

Children and Education Policy and Accountability Committee

Agenda

Monday 28 January 2019

7.00 pm

Courtyard Room - Hammersmith Town Hall

MEMBERSHIP

Administration	Opposition
Councillor Alan De'Ath (Chair) Councillor Lucy Richardson Councillor Alexandra Sanderson Councillor Asif Siddique	Councillor Mark Loveday
Co-optees	
Nandini Ganesh, Parentsactive Representative Nadia Taylor, Parent Governor Representative Vic Daniels, Parent Governor Representative Matt Jenkins, Teacher Representative	

CONTACT OFFICER: David Abbott
Scrutiny Manager
Governance and Scrutiny
Tel 020 8753 2063
E-mail: david.abbott@lbhf.gov.uk

Note: This meeting is open to members of the public. A loop system for hearing impairment is provided, along with disabled access to the building.

Date Issued: 18 January 2019

Children and Education Policy and Accountability Committee Agenda

28 January 2019

<u>Item</u>	<u>Pages</u>
1. MINUTES To approve the minutes of the previous meeting.	4 - 9
2. APOLOGIES FOR ABSENCE	
3. DECLARATIONS OF INTEREST If a Councillor has a disclosable pecuniary interest in a particular item, whether or not it is entered in the Authority's register of interests, or any other significant interest which they consider should be declared in the public interest, they should declare the existence and, unless it is a sensitive interest as defined in the Member Code of Conduct, the nature of the interest at the commencement of the consideration of that item or as soon as it becomes apparent. At meetings where members of the public are allowed to be in attendance and speak, any Councillor with a disclosable pecuniary interest or other significant interest may also make representations, give evidence or answer questions about the matter. The Councillor must then withdraw immediately from the meeting before the matter is discussed and any vote taken. Where Members of the public are not allowed to be in attendance and speak, then the Councillor with a disclosable pecuniary interest should withdraw from the meeting whilst the matter is under consideration. Councillors who have declared other significant interests should also withdraw from the meeting if they consider their continued participation in the matter would not be reasonable in the circumstances and may give rise to a perception of a conflict of interest. Councillors are not obliged to withdraw from the meeting where a dispensation to that effect has been obtained from the Audit, Pensions and Standards Committee.	
4. LOOKED AFTER CHILDREN AND CARE LEAVERS ANNUAL REPORT	10 - 28
5. 2019 MEDIUM TERM FINANCIAL STRATEGY	29 - 51
6. DATE OF NEXT MEETING The next meeting will be held on 25 March 2019.	

London Borough of Hammersmith & Fulham
**Children and Education
Policy and Accountability
Committee
Minutes**



Monday 26 November 2018

PRESENT

Committee members: Councillors Alan De'Ath (Chair), Alexandra Sanderson, Asif Siddique and Mark Loveday

Co-opted members: Vic Daniels, Nadia Taylor, Eleanor Allen

Other Councillors: Councillor Sue Fennimore (Deputy Leader of the Council) and Councillor Larry Culhane (Cabinet Member for Children and Education)

Officers

Steve Miley (Director of Children's Services)
Jan Parnell (Assistant Director of Education)
Bev Sharpe (Assistant Director of Family Services)
Alison Sabaroche (Head of Youth Offending Services)
David Abbott (Scrutiny Manager)

The meeting was attended by 28 other guests, including members of the public and representatives from local organisations, professional bodies, charities, schools, youth groups, and residents' associations.

1. MINUTES OF THE PREVIOUS MEETING

RESOLVED

The minutes of the previous meeting, held on 3 September 2018, were approved as a correct record and signed by the Chair.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Lucy Richardson, Nandini Ganesh, and Matt Jenkins.

3. DECLARATIONS OF INTEREST

There were no declarations of interest.

4. KNIFE CRIME AND YOUTH VIOLENCE - DISCUSSION ITEM

The Chair introduced the item and asked officers to give a short introduction to give context to the discussion.

Alison Sabaroche (Head of Youth Offending Services) gave an overview of the key issues in Hammersmith & Fulham:

- The borough was ranked fairly low for serious youth violence (24) and the percentage rise is the lowest in London.
- The 87s were the most concerning gang - based in Shepherd Bush on the White City estate.
- The majority of violence was between the 87s and Ladbroke Grove gangs clashing.
- H&F has a knife crime action plan and an 'ending gang violence' strategy.

Members asked if there was a breakdown of when these events took place. Alison said there was a peak after school. She added that the British Medical Journal had suggested staggering school times to mitigate this.

Members asked for more information on restorative interventions. Officers said it was a new approach involving mediation between victims and offenders. Officers were beginning to contact businesses, charities, local churches and mosques, and other local organisations to raise awareness about the process. They were considering some form of reparation – the goal was to make young people who committed crimes aware of the consequences of their behaviour. It was noted that Hackney have done good work in this area, including introducing safe spaces for young people to go if they are being attacked or under threat.

A resident asked what 'youth disposals' meant in this context. Officers explained that this was a court term – when a case was 'disposed' it was finished and removed from a court's docket. 'Disposal' might mean a caution, community order, custodial sentence etc.

The Chair asked representatives from the boroughs estates for their key concerns. They made the following points:

- Anti-social behaviour was more of an issue than knife crime.
- The Safer Neighbourhoods Team were good and carried out regular knife sweeps.
- Estates were worried about crime coming into the estates - some were looking to have security gates installed to protect their residents.
- There was crime on some estates but it wasn't violent. Residents were more aware of drug dealing etc.

Jan Parnell (Assistant Director of Education) noted that headteachers in H&F wanted to do some work collectively around anti-social behaviour as they felt it was increasing. She added that in recent years a lot of support roles (PSHE support, mentors etc.) had been removed from schools due to budget pressures and the impact was being felt.

Representatives from local secondary schools noted a recent report on mental health that said 13 percent of children aged between two and four years old had mental health problems. These issues started early and needed to be addressed early.

One of the co-optees said as a parent of a teenage son they worried about his safety in the evenings. They asked what should parents be looking for – how can parents reduce the risks for their children? The Chair asked if there was provision to support parents? Officers noted that there were a number of services that the Council provided for parents – giving advice to parents either in their home or in one on one sessions. Though these tended to focus on high-risk young people. There was also West London Action for Children that offered a range of counselling and therapy services for children in need and their families. The Chair made the point that many of the existing interventions were at a high level and perhaps we needed more preventative, early interventions.

A representative from the Parks Police informed the meeting that they were doing early intervention work with young children. They had put a package together for junior schools on the dangers and consequences of knife crime.

Many attendees noted that some primary-school-age children were exposed to concerning behaviour through their siblings and increasingly through social media. Interventions needed to be put in place as early as possible.

A general point was made about the link between violent behaviour in young people and domestic violence. Many perpetrators of violence were themselves the victims of trauma or secondary trauma. The Chair made the point on domestic violence that while there was so much media coverage of knife crime in the capital – there were as many women murdered in their own homes as there were young people murdered on the streets.

A representative from the National Union of Teachers noted that just last week there were concerns raised by teachers about youth provision. Over the past eight years there had been a dramatic decline in youth provision - where could young people go now? Gangs had stepped into the void and have become the social centre of some young people's lives.

A resident said they had observed a playground being used to sell drugs - so the children had to play directly outside their houses in view of their parents. The Chair asked where the safe spaces were in the borough – were parks safe spaces for young people?

A representative from one of the borough's Ward Panels agreed that there was a lack of facilities for young people (e.g. scout groups, youth centres, municipal pools). They also noted that in the past schools stayed open for sports. Officers highlighted that the football clubs in the borough (QPR, Fulham, and Chelsea) did a lot of work with young people – providing not just sports but a range of activities. There was also the volunteer police cadets and the combined cadet force. The Lyric Theatre had popular arts activities – and the scouts still operated in the borough. There was a wide range of youth provision but perhaps it needed to be publicised better.

Alison Sabaroche was asked what she felt would improve things in the borough. She answered that detached youth work was key – youth workers could go to hotspots, working out of hours to engage with young people and divert them into positive activities. Some people felt White City needed additional dedicated resource.

