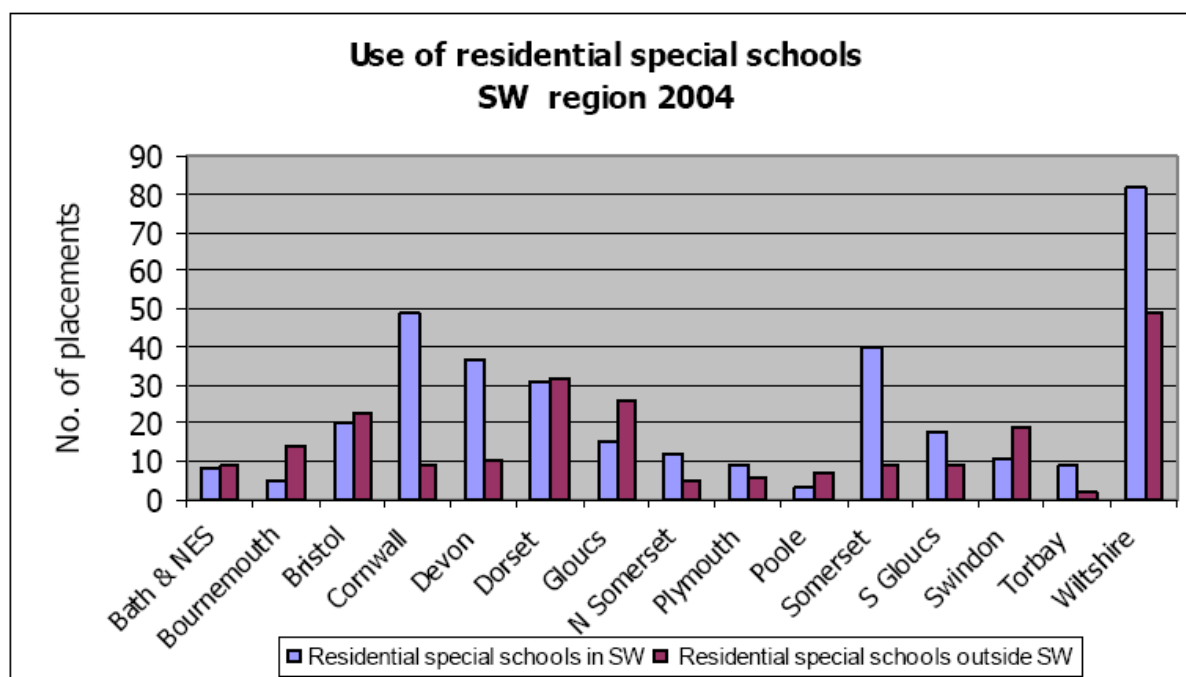
Commissioning Strategy for Family Placement & Residential Services

105. A commissioning strategy for Looked After Children and Young People (LACYP) has been in place since 2003. It covers provision for preventative services as well as for in-house and independent agency resources.
106. The key elements of the strategy are to:
- develop the Crisis Intervention Service (CIS)
 - develop a Kinship Care Policy
 - invest in and develop the Adoption Service
 - invest in and develop the in house Fostering Service
 - realise the long term vision of the development of a number of small children's homes across the county
107. Implementation of the strategy continues, and it is currently the subject of revision, with a view to future joint implementation with SEN and disability placement strategies

Commissioning Strategy for Special School Placements

108. An historic lack of capacity in the Special Needs Service has hampered the implementation of a commissioning strategy for special school placements. However, commissioning arrangements are provided for by the SEN Strategy.
109. The 2003 SEN Strategy included a target to reduce the number of pupils placed in independent special schools, which according to data in the *South West Region (February 2005) Report on the placement of children with very specialised and complex needs* (see below) has been comparatively high.

Chart 5



110. The strategy also contained the following specific activities as key objectives:
- to identify the needs leading to a special school placement
 - to predict possible demand over 5 years
 - to identify opportunities for re-investment in county special schools and in county mainstream schools
111. The Department continually carries out analysis of the cost and demand of special school placements as part of the SEN Strategy, and the information from this helps to shape supply against demand.
112. The SEN Strategy, revised in 2005, includes three specific actions relating to SEN commissioning for contracted out placements, in relation to ASD, BESD, and special schools.

Table 17

Placement Type	Action
ASD	to increase mainstream provision for children and young people with ASD at secondary level, including the development of specialist centres. Funding for the first year of this provision has been secured, but there is some reluctance amongst secondary school headteachers to work with the Council in progressing this action
BESD	to determine the services needed to meet the county's demand for children with BESD in mainstream and special schools
Special School	to meet the needs of children and young people in mainstream setting wherever possible....to be clear about the role of special schools in providing directly for some individuals and supporting mainstream settings in furthering inclusion.