An officer noted the link between school exclusion and the increased likelihood of becoming involved in crime. Members noted that there were more exclusions now because of knife crime as a number of schools had zero tolerance policies.

A grants officer noted that there were 58 youth facing charities in the borough and they were doing a lot of great work. The Council was now trying to coordinate, support, and signpost to them.

The Chair asked, once vulnerable or high-risk children had been identified – how did we support them? Officers said they were working with schools now to map out the provision available.

The Chair said parents were often not aware of what's on offer. The meeting heard from an officer who said there's over 500 organisations operating in this space in the borough. We needed to find a way to raise awareness about the provision that's available to parents and schools.

A co-optee asked for more information on the preventative work being done with families. Bev Sharpe (Assistant Director of Family Services) said there were a number of interventions offered through the new Family Support Service. The majority (around 80 percent) of referrals to Family Services were around domestic violence. Children's Services had started to think more about trauma-based intervention. There were a lot of overlapping challenges – poverty, education, housing etc.

The Founder of the Violence Intervention Project addressed the Committee and made the case for more therapeutic work. He made the point that shame was almost always the catalyst for violence. Many young men have a mindset where if someone confronts them they can't back down so situations can quickly become violent. His organisation helped young people manage their emotions and taught them about resilience. Because his organisation was separate from the Council's statutory services they found it easier to work with some people.

Councillor Mark Loveday wanted to understand the scale of problem in more detail. Alison Sabaroche informed the Committee that in 2017 there were, on average, two victims of knife crime a week in the borough and that was an increase from 2016. Councillor Loveday asked about the geographical spread of perpetrators. Alison said the data showed that the majority of offenders came from White City - W12 and W10. Councillor Loveday felt there needed to be more analysis of where offenders and victims were so the Council could formulate a data-driven strategy. Provision should be targeted where it was most needed – the Council shouldn't have generic answers for the whole borough.

Councillor Mark Loveday, noting the vibrant community youth organisations in the borough, asked of the Council brought it all together in one place. Steve Miley (Director of Children's Services) said there was a comprehensive catalogue of activities for young people in the Summer in the City programme. He made the point that publicising activities wasn't the real issue – it was the engagement work to divert children who were on the cusp to the activities.

A representative from the Young Hammersmith Foundation noted that activities were being mapped this on their website (aimed at social workers, council workers etc.).

Members asked if any work was being done on cross-borough infiltration by gangs. A representative from the MET Police said work was being done on this – and the move to the Central West BCU (a shared police force that covered Hammersmith & Fulham, Kensington and Chelsea, and Westminster) made this easier.

The Council's SE and County Lines lead informed the Committee that her team would map out high-risk individuals peer groups to look at how they could make that space safer. They worked across multiple agencies and boroughs – sharing information – to do this effectively.

Representatives from the boroughs Ward Panels noted their disappointment that they were not invited to sit on the Police and Crime Commission. Officers said they would provide them written information about the commission.

The Chair asked attendees – what more can the Council do in this area? Recommendations included:

- Having more mentors in schools.
- Start talking with young people about domestic violence and the impacts.
- Find ways to bring community to young people.
- Offer free counselling and mental health support.
- Offer support from trained specialists in trauma management.
- Have independent domestic violence advocates.

The Chair then added the following recommendations:

- Primary schools needed support to get early interventions in place as early as possible.
- Schools needed further training and advice in the area – they needed to know what to look for and what support was available.
- Where parents had English as a second language – more needed to be done to ensure they understood what services were available to them.
- Schools should get together to share ideas and best practice.

Nicola Ashton (Public Health Commissioner) highlighted the Scottish approach – treating knife crime as a public health issue. It took time but ultimately saw a dramatic reduction in knife crime across the Country. The approach couldn't be transferred directly but there were important lessons to be learned. Members suggested this be raised with health partners at the Health & Wellbeing Board.

The Chair thanked everyone who attended the meeting. The contributions made would be fed into the resident-led Police and Crime Commission to inform their recommendations.

RESOLVED

1. That the contributions to the meeting be sent to the Police and Crime Commission for consideration.
2. That the Committee ask the Health & Wellbeing Board to consider a public health approach to knife crime – including lessons learned from the Scottish model.


5. DATES OF FUTURE MEETINGS

The Committee noted that the next meeting would be held on 28 January 2019.

Meeting started: 7.00 pm
Meeting ended: 9.00 pm

Chair

Contact officer David Abbott
Scrutiny Manager
Governance and Scrutiny
Tel 020 8753 2063
E-mail: david.abbott@lbhf.gov.uk

<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CHILDREN AND EDUCATION POLICY AND ACCOUNTABILITY COMMITTEE</p> <p align="center">28 January 2019</p>		
<p align="center">LOOKED AFTER CHILDREN AND CARE LEAVERS ANNUAL REPORT</p>		
<p align="center">Report of the Director for Children’s Services – Steve Miley</p>		
<p>Open Report</p>		
<p>Classification: For review and comment Key Decision: No</p>		
<p>Wards Affected: All</p>		
<p>Accountable Director: Steve Miley, Director for Children’s Services</p>		
<p>Report Author: Bev Sharpe, Assistant Director Family Services</p> <p>Adam Davis, Head of Looked after Children and Care Leavers</p>	<p>Contact Details: Bev.Sharpe@lbhf.gov.uk</p> <p>Adam.Davis@lbhf.gov.uk</p>	

1. EXECUTIVE SUMMARY

- 1.1 This report highlights the significant responsibilities the local authority has in relation to Looked After Children and Care Leavers, and how it discharges these. It provides overview of the state of Looked After Children and Care Leavers and their progress in Hammersmith and Fulham
- 1.2 The number of Looked After Children has increased nationally by 8.75% since 2014 to 75,420, as at 31st March 2018. During this 4-year period numbers in Hammersmith and Fulham increased by 12.7% to 230; 64 per 10,000 of the child population.
- 1.3 The vast majority of children remain in foster care with improvements in health, educational attainment, placement stability and safety.

2. INTRODUCTION

- 2.1 In this report, the term Looked After Children refers to those children for whom the Council has assumed Parental Responsibility through a care order, by an agreement with their parent(s) or Unaccompanied Asylum-Seeking Children.

2.2 The Council also has a duty and responsibility to those young people who leave care after the age of 16 years until they reach the age of 25 following the legislative changes that were introduced within the Children and Social Work Act 2017. Previously the duty was until 21 years for Care Leavers not in education.

2.3 The majority of Looked After Children need alternative care and accommodation due to the inability of their primary care giver to offer safe and adequate care within the family home. Some Looked After Children return to their parent(s) or extended family members and do not require long term services or interventions; while some require permanent placements: achieved through adoption, special guardianship, or long-term fostering. For a small minority permanence cannot be achieved and they require long term residential or semi-independent accommodation.

3. CORPORATE PARENTING

3.1 Corporate Parenting refers to the collective responsibility of the Council to provide the best care and protection for children and young people who are 'looked after', that is, who are in public care. Effective corporate parenting requires the commitment from all Council employees and elected Members and an authority wide approach. These responsibilities for Local Authorities were first laid out in the Children Act 1989, the Children Act 2004 and reinforced in the Children and Young People's Act 2008 and most recently in the Children and Social Work Act 2017. The most recent legislation sets out seven Corporate Parenting principles that all Councils must adhere to for children in care and care leavers to ensure that their needs are met and life chances promoted. All local authorities in England must, in carrying out functions in relation to Looked After Children, have regard to the need:

- to act in the best interests, and promote the physical and mental health and well-being, of those children and young people;
- to encourage those children and young people to express their views, wishes and feelings;
- to take into account the views, wishes and feelings of those children and young people;
- to help those children and young people gain access to, and make the best use of, services provided by the local authority and its relevant partners;
- to promote high aspirations, and seek to secure the best outcomes, for those children and young people;
- for those children and young people to be safe, and for stability in their home lives, relationships and education or work;
- to prepare those children and young people for adulthood and independent living.

- 3.2 Councillors have a responsibility to act as a good ‘Corporate Parent’ for the children looked after by the Council and need to be concerned about that child as if they were their own. This concern should encompass the child’s safety, education, health and welfare, participation, and achievements.
- 3.3 The Corporate Parenting Board provides oversight of the progress of the Council’s Looked After Children and Care Leavers and has a key role in monitoring and challenging how the Council discharges its Corporate Parenting responsibilities. Over the past year, the Board has continued to meet with young people to listen to their views and seek feedback from them.
- 3.4 The CEPAC Scrutiny Committee contributes to monitoring the quality and effectiveness of services, via the scrutiny of this annual report on services and outcomes for Looked After Children and Care Leavers. A report on the work of the Fostering and Adoption Service is also presented annually. Other relevant performance indicators are reported regularly to the Lead Member at Cabinet Board.

4. PROFILE OF LOOKED AFTER CHILDREN AND CARE LEAVERS

- 4.1 The number of Looked After Children in Hammersmith and Fulham has fluctuated over the last 4 years with a decrease from 204 (2014) to 185 (2015) and a gradual increase since then to 230 (2018). The number of citizen children rose from 182 (2017) to 197 (2018) and UASC fell from 39 to 33 during the same period.
- 4.2 The number of Looked After Children as a proportion of the population aged under 18 in Hammersmith and Fulham was 64 per 10,000 population, as at 31st March 2018, an increase from 63 per 10,000 in 2017. This is higher than the statistical neighbour average of 52 per 10,000 in 2018, which was an increase from 51 per 10,000 in 2017; but the same as the national rate, 64 per 10,000 in 2018, which was up from 62 per 10,000 in 2017.
- 4.3 The Council work extensively with families and partners to ensure that wherever possible families are supported to safely care for their children at home. Children come into care when remaining at home would continue to expose them to significant risks of harm. We have services and systems including Family Assist and the Edge of Care Panel that to ensure that when children come into care if it right for them, and there are no other safe options. Family Assist work with adolescents exposed to high risks or beyond parental control to minimise their likelihood of coming into care while the Edge of Care Panel is a multiagency panel that reviews support and interventions to ensure that children at risk of coming into care have the support they need at home or at an alternative home outside the family, where necessary.

Looked After Children at the end of Year

Year Ending March	Citizen	UASC	Total
2014	195	9	204
2015	163	22	185
2016	172	26	198
2017	182	39* (14 Dubs)	221
2018	197	33* (1 Dubs)	230

Children Who Became Looked After During the Period

Year April to March	2014	2015	2016	2017	2018
Number of children entering care	122	99	119	119	117

Children who ceased to be Looked After during the period

Year April to March	2014	2015	2016	2017	2018
Number of children ceasing care	156	118	108	99	111

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ile of Looked After Children shows that the proportion aged over 16 for 2017-18 was 39%, down from 42% in 2016-17, which is higher than the national rate of 22% and London rate of 33%. The Council's commitment to caring for additional UASC in 2017 contributed to this change.

Age profile of Looked After Children as at 31st March 2018

AGE AT 31 MARCH 2018	BOYS	GIRLS	Total	%
Under 1 year	4	5	9	4%
Age 1 - 4 years	7	5	12	5%
Age 5 - 9 years	16	12	28	12%
Age 10 - 15 years	55	37	92	40%
Age 16 - 17 years:	59	30	89	39%
TOTAL	141	89	230	100%

- 4.5 At 31st March 2018 only 4% of children in care were aged under 5 years compared with 7% at the same point in 2017. Local analysis has identified a number of influencing factors including younger children moving into permanence more quickly through reduced timescales within care proceedings and more being placed with relatives rather than for adoption outside the family.
- 4.6 Table 4 below provides a breakdown of the reasons for new care episodes for 14-17-year olds during 2017-18. This cohort represents 68 children, of which the highest proportion entered care because of safeguarding or family breakdown (31 children, 45%). Influencing factors for the high number include: "ageing out" of older cohorts as they progress through the care system; UASC, particularly those aged 16+; and the impact of Southwark Judgement (16 -17-

year-old children identified as homeless and vulnerable) and remand cases entering care at much older ages.

Profile of 14-17-year olds who entered care during the period

Entry to care status	Number of young people aged 14 to 17 years (2016-17)	%	Number of young people aged 14 to 17 years (2017-18)	%
Remand	6	11%	4	6%
Respite	1	2%	6	9%
Safeguarding	31	58%	31	45%
UASC	15	28%	27	40%
Total entries to care during 2016-18 aged 14 to 17 years	53		68	

- 4.7 Children identified as Black and Minority Ethnic background accounted for 41% of Looked After Children in 2017-18 (94). This is higher than 2016-17 at 34%, and England Average of 6.5%. The Council continues to respond by seeking to recruit a diverse range of foster carers which reflect the diversity of the local population and through placing children with kinship carers when appropriate.

5. UNACCOMPANIED ASYLUM-SEEKING CHILDREN (UASC)

- 5.1 On 1st July 2016 the Home Office launched the National Transfer Scheme, a new voluntary transfer arrangement between local authorities for the care of unaccompanied children who arrive in the UK and claim asylum. The scheme has identified that local authorities will be expected to take up to 0.07% of their child population. The intention of this scheme is that any new UASC entering England and Wales are distributed more evenly amongst local authorities rather than primarily concentrating within London and the South East by virtue of where they enter the country and seek asylum. As such Hammersmith and Fulham is expected to be responsible for 25 UASC. When we fall below that threshold new UASC will be referred via the London rota referral or National Transfer Scheme or we have new children who present in borough and become Looked After.

- 5.2 In addition, in 2016, Hammersmith and Fulham gave a commitment to caring for a higher number of UASC who would be entering the UK under the Dubs Amendment. To date, an additional 15 children have been cared for by Hammersmith and Fulham Council as part of this amendment, mainly following the dismantling of the camps in Calais in October 2016. 14 arrived from France in late 2016 and early 2017 and 1 arrived from Greece. Seven of these children have now become adults and are care leavers and continue to be in receipt of

services. In 2016 Hammersmith and Fulham social work staff proactively visited the camps in Calais to assist with the assessment of children there and to support their transfer to the UK.

- 5.3 Since 2016-17 there has been a shift in the country of origin for new UASC in Hammersmith and Fulham. Over the years, Albanian young people accounted for the majority of UASC. In contrast during 2016-17 the majority of new UASC originated from Afghanistan (32%) and Sudan (16%). For the 21 UASC starters the two highest groups were Albania (4 young people- 19%) and Iran (4 young people- 19%).

Number of UASC who entered care between 2016-18, by country of origin

Country of origin	Number of young people (16/17)	%	Number of young people (17/18)	%
Afghanistan	8	32%	1	4.76%
Albania	2	8%	4	19.05%
Armenia	1	4%	1	4.76%
Algeria	1	4%	1	4.76%
Egypt	1	4%	1	4.76%
Eritrea	3	12%	3	14.29%
Ethiopia	1	4%	1	4.76%
Iran	2	8%	4	19.05%
Pakistan	1	4%	1	4.76%
Sudan	4	16%	3	14.29%
Syria	1	4%	1	4.76%
Total UASC entries into care between 2016-18	25		21	

- 5.4 There is notable consistency in the age of UASC on arrival with majority of the total current UASC population (28 of 33, 85%) aged between 14-17 years at 31st March 2018 although we do occasionally experience much younger children arriving. Given these age trends, the UASC population have a significant bearing on the Council's care leaver numbers. At 31st March 2018, 37 of 198 (19%) of Council's care leavers were former UASCs compared to, 54 of 189 (28%) in at 31st March 2017. Legal outcomes are characterised by lengthy processes including several Home Office interviews and legal hearings. A small number of UASC are ultimately unsuccessful in their claims for asylum into adulthood and this can have some bearing on UASC going missing as a means of avoiding deportation. Negative asylum claims in recent years have related to the majority of UASC originating from Albania

and the Home Office concluding that they have not proven genuine persecution. No former-UASC were deported during the last year and Hammersmith and Fulham financially supported several former-UASC in appealing negative Home Office decisions and submitting applications for further periods of leave to remain.