Social Care Disability Placements

113. There has been a number of reviews of social care disability placements in recent years, but these have not resulted in identification of the need to develop a commissioning strategy. Council policy however, has continued to emphasise the need for the provision of short break residential care for severely disabled young people.
114. A review of disability services carried out through the New Pathways Disabled Services Group has identified a slow but significant rise in the demand for social care disability Placements. Consequently, the contract to provide a long term residential care facility as detailed at paragraph 96 has been agreed.
115. Whilst demand is not high for this type of placement, costs are very high.

Regional Purchasing & Commissioning Arrangements

116. Discussions have begun at a regional level for the possibility of cross authority commissioning, and a South West Regional Children's Services Commissioning Project, as detailed on page 8 of this report, has been established to facilitate this. The Department is already involved in this new project.
117. The Department has also been involved in helping to shape the SW Purchasing Group's regional contracts for special school placements, which it regularly uses, and the Purchasing Group's guidance on monitoring costs and negotiation on fee increases for social care placements.

Local Authorities – Best Practice

118. The Task Group's terms of reference required it to draw on the best practice of other local authorities with regard to managing the cost and demand of placements for children and young people.
119. Information was sought from a number of authorities in the South West, including Cornwall County Council, Gloucestershire County Council and Bristol City Council. Additionally, information was sought from Bedfordshire County Council, due to it being shortlisted to receive a *Local Government Chronicle - Children's Services Award*. Bedfordshire County Council has also been commended by the CSCI as "leading edge" in its commissioning and development of a sustainable range of early intervention services, designed to support families and to enable more young people to remain at home.
120. A summary of the key findings from this best practice sharing exercise follows:

Table 18

	Cornwall	Gloucestershire	Bristol	Bedfordshire
Managing Costs	Budget top-slicing & setting aside a proportion of funding intended for the development of more creative ways in which care and special school provision can be delivered	<p>£2.3m has been saved from reduced reliance upon agency placements</p> <p>The in-house fostering and residential services have received significant investment from reductions in agency provision</p>	Reduced costs of placements by more than £750,000 by block contracts, preferential contractual terms, and tracking and reviewing the top 30 most expensive placements	<p>£800,000 invested in Family Support Services, by top slicing budgets. This investment has facilitated a wide range of differing levels of support, with an emphasis on enabling eventual independence and reducing dependency on professional intervention</p> <p>£21,000 secured from the Drug Action Team to provide intensive family support services to substance misusing parents</p>
Managing Demand	<p>Working to break the culture of reverting to external placements where cases seem too complex to accommodate in house</p> <p>All contracts are approved through one person (the Senior Manager for Commissioning & Performance)</p>	<p>The Council does not enter into any long-term agency foster placement, unless the situation is very exceptional.</p> <p>Complex cases are considered by a multi agency panel for commissioning specialist placements.</p> <p>The Council has a clear contracting/commissioning system for exceptional needs placement requests, with a designated officer</p>	<p>Aims to stop using the independent sector just to fill gaps in in-house provision</p> <p>The appointment of a Commissioning Manager who is responsible for the commissioning of all placements</p> <p>The running of a central process, through a new Access to Resources & Commissioning Team</p>	<p>Use of partnerships, including a Business Court Forum, comprising magistrates, judges and local solicitors to discuss the local authority's performance in court proceedings, the aim being to increase the confidence of the Courts, by ensuring that care plans are evidence based, on sound comprehensive multi-agency assessment</p> <p>A commissioning manager and team that identifies and procures all accommodation and family support services</p> <p>Aims to cease the 'rescuing' culture, i.e. the view that children and young people with challenging behaviour require expensive out of county placements to meet their needs</p>

Key Findings & Recommendations

This report and its recommendations will be considered by the Children's Services Scrutiny Committee on the 14th June 2006, the Cabinet on the 20th June 2006 and the Schools Forum on the 22nd June 2006. The Children's Services Scrutiny Committee will regularly monitor the progress in implementing the report's recommendations and will receive annual progress updates commencing from June 2007.

Table 19

	Key Findings	-	Recommendations
1.	The Council should take steps to strengthen its ability to manage the demand for and cost of children and young people's placements		
1.1	There is evidence to suggest that earlier budget setting for children's placements was less robust than was ideal, but also that the Department is now setting more accurate budgets. However, actual spend is driven by demand, and the risks are high in not allocating sufficient funding for placements. Also, being mindful of those factors not wholly within the Council's control, such as the level of government resources made available each year, and the need to set council tax within reasonable levels, the Task Group maintains that budget overspends have re-occurred because of a tendency to underestimate the resources needed for placements. This has been coupled with a degree of optimism when setting the recovery plans for the 2004/05 and 2005/06 budget overspends.	-	<p>With immediate effect, the Department and Cabinet are recommended, where possible, recognising those factors which impact upon budget setting that are not wholly within the Council's control, to demonstrate a heightened awareness of the indisputable justification for:</p> <ul style="list-style-type: none"> (a) allocating sufficient resources to children's placements' services when setting annual budgets; (b) where council resources are restricted, making strong representations to Government, to ask for additional funding (c) managing resources more effectively; and (d) when needing to devise a recovery plan, being more realistic in terms of the savings that it can make, in year, to off-set projected costs
1.2	A number of councils have exercised the option of budget top-slicing, in order that a departmental reserve budget might be created to cope with unpredictable demands, such as the intake of large sibling groups, or for delayed court proceedings and tribunal cases.	-	During the 2007/08 budget setting process, the Department and Cabinet are recommended to explore options for the further pooling of County Council placements' budgets, in order to work towards a position where a Departmental Contingency Reserve can be established.

1.3	A primary aim of improving placement services should be the delivery of better outcomes for children, through i.e. placing children nearer to their home and community and by the better matching of children to placements.	-	At its Development Day in June 2006, the Children's Services Scrutiny Committee is recommended to prioritise in its work programme, the need to regularly monitor the effectiveness of children's placements services and all support services for looked after children, mindful of all members' responsibility to act as corporate parents for looked after children in Wiltshire
1.4	Whilst considerable progress has already been made in this regard, there is scope for SENSS to assist the Council in managing its spend on expensive contracted out placements, due to the influence it has on parents' perceptions and ultimate trust in Council SEN services.	-	With immediate effect, the Department is recommended to develop more effective partnership relations with the Special Educational Needs Support Service (SENSS) and other relevant voluntary organisations, in order to improve parents' perception of and trust in the Council's placements services and SEN provision.
1.5	Following the example of other best practice councils, there may be scope for stronger partnership working with the Swindon Family Court to help improve its performance in processing care orders and supervision orders, and thereby assisting the Council in securing placements in a timely and less costly manner.	-	During 2006/07, the Department is recommended to draw on the best practice of other councils with regard to collaborative working with Family Courts, to help it work jointly with Swindon Family Court to improve its performance in the processing of care orders and supervision orders.
1.6	There is no national or regional co-ordinated process for the clearing of already registered foster carers in one local authority or independent provider, wishing to foster a child from another local authority area. Due to the administration involved in applying, this may be deterring foster carers from continuing their work in another local authority area. There is scope, therefore, for the streamlining of the application process for previously registered foster carers, subject to this not weakening the robustness of vetting procedures.	-	By the 31st July 2006, the Cabinet is recommended to make representations to the relevant authorities in the Department for Education and Skills for the revision and streamlining of the processes involved in clearing a registered foster carer in one county (or from an independent foster care provider) to provide this service in another county.

2.	The Council should take steps to strengthen further its in-house placement services for children and young people, including:		
2.1	Children's Services from a number of other best practice authorities, including Cornwall County Council, Gloucestershire County Council and Bedfordshire County Council have generated creative solutions to supporting children and young people within the county, instead of resourcing at the point of failure.		<p>During 2006/07, the Department is recommended to develop a more creative approach to providing Children and Families Support Services within the County, instead of resourcing at the point of failure, by:</p> <ul style="list-style-type: none"> (a) making the best use of existing resources, especially those deployed to early intervention services; (b) working with and learning from, other best practice authorities; and (c) exploring the merits of implementing a mentoring scheme for young people, such as that which has been used in other authorities that have benefited from "Excellence in Cities" funding.
	<u>Family Placements</u>		
2.2	The Department manages a comparatively high staff vacancy rate of 4% - the corporate rate being 1%. The Task Group maintain that staff cuts are not the solution to the Department's budgetary challenges, and consider that a longer term view of investing in staff and services needs to be adopted.	-	<p>(a) By the 31st December 2006, the Department is recommended to review its staffing structure in the Family Placements Service to ensure that there are sufficient staff:</p> <ul style="list-style-type: none"> (i) to provide support services to foster carers, including leisure and respite activities (ii) to ensure that there are recruitment and training officers to meet demand <p>(b) The Department is recommended to submit a report to the 14th February 2007 meeting of the Children's Services Scrutiny Committee on current staffing arrangements within the Children & Families Branch, together with options for a restructure, to take account of recommendations 2.2(a) and 3.1.</p>