PROGRESS UPDATE

6. PLACEMENT STABILITY

- 6.1 Children who are subject to frequent placement moves are less able to form positive attachments with carers which make them more vulnerable to unsafe relationships from other adults or their peer group. The current strategy has six strategic objectives, which are being reviewed to reflect our sovereign values.
- 6.2 The number of placement moves that children have is carefully monitored to ensure plans are adapted to make placements more resilient when required and that children and carers are given tailored support to address individual needs. In Hammersmith & Fulham for 2017-18, 10% (24 children) of Looked After Children experienced three or more placement moves during their care period, which is in line with the national rate of 10% (current available data for 2016-17) and an improvement from 2015-16 when it was 14% (28 children). Likewise, there has been an improvement in the percentage of under 16s remaining in the same placement for at least 2 years which further evidences on-going progress in achieving placement stability.

Percentage of children with three or more placements during 2011- 18

	2013-14	2014-15	2015-16	2016-17	2017-18
LBHF	19.5%	9.2%	14.1%	8%	10%
England	12.0%	10%	10%	10%	10%

7. PLACEMENT

- 7.1 The Council has a commitment to ensure that children and young people will only be placed in resources with an Ofsted inspection judgement of Good or Outstanding. As at 31st March 2017, 90% of children were in provisions that were judged as Outstanding or Good by Ofsted.
- 7.2 The Council has actively sought to reduce the number of children placed outside London where appropriate however the limited availability of foster placements in Inner London means that many children need to be placed in other local authority areas, although usually these are within London. The cohort of children living outside of London includes children who are placed in special educational boarding schools or specialist residential care; those placed with extended family members or adopters; and those placed at a distance to effectively safeguard them, such as young people identified to be at risk due to gang affiliation or criminal and child sexual exploitation.

- 7.3 Of the children and young people Looked After at 31st March 2018, 23% were placed in Hammersmith and Fulham foster placements and 37% of the Council's Looked After Children were living inside Hammersmith and Fulham, a higher percentage than 2016/2017 which was 33%. This compares with 45% of Looked After Children living inside their borough of origin on average across other London authorities. Additionally, there are currently 14 Hammersmith and Fulham Care Leavers who continue to live with foster carers under a "Staying Put" arrangement, which enables care leavers to continue to live in their foster placement when they become young adults to support them in achieving successful transitions into adulthood.
- 7.4 For some young people foster care does not meet their needs. As of 31st March 2018, 5% of Looked After Children were placed in residential care or special educational boarding schools compared to 10% in 2017. There were 35 children in connected carers placements and 130 children placed with foster carers. The number of adoptions in Hammersmith and Fulham remains low. 4 children were adopted in both 2016-17 and 2017-18. This reflects a continued national trend in reduction in children being placed for adoption.

Percentage of children placed in foster placements at 31st March 2018

	% of children placed in foster placements (16/17)	% of children placed in foster placements (17/18)
England	75%	73%
London	75%	Not yet available
Hammersmith and Fulham	73%	72%

8. LAC ASSIST SERVICE

- 8.1 The LAC Assist team aims to increase placement stability, support a reduction in increased placement costs, increase opportunities to reunify children with their families when it is safe to do so, increase successful transition to independence, sustain lower cost placements and reduce tenancy breakdown. Its priorities include working with children and young people who have experienced placement breakdowns or are at risk of placement breakdowns, those in or at risk of moving to high cost placements, children who could potentially be rehabilitated back to their family's care and sustaining this, and care leavers who are not making sufficient progress to enable them to move to independent living in final stage accommodation.
- 8.2 The team provides intensive support which mirrors that provided by the Family Assist model which was highly praised by Ofsted inspectors. The service commenced in April 2017 and has so far achieved significant placement and accommodation stability, and reduction in placement cost.

9. HEALTH OUTCOMES

- 9.1 Local authorities have a statutory duty to ensure that health assessments are carried out for every Looked After Child in their care. The assessments for children over 5 are undertaken by one of two LAC Nurses at their placement or location of their choosing. 100% of these have been achieved in the year 2017-2018. These health assessment focus on the holistic health and wellbeing for each child. For Children under 5 the review health assessments are under taken every 6 months and these are completed predominately by the designated and named LAC paediatrician, 91% of these were completed in times frame although 100% have bene achieved.
- 9.2 Two Nurses are co-located with the LAC and Care Leavers services. They are both Specialist Public Health Nurses and are referred as the LAC Nurses, one being the Named Nurse and One being the Specialist Nurse. The co-location enables ongoing dialog between the allocated social worker and LAC Nurse in relation to children, concerns, and observations.
- 9.3 Due to the nature of their experiences prior to and whilst looked after, many children will have poor mental health. This may be in the form of significant emotional, psychological, or behavioural difficulties. Challenges faced for this cohort are that local CAMHS provisions end their involvement and do not follow the young person experiencing multiple placement breakdowns caused by behavioural issues and yet who are often the most emotionally vulnerable requiring therapeutic services. Additionally, a number of Care Leavers do not meet the higher thresholds for Adult Mental Health Services but continue to have unresolved emotional difficulties requiring input.
- 9.4 A multi-disciplinary borough-based LAC Child and Adolescent Mental Health Services (LAC CAMHS) team, that is co-located with the Council's Looked After Children's Teams, offers an extensive range of support services for all levels of mental health needs in a variety of settings. They can work with children placed outside the borough and if a placement move/breakdown result in them moving between CCGs, they assist in identifying local therapy services that can be commissioned.
- 9.5 There is also the Clinical Team consisting of systemic psychotherapists and clinical psychologists offer clinical consultations to social workers and the professional network around the child, reflective case discussions to the LAC and Care leavers teams, facilitation of away-days, systemic training and workshops and direct clinical work with children, young people and families and their social workers and/or parent/carers. Over the last year, the team supported about 40 young people's care through clinical consultations, attending and supporting network meetings, and some direct work with the young people and their carers, residential staff and/or parents when required.

10. EDUCATIONAL OUTCOMES

- 10.1 Education that encourages high aspirations, positive experiences, and individual achievement, with minimal disruption, is central to improving immediate and long-term outcomes for Looked After Children and Care Leavers. Looked After Children and Care Leavers are more likely to face significant barriers to education and that a renewed priority for young people to improve the educational achievement.
- 10.2 The Virtual School maintains accurate and up to date information about how Looked After Children and Care Leavers are progressing in education and takes urgent and individual action when they are not achieving well. There were a number of changes in the assessment, marking and reporting procedures used by schools and Local Authorities in 2017-18 which should be noted:
- 10.3 GCSEs in England have been reformed and will be graded with a new scale from 9 to 1, with 9 being the highest grade. The new GCSE content is much more challenging and fewer grade 9s will be awarded than A*s. English Language, English Literature and Maths have already moved onto this new grading system, with an additional 20 subjects to follow in 2018 and the remaining transitioning by 2019.
- 10.4 The new grades have been introduced to signal that GCSEs have been reformed and to better differentiate between students of different abilities. The DfE has advised schools and Local Authorities that it would be incorrect and misleading to make direct comparisons showing changes over time.
- 10.5 The introduction of Progress 8 and Attainment 8 last year is the measure by which schools are now being judged. There are significant difficulties in using the new methods for calculating the attainment of Looked After Children. Many pupils do not have prior attainment data, making it difficult to calculate progress, pupils at KS4 often achieve non- GCSE qualifications and the new methods do not take into account the particular educational journey of each pupil. Virtual School Heads are currently in discussions with the DfE as to the most appropriate method to report attainment and progress from 2016.
- 10.6 Historically Hammersmith's Looked after Children have achieved good outcomes at the end of Key Stage 2 and Key Stage 4.
- 2017's GCSE were above the national averages for LAC
 - KS2 outcomes were above national averages for LAC
 - The number of Post 16 LAC in education, employment or training is high compared to national LAC
 - The number of care leavers in Higher Education has remained consistently high and are above the national averages.
- 10.7 Detailed analysis of each cohort of pupils in 2018 indicates Hammersmith's Looked after Children and Care Leavers continue to achieve and make good progress in most areas. In light of the above context attention should be paid

to the individual story and progress each child/young person makes rather looking at the headline outcomes.

10.8 Progress and attainment at Key Stage 1

There were 5 pupils in the reporting cohort.

KS1	New expected standard Reading	New expected standard Writing	New expected standard Maths	New expected standard in all areas
LBHF LAC 5 pupils	60%	60%	60%	60%

60% of pupils met the expected standards in reading, writing and maths in the reporting cohort. Of this cohort, 40% have Education, Health and Care Plans (EHCP) and while they didn't meet the expected standards, both have made progress in line with their own expectations.

10.9 Progress and attainment at Key Stage 2

There were 7 pupils in the reporting cohort.

	New expected standard reading	New expected standard grammar, punctuation, and spelling	New expected standard Maths	New expected standard in all areas
LBHF LAC	57%	43%	57%	43%
All pupils	75%	78%	76%	64%

10.10 Initial analysis of this year's results would appear to show a widening of the gap between LAC and all pupils achieving the new expected standard in all areas. However, it is important to note the likely impact of the new assessment arrangements on LAC. Analysis of prior attainment for these pupils at KS1 would seem to have indicated that the majority would have achieved higher results; 56% of this cohort achieved at least a level 2 in all areas as KS1. Despite not achieving the expected standard in some areas many pupils achieved a scaled score in grammar, punctuation and spelling and Maths only a few marks below the expected standard scaled score of 100. The individual context of each pupil needs to be taken into consideration when analysing results. The cohort this year was particularly unique, whereby two pupils were not entered for SATs because of a specific SEND need and two pupils have Education Health & Care Plans (EHCP). It should be noted that one pupil who is not included in the reporting statistics achieved well above the benchmark score of 100 and demonstrates that swift, carefully tailored interventions can have huge impact.

10.11 The majority of this cohort (85%) have experienced some form of disruption or difficulty over the previous 2 years; with either placement or school moves necessary, indicating the significant impact of placement instability on

education outcomes. 28% of the cohort have an Educational Health Care Plan's and 28% of the cohort are classed as having additional special educational needs (SEN+).

10.12 All pupils received the support of the Virtual School and had an up to date PEP. Close collaboration between professionals has ensured that the majority of pupils are now in more stable care and school placements. There is evidence that Pupil Premium was used to good effect to improve progress. There remains work to be done with schools to ensure they are equipped with effective strategies to support these pupils effectively in KS3 and KS4.

10.13 Progress and Attainment at Key Stage 4

10.14 It is difficult to compare this year's grades to previous years due to the introduction of numbered grades instead of lettered grades for English Literature, English Language and Mathematics. The educational background of many Looked After Children makes this a complicated procedure; many Looked After Children do not have prior attainment data or arrive into care during KS3 or KS4 making it very difficult give an accurate score.

10.15 There were 16 pupils in the reporting cohort.

	5 9-4 including English and Maths	5 9-4	5 9-1	1 9-1
LBHF LAC 2018	25%	25%	50%	56%
LBHF LAC 2017	28%	25%	67%	83%
LBHF LAC 2016	15%	15%	55%	75%

10.16 Initial analysis indicates results have more or less stayed the same in the percentage who achieved 5 GCSE grades 9-4/A* to C including English and Maths compared to 2017. However, changes in the nature of GCSE's means any comparison with previous years should be treated with caution. The Rees Centre Research* (welcomed by Edward Timpson) also highlights the specific characteristics of Looked After Children, particularly at KS4 which means it often not valid to make comparisons with all pupils.

10.17 2018's year 11 cohort included a very complex range of pupils. It included a small number of highly motivated and able pupils, who achieved excellent results. 2 pupils gained excellent results, achieving 9's, 8's and 7's in the majority of their subjects. However, the cohort also included 44% of pupils with EHCP's who were not expected to achieve highly, or it was deemed inappropriate for them to sit GCSEs and 6 pupils who attended either special residential schools or were enrolled at alternative provisions. In addition, the cohort included 1 pupil who was a school refuser and therefore was not entered for any GCSE's and one pupil who has experienced a very complex placement history which consequently impacted upon their attainment.

10.18 Nevertheless, it is very positive to note that all pupils who were entered for examinations achieved at least three qualifications. Attendance was not a

concern in the same way as previous years, with an average attendance of 81%. There were four pupils whose attendance dropped below 85%, all with quite significant personal circumstances surrounding this. For these individuals, 50% of them have had at least one placement move in the last twelve months, with almost half having more than 3 placement moves. This contributed greatly to their ability to engage with education and consequently to their results. 25% of the cohort were late entrants to care who came with very complex special educational needs or emotional and behavioural needs.

- 10.19 The cohort was supported by a series of interventions to improve attainment and progress. This included the creative use of Pupil Premium to support the training of school staff, which enabled them to have a better understanding of the required interventions to support pupils, the use of 1-1 tuition and the provision of in-class support. Effective use of Pupil Premium was monitored by the PEP process and the Virtual School's tracking system. Specific projects were organised to support high achieving pupils (e.g. Look to the Future) and to support SEN pupils. All pupils except one have a school or college placement for this academic year and it is expected many will continue to progress.

10.20 Post-16 and Care Leavers: end of academic year performance

	Hammersmith and Fulham 2017	Hammersmith and Fulham 2018
% of 16 and 17-year olds who are in Employment, Education, or Training (EET)	93%	75%
% of 18-25-year olds who are EET	74%	69%
% and number attending university	17% (29)	17% (34)
% and number on completed apprenticeships	5%	2%
% and number in training or employment	8%	7%

- 10.21 All 16 and 17year olds continue to have an allocated Virtual School advisory teacher, which ensures these pupils continue to receive the support of the Virtual School until they finish statutory education or training at 18. In the last academic year there have been a series of complex 16 and 17year olds who have been late entrants into care. They arrive often with complex histories and entrenched behaviour that will take time to change. The Virtual School work closely with the wider network to support these young people in moving away from gang affiliation and moving them away from being school refusers. Beyond 18, the Virtual School provide duty days where they offer advice, support and guidance to 18-25year olds. These are offered twice a week term time and have supported improving the number of 18-25year olds who are EET.

10.22 While some progress has been made in addressing the issues and barriers around sustaining education, training and employment for care leavers, the number of care leavers who are Not in Employment, Education, or Training (NEET) remains high and this remains a key area for improvement. We are working on continuing to develop partnerships with Council colleagues and with businesses outside the Council to create a wider range of ambitious, stimulating and rewarding apprenticeships and employment opportunities specifically for Hammersmith & Fulham care leavers. There have been a number of very successful cases where long term NEET young people have been successfully re-engaged in training or employment and we are continuing to explore how we can build more capacity in this area.

10.23 The numbers of care leavers in Higher Education continues to be strength and the work of the Virtual School in this area over the last few years has been a significant factor in contributing to this. There are currently 32 care leavers in Higher Education. We now have two care leavers studying at Cambridge, one who has gone onto their fifth year of medicine and one who is entering their final year at Central St Martins. Care leavers at university continue to progress well and many continue to receive positive support from the Virtual School and Leaving Care Service.

10.24 Attendance and exclusions

	2015	2016	2017	2018
Average attendance R-11	90%	93%	94%	93%
Number with one or more fixed term exclusion	16	11	12	6
Number with permanent exclusion	0	0	0	0

10.25 The attendance figures for 2018 shows sustained efforts to ensure the attendance of our young people. This reflects the work of all professionals in ensuring regular attendance at school for all pupils. There has been a decline in the number of pupils classed as Persistently Absent or missing school through not having a school place. A particular pressure going forward however, is the number of UASCs coming into care in year 11 without a school place, (these are not reflected in the reporting cohort).