2.3	There is a marked shortfall in foster carers with the skills to foster older young people with a variety of challenging behaviours and to help with emergency over-night placements.	-	By the 31st December 2006, the Department is recommended to further increase its pool of foster carers with (a) the skills to foster older young people with a variety of challenging behaviours and (b) to help with an emergency over-night placement service.
2.4	Another type of early intervention service is being developed by the Council - a Family & Friends Care Policy. This policy advocates the importance of providing care within the family and family network to avoid a child becoming looked after.	-	By the 30th September 2006, the Department is recommended to ensure full and effective implementation of its Family & Friends Care Policy, and to carry out annual monitoring thereafter of the Council's performance in this regard against comparator local authorities, reporting the results of this monitoring to the Children's Services Scrutiny Committee.
<u>Placements in Children's Homes</u>			
2.5	<p>(a) There is a need for the Department to move away from a model of in-house provision supplemented by spot purchasing, to a commissioning model residential service that may include independent and in-house provision working together in a spirit of partnership.</p> <p>(b) The Department has difficulty in recruiting staff of sufficient skill and experience to work in its Children's Homes, particularly more senior and management staff, mainly due to the very demanding nature of the job, the low rate of pay, status and career prospects, and the high profile risks associated with such work.</p>	-	<p>With immediate effect, the Department is recommended to:</p> <p>(a) pursue the option agreed by Cabinet on the 17th March 2006 to invite tenders from external providers of children's residential care services, with a view to the Council's in house residential service being transferred to the independent sector; or</p> <p>(b) dependent upon the outcome of (a), by the 31st October 2006 give consideration to the development of an alternative in-house residential service, that facilitates improved pay, conditions, career prospects and recognition of the role played by children's home staff</p>

	<u>Special School Placements</u>		
2.6	The Special Educational Needs Strategy 2005 includes an objective to meet the needs of children and young people in mainstream settings wherever possible, and to be clear about the role of special schools in providing directly for some individuals and supporting mainstream settings in furthering inclusion.	-	Consulting with SENSS, the Department is recommended to develop the County's special education provision and mainstream special education provision, and to continue with its strategy of developing additional special school placement choice within the County. In doing so, the Department should continue to assess how support for SEN can be managed to ensure national and local performance targets are met. The Department is requested to report progress on this to the April or June 2007 meeting of the Children's Services Scrutiny Committee.
2.7	The commissioning of independent special school placements has improved since the introduction of the National Contract in 2003, but not all of the providers used by the Council have signed up to the contract.	-	With immediate effect, when purchasing special school placements from the independent sector, the Department is recommended to contract solely with those independent special schools that have signed up to the National Contract, unless exceptional circumstances, or a Tribunal decision, justify otherwise.
3.	The Council should take steps to strengthen its purchasing power and to develop more sophisticated procurement and commissioning strategies		
3.1	Gains can be made by centralising commissioning and procurement processes and by making these the responsibility of one manager, supported by a dedicated team and decision making panel.	-	Further to the recommendations at 2.2, by the 31st December 2006, the Department is recommended to take forward the actions arising from the "Raising the Game" initiative and, in doing so, consider creating a Commissioning Manager post to be responsible for managing a centralised children's placements team for foster care, children's residential care and special school placements. The Commissioning Manager should be required to demonstrate a high level of financial management and procurement expertise, and his/her post should be funded by a staff restructure and/or on an Invest to Save basis.

3.2	Best practice suggests that procurement methods such as block contracting, securing preferential contractual terms, and tracking and reviewing the top most expensive placements can lead to stronger purchasing power and a sense of control over the placements' market.	-	<p>(a) By the 31st March 2007, the Department is recommended to develop more sophisticated procurement practices, drawing on the best practice of other local authorities, and move away from a model of in-house provision supplemented by spot purchasing, to a commissioning model, that includes independent and in-house provision working together in a spirit of partnership; and</p> <p>(b) During 2006/07, the Department is recommended to make suitable arrangements for officers to work with (and in) other local authorities, to shadow best practice, with a view to refining its management of the cost and demand for placements services.</p>
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GLOSSARY OF TERMS

ASD	- Autistic Spectrum Disorder
BESD	- Behaviour, Emotional and Social Difficulties
CIS	- Crisis Intervention Service
CSCI	- Commission for Social Care Inspection
DCE	- Department for Children & Education
DFES	- Department for Education & Skills
HI	- Hearing Impairment
IFP	- Independent Fostering Provider
ISS	- Independent Special School
LACYP	- Looked After Children & Young People
LEA	- Local Education Authority
LSC	- Learning & Skills Council
MLD	- Moderate Learning Difficulties
MSI	- Multiple Sensory Impairment
PAM	- Planning & Action Meetings
PD	- Physical Difficulties
PMLD	- Profound and Multiple Learning Difficulties
SEN	- Special Education Needs
SENSS	- Special Educational Needs Support Services
SLCN	- Social Language and Communication Difficulties
SLD	- Severe Learning Difficulties
SpEL Centres	Specialist Emotional Literacy Centres
SpLD	- Specific Learning Difficulties
VI	- Visual Impairment
WCC	- Wiltshire County Council

Appendix 1

PDF File to insert