10.26 There were no permanent exclusions in 2017/18. This reflects the work the Virtual School does directly with schools, social workers and carers in developing strategies to avoid permanent exclusion. There were 6 pupils with one or more fixed term exclusion in 2017/18, this represents a significant decrease on previous years and while The Virtual School works intensively to improve attendance, engagement and behaviour for learning, given that the majority of the care population are adolescents, who often have a poor education record prior to entering the care system this figure is unlikely to be improved upon significantly in future years. The Virtual School works closely with social care professionals and schools to identify pupils who are at risk of

exclusion or have been excluded for a short period. Where the team has concerns that a fixed term exclusion is an indication that a particular school is not able to meet the needs to a pupil, the Virtual School's Educational Psychologist will work with the school to identify strategies to improve behaviour, or alternatively carry out an assessment, which may indicate that another education provision is needed.

11. SAFETY

- 11.1 Looked After Children are at greater risk of going missing than their peers due to their traumatic life experiences, and are therefore vulnerable to exploitation. Children with frequent placement moves, more fragile attachments and late care entrants are more likely to go missing and this behaviour in turn impacts upon the stability of any new placements.
- 11.2 We track missing incidents carefully and seek to skilfully assess and address causal factors into why young people go missing. The majority were for short periods overnight rather than for longer periods where there is evidence of them experiencing significant harm. A monitoring and tracking system is in place that provides high levels of scrutiny, ensures management oversight and that missing children are visited and interviewed in order to address any potential safeguarding concerns children may be encountering either within or outside their placement. Practice has specifically developed in this area, which has been enhanced by the continued appointment of a Missing Person's Co-ordinator who offers advice, further scrutiny, and the development of strategies to reduce risks with front line practitioners.
- 11.3 We have a number of monitoring and practice systems in place to identify those assessed to be at risk of exploitation and provide comprehensive support package to ensure that risks are reduced. This includes monthly Multi-Agency Sexual Exploitation (MASE) meetings chaired by the Police and Children's Services, a shared risk assessment tool, a common pathway to services coordinated through the Multi-Agency Safeguarding Hub (MASH), clear data sets and problem profiles, a range of training and awareness-raising initiatives and an Exploitation Lead

12. ENGAGEMENT AND PARTICIPATION

- 12.1 Hammersmith and Fulham offer an extensive programme of participatory activities for Looked After Children and Care Leavers, providing them with opportunities to participate and engage with the service. This programme includes a variety of groups, consultation events and projects. In doing so, it is recognised that the children and young people we work with want to participate in different ways and in varying degrees. Some young people want direct involvement in consultation and decision making whilst others might want to attend a group or activity. This means that we have a core group of looked after children and care leavers that frequently participate within all aspects of the programme and more specific opportunities that attract many of the wider population.

12.2 The Virtual School and Participation and Engagement Team organised a variety of engagement activities over the past year, including:

- Looked After Children and Care Leaver’s Activities;
- Involvement of children and young people in recruitment, and training - young people continue to be a part of recruitment and training for Family Services staff and sit on interview panels with Officers. This has included being involved in the recruitment of the Team Manager within Care Leaving Team and the staff within LAC Assist Team.
- Thematic consultations - children and young people work collaboratively with the Virtual School to widen the reach of participation, carrying out a series of surveys that engages a wider audience and gathers views across the age and range of young people who are either Looked After Children or Care Leavers
- Enrichment programme – the Virtual School has continued to run a wide range of activities specifically for Looked After Children, foster carers, and care leavers. The projects are run in conjunction with partners including the Lyric Theatre, the BBC, Tate Modern, the Arvon Foundation, and Imperial College.

13. OUTCOMES FOR CARE LEAVERS

13.1 At the end of March 2018 there were 192 Care Leavers within the service compared to 189 in 2017. The increased volume links to a developing trend in relation to older citizen young people with complex needs entering care along with an increase in the overall numbers of unaccompanied minors aged 16 and above. As at 31st March 2018 Hammersmith & Fulham had 33 UASC, a decrease from 39 at 31st March 2017.

Total number of Care Leavers supported (aged 18-25) at the end of year

As at 31st March	2012	2013	2014	2015	2016	2017	2018
LBHF	162	162	163	160	170	189	192

13.2 The key functions of practitioners working with Care Leavers is to assist, befriend and advise young people to make a successful transition from the Council’s care to independent living in the community. This includes assessing their needs and drawing up a Pathway Plan for their on-going support. The Pathway Plan sets out the support available for all aspect of their life, with an emphasis on securing settled accommodation and appropriate education, training, and employment (EET). The Local Authority has a duty towards eligible; relevant; and former relevant children. The Leaving Care Act has two main aims:

- To ensure that young people do not leave care until they are ready.
- To ensure that they receive more effective support once they have left.

Care Leaver's education, training and employment outcomes continue to improve steadily, with more Care Leavers in education, training, or employment than in previous years. Hammersmith and Fulham performance remains stronger than Care Leavers nationally (which is 58% EET) and is a key priority for the Leaving Care Teams and the Virtual School. At 31st March 2018, 69% of care leavers were in education, employment, or training (these included young parents, those in psychiatric units). The number of Care Leavers attending university remains positive (32 during 2017-18 compared with 29 during 2016-17), is above the national average for those leaving care and reflects the work of professionals in raising the attainment and aspirations of pupils. This includes two Care Leavers that are currently attending Cambridge University and one Care Leaving achieving a 1st Class Honours in Engineering. Current degrees range from Medicine, Engineering, Law, HR, Pharmaceutical Science, English Literature, Natural Sciences and International Tourism.

- 13.3 There are continued challenges in reducing NEET levels for Care Leavers given their needs are often more complex than peers who have not experienced care. A number of Care Leavers are in custody including those that first entered care as a result of being remanded, a high number have complex mental health needs, a number of late entrants to care have a range of complex behavioural and emotional needs and have had a disrupted education, and there has been an increase in the number of former UASC Care Leavers who have experienced disrupted education or not had a formal education prior to entering the UK. The Virtual School and Leaving Care Teams are working together to tackle these issues and to improve our understanding of the needs of specific groups of Care Leavers.
- 13.4 At the end of March 2018, 86% of Care Leavers were in suitable accommodation, an increase from 77% at the same point in 2017. Of the 26 not in suitable accommodation 16 had disengaged from the service and 8 were in custody.
- 13.5 Since April 2017 Hammersmith and Fulham has been financially supporting Care Leavers who are liable to pay council tax charges until they reach 25 years. The Council was the first London authority to introduce and spearhead this change. Nationally thirty-five other local authorities have since introduced this exemption. Managing budgets can be very challenging for vulnerable young people adjusting to living independently. This exemption is intended to ensure that as they begin to manage their finances as young adults that the Council relieves some of this pressure and that they are given this additional help as they move from care to independence. The decision follows a report by the Children's Society, called "Wolf at the Door" which revealed that council tax debt can be a particularly frightening experience for Care Leavers. What can start out for many Care Leavers as falling slightly behind can very quickly escalate to a court summons and enforcement action being taken. This additional support will give our Care Leavers a helping hand in their first step towards independence, helping them to avoid debt as they learn to manage their finances.

14. KEY PRIORITIES FOR 2018 – 2019

14.1 Care Leavers Support

The Children and Social Work Act 2017 comes into effect in April 2018 and imposes new duties on local authorities. The key elements include:

- extending corporate parenting duties to Care Leavers up to 25 years irrespective of educational status, including the allocation of a Personal Advisor, which is Hammersmith and Fulham is a qualified social worker
- requiring local authorities to consult on and publish a local offer for Care Leavers. The local offer should provide information on all the services and support that are available to Care Leavers in the local area.
- introducing 7 Corporate Parenting principles that local authorities must adhere to, producing and advertising the local offer that outlines Care Leaver entitlements
- extending the advice and support provided by Virtual Schools for children previously looked after but now placed for adoption or under special guardianship orders.

These legislative changes have been introduced to take account that adults that have previously been in care are some of the most disadvantaged and vulnerable in society. Extending the duties and support to older care leavers seeks to take account of this and acknowledges that children raised within their families typically continue to seek parental advice and support for a number of years as they navigate early adulthood.

14.2 Develop an Enhanced Fostering Service

This programme will develop an enhanced, targeted, in-house fostering service that will support children and young people with more complex needs. This will include respite care, peer support for children and carers, out of hours' professional support, an enhanced training offer for carers and extended accommodation provision, and will reduce the need for residential placements

14.3 Improve Care Leavers Education, Employment, and Training

We want to improve on the availability, choice and promotion of good quality apprenticeships and employment for our Care Leavers. The Virtual School and Care Leavers Teams hold a monthly EET Panel to track and monitor EET performance and further identify the support needs for those that are NEET or at risk of becoming NEET. Support offered includes support with writing CVs, interview preparation, accompanying young people to interviews, publicising job vacancies on a weekly basis, providing drop in sessions with the post 16 EET Workers and individualised packages to support Care Leavers in accessing and sustaining employment and training. A key priority for the service is to develop partnerships with council colleagues and with businesses to create a wider range of ambitious, stimulating and rewarding apprenticeships and employment opportunities specifically for Care Leavers.

Current apprenticeships for Care Leavers include with Pret Manger, British Rail, Lloyds TSB, the NHS, Royal Mail, The Lyric and The Dorchester.


14.4 Support for UASC

In December 2018, 3 members of staff visited Greece, to assist in the training of country based NGO workers to support work with asylum seeking children. In December 2018 Hammersmith and Fulham made a further offer and commitment to caring for 10 children who are currently located in Greece. Planning is taking place with the Home Office around their transfer. Five of these will be additional and not counted towards our National Transfer Scheme number of 25 children, and 5 will be included in National Transfer scheme total number.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

None.

Agenda Item 5

<p>London Borough of Hammersmith & Fulham</p> <p>CHILDREN AND EDUCATION POLICY AND ACCOUNTABILITY COMMITTEE</p> <p>28 January 2019</p>	
<p>2019 MEDIUM TERM FINANCIAL STRATEGY</p>	
<p>Report of the Cabinet Member for Finance and Commercial Services – Councillor Max Schmid</p>	
<p>Open Report</p>	
<p>Classification: For review and comment Key Decision: No</p>	
<p>Wards Affected: All</p>	
<p>Accountable Director: Steve Miley - Director of Children's Services</p>	
<p>Report Authors: <u>Corporate Overview</u> Hitesh Jolapara – Strategic Director, Finance and Governance Emily Hill – Assistant Director, Corporate Finance</p> <p><u>Children's Services</u> Tony Burton – Head of Finance, Children's Services and Education</p>	<p>Contact Details: Tel: 020 8753 3145 E-mail: emily.hill@lbhf.gov.uk</p> <p>Tel: 020 8753 5405 E-mail: tony.burton@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. Cabinet will present their revenue budget and council tax proposals to Budget Council on 27th February 2019. A balanced budget will be set in accordance with the Local Government Finance Act 1992.
- 1.2. This report sets out the budget proposals for the services covered by this Policy and Accountability Committee (PAC). An update is also provided on any proposed changes in fees and charges.
- 1.3. The council is entering into the 10th year of government-imposed austerity. This year's reduction in government investment is £3.5m, meaning a total reduction of £73m (a real terms reduction of 59% from government).

- 1.4. Government resource assumptions, that are used to calculate Government grant for the London Borough of Hammersmith & Fulham (LBHF), model the Council increasing council tax by 3% in 2019/20. Council Tax has not increased in LBHF in recent years and was last reduced in 2015/16, bringing it to its lowest level since 2002/03. Over the last four years the Band D charge of £727.81 has reduced by 8.4% in real terms and is 34% lower than the London average of £1,112.
- 1.5. The government has modelled an adult social care precept since 2016/17. Government funding modelling assumes that this has been applied despite LBHF choosing not to apply it over recent budgets. Due to the continued high levels of inflation in the social care market and the Government's continued failure to propose a long-term funding solution to social care funding, for the first time the Council proposes to allow 2% of the government's adult social care levy for 2019/20. This compares to the 8% precept assumed, by the government, over the four years to 2019/20.
- 1.6. In accordance with the administration's policy of keeping the council tax low while protecting and improving services, the Council's budgeted council tax increase is restricted to an inflationary increase of 2.7%. This is pegged to the August 2018 increase in the Consumer Price Index and below the August Retail Price Index increase of 3.5%.

2. RECOMMENDATIONS

- 2.1. That the Committee considers the budget proposals and makes recommendations to Cabinet as appropriate.
- 2.2. That the Committee considers the proposed changes to fees and charges and makes any recommendations as appropriate.

3. THE BUDGET GAP

- 3.1. The 2018/19 gross General Fund budget¹ is £560m of which the **net budget requirement of £151.8m** is funded from council resources (such as council tax and business rates) and general government grant.

¹ Figures exclude capital charges and internal service level agreements. These have a net nil impact on the budget.

Table 1 - 2018/19 Budget requirement

Budgeted Expenditure	£'m
Housing Benefit Payments	145
Departmental Budgets	415
Gross Budgeted Expenditure	560
Less:	
Specific Government Grant (including housing benefits and dedicated schools grant)	(272)
Fees and charges	(65)
Contributions (e.g. health, other boroughs)	(49)
Other Income (e.g. investment interest, recharges to the Housing Revenue Account)	(22.2)
Net Budget Requirement	151.8

- 3.2. For 2019/20 the forecast budget gap, before savings, is £10.3m, rising to £48.6m by 2022/23. The budget is based on several key assumptions regarding resources and expenditure.

Table 2 - Budget Gap Before Savings

	2019/20	2020/21	2021/22	2022/23
	£'m	£'m	£'m	£'m
Base Budget	151.8	151.8	151.8	151.8
Add:				
- Cumulative Inflation (includes pay)	3.0	8.2	13.4	18.6
- Cumulative headroom	0.0	6.0	12.0	18.0
- Growth	10.8	10.7	10.4	10.4
Budgeted Expenditure	165.6	176.7	187.6	198.8
Less:				
- Government Resources	(15.2)	(10.4)	(9.9)	(9.4)
- Business Rates	(74.2)	(75.6)	(77.1)	(78.6)
- Forecast 2018/19 100% Business Rates Growth Pilot Surplus	(2.0)			
Council Tax & Collection Fund Surplus	(59.4)	(59.8)	(60.4)	(61.0)
Adult Social Care Precept	(1.2)	(1.2)	(1.2)	(1.2)
- Use of Developer Contributions	(3.3) *	(3.3) *	0.0	0.0
Budgeted Resources	(155.3)	(150.3)	(148.6)	(150.2)
Cumulative Budget Gap Before Savings	10.3	26.4	39.0	48.6

* The Base Budget also includes funding of £1.7m from developer contributions for enhanced policing.

Budget Assumptions

- 3.3. Grant funding has been cut in each year since 2010/11. The total reduction since April 2010 to April 2019 has been £73m. This is a cash terms reduction of 47% and real terms reduction of 59%. Funding is forecast to reduce by a further 5% per annum from 2020/21 onwards with no continuation of new one-off funding of £4m received in 2019/20.
- 3.4. **An adult social care precept** of 2% is modelled for 2019/20. This will generate additional income of £4.6m over 4 years and £1.15m in the first year. The Council is committed to use such funding to support adult social care. The 2019/20 budget proposals include provision of £4.1m for adult social care spend pressures and inflation. Part of these pressures will be met from increased better care funding grant of £1.8m and winter pressures grant of £0.9m.
- 3.5. **An inflationary Council Tax** increase of 2.7% is modelled for 2019/20. A 2.7% increase will generate additional income of £6.3m over 4 years and £1.56m in the first year. This will add £19.65 per annum (5.4p per day) to the Band D Council tax charge. Council tax will remain the third lowest in the country.
- 3.6. **The business rates system will change** for a third successive year. A rates revaluation in 2017/18 was followed by a pilot 100% rates retention scheme (for any growth in business) for London in 2018/19. Government has decided to reduce this to a 75% retention pilot in 2019/20.

Table 3 – Business Rates Retention Scheme

Business Rates Retained:	Proportion of Rates Income		
	2017/18	2018/19	2019/20
Hammersmith & Fulham	30%	67%	48%
Greater London Authority (GLA)	27%	33%	27%
Government	33%	0	25%
	100%	100%	100%

- 3.7. London Local Government worked to take forward a 100% business rates retention pilot for London from April 2018. This pools business rates across the 33 London Boroughs and GLA. Under this arrangement London keeps 100% of any growth in business rates, though business rates valuations and levels are still set by Government. Updated mid-year modelling identifies a one-off benefit to LBHF of £2.0m from the pool and this is included in 2019/20 forecast resources. Final figures will be confirmed in September 2019.
- 3.8. For 2019/20 the government has ended the 100% pilot. London Local Government has negotiated a new pilot, however the imposition by Central government of a 75% pilot will reduce the benefits to the London Boroughs and GLA. Indicative modelling suggests a one-off benefit for LBHF of £1.2m. This modelling is based on an aggregation of high level estimates and before Boroughs have submitted detailed 2019/20 figures. The actual benefit will

not be confirmed until September 2020. This sum is not taken account of within the 2019/20 budgeted resources.

- 3.9 Under the 75% pilot LBHF potentially receives a share of London’s future business growth. The pilot arrangements also require compensating adjustments in other funding streams.

Table 4: Changes to 2019/20 Funding Streams from the 75% Business Rates Pilot

	No-Pilot	With Pilot
Business Rates Baseline	76.9	123.0
Tariff payable to the Government	16.1	45.0
Funding Baseline	60.9	78.0
Revenue Support Grant	17.1	0
Total LBHF Funding	78.0	78.0
Safety net threshold	73.4	74.1

- 3.10 Table 4 sets out the sum assumed (£78.0m) by the Government in the 2019 Local Government Finance Settlement. In recent years the Council has received less than the assumed sum of business rates due to the impact of rating appeals. A safety net threshold is set which guarantees a minimum income to the Council. A further advantage of the pilot is that this threshold is set at a higher level (by £0.7m).
- 3.11 An updated forecast for business rates will be carried out by all boroughs in January 2019. This will provide greater clarity on the LBHF estimate and the potential benefits from the pilot pool arrangements.
- 3.12 The Government are undertaking a ‘fair funding’ review which will inform the 2020/21 Local Government Finance Settlement. This will impact on how grant and business rates are distributed between authorities. A Green paper is also due on the longer-term funding for adult social care. These changes, combined with current economic uncertainty, add significant risk to the funding forecast beyond 2019/20.
- 3.13 Planning obligations under s.106 of the Town and Country Planning Act 1990 (as amended), known as s.106 agreements, are a mechanism which make a development proposal acceptable in planning terms, that would not otherwise be acceptable. They are focused on site specific mitigation of the impact of development. Property developments have placed increased pressure on council services in recent years.
- 3.14 Legal tests governing the use of s.106 agreements are set out in regulation 122 and 123 of the CIL Regulations 2010 as amended. The tests are:
- Necessary to make the development acceptable in planning terms;

- Directly related to the development; and
- Fairly and reasonably related in scale and kind to the development.

3.15 Local planning authorities are required to use the funding in accordance with the terms of the individual planning obligation legal agreement. This will ensure new developments are acceptable; benefit local communities and support the provision of local infrastructure. In LBHF there are three broad categories of s.106 contributions received:

- for a specific purpose defined and described in the s106 agreement (such as specific highway works)
- for a general functional purpose defined and described in the s.106 agreement but with geographical constraints (such as provision of community infrastructure in the White City area)
- for a general purpose defined and described in the s.106 agreement but with no borough geographical constraints (such as economic development, education purposes, community safety initiatives etc).

3.16 Provided the Council respects the obligation to maintain a reasonable relationship with the developments and complies with the specific terms of each of the s.106 agreements giving rise to the funds, the Council has a degree of discretion as to how it allocates and spends some of the general purpose funds. The council has analysed all its s106 agreements to determine funds with general purposes that can be considered for budgeting purposes. As is usual in these circumstances, many areas of Council activity that have faced increased demand following new developments offer a good fit with the purposes of some of the uncommitted s.106 funds which can therefore be lawfully used to finance such activities.

3.17 The 2019/20 budget assumes that £3.3m of expenditure will be funded from s.106 resources. In addition, contributions of £1.7m per annum are assumed towards the provision of enhanced policing. The Council has considered the level of general purposes funds available and has forecast s.106 receipts in hand at the end of 2018/19 of £11m. After estimating future receipts and commitments, including 2019/20 budget commitments, £9.6m is forecast to be in hand at the end of 2019/20. The forecasts are based on assumptions around implementation and completion of planning applications, as approved, the expected time of developments commencing and reaching trigger points. Looking further ahead, the level of uncertainty around trigger points increases and forecasts are less certain.

3.18 **Inflation.** A pay award of 2% per annum has been modelled. Inflation has also been provided, on a case by case basis, to meet contractual requirements.

GROWTH, SAVINGS AND RISKS

4.1 The growth and savings proposals for the services covered by this PAC are set out in Appendix 1 with budget risks set out in Appendix 2.

Growth

4.2 Budget growth is summarised by Service Area in Table 5.

Table 5: 2019/20 Growth Proposals

Service Area	£'m
Children's Services	3.3
Growth & Place	0.1
Public Services Reform	2.6
Social Care	3.6
Council Wide	0.7
Zero Based Budgeting and Service Redesign	0.5
Total	10.8

Savings

4.3 The Council faces a continuing financial challenge due to overall Central Government funding cuts, unfunded burdens, inflation, and demand and growth pressures. The budget gap will increase in each of the next three years if no action is taken to reduce expenditure, generate more income through commercial revenue or continue to grow the number of dwellings and businesses in the borough.

4.4 To close the budget gap for 2019/20, savings (including additional income) of £10.3m are proposed.

Table 6: 2019/20 Savings and Additional Income

Service Area	£'m
Children's Services	(1.3)
Corporate Services	(0.3)
Finance & Governance	(1.6)
Growth & Place	(0.8)
Public Services Reform	(0.8)
Residents' Services	(2.4)
Social Care	(3.1)
Savings	(10.3)

4.5 The saving proposals are categorised by savings area in Table 7.

Table 7: Categorisation of Savings and Additional Income

	2018/19 £'m	2019/20 £'m
Business Intelligence	(0.4)	0.0
Budgets realigned with spend and income	(0.2)	(1.8)
Commercialisation	(3.4)	(0.5)
Estate Rationalisation	(0.1)	0.0
Income	(0.5)	(0.1)
Outside investment secured	(0.1)	0.0
Prevention	(1.6)	0.0
Procurement / Commissioning	(5.1)	(1.6)
Service reconfiguration	(3.1)	(4.1)
Staffing / Productivity	(0.9)	(2.2)
Total All Savings	(15.4)	(10.3)

Budget Risk and Reserves

- 4.6 The Council's General Fund gross budget is £560m. Within a budget of this magnitude there are inevitably areas of risk and uncertainty particularly within the current challenging financial environment. The key financial risks that face the Council have been identified and quantified. They total £26m. Financial risks of £19.5m were identified when the 2018/19 Budget was set.
- 4.7 The level of balances and reserves are examined each year in light of the medium-term opportunities and risks facing the authority. The latest reserves forecast to 2021/22 assuming no overspends is set out in Table 8.

Table 8: Reserves Forecast to 2021/22

	Opening balance £m	Budgeted contributions to 2021/22 £m	Commitments to 2021/22 £m	Total £m
Earmarked reserves	(79.146)	(7.691)	50.267	(36.570)
King Street Decant Costs				27.300
Estimated profit from JV				(11.100)
Forecast earmarked reserves				(20.370)
General balances				(19.004)
Earmarked restricted reserves				(15.583)
Total reserves				(54.957)

4.8 The existing commitments include:

- The planned investment of earmarked reserves on council priorities (for example implementing the IT strategy, incentive payments to landlords or managed services implementation).
- Prudently setting aside amounts to protect against budgetary risks such as the £14m regarding the forecast shortfall in Dedicated Schools Grant for the **High Needs Block**.
- The existing commitments include £5.4m of planned invest to save investment. The Council is considering capitalising such expenditure in accordance with a Government Regulation on the flexible use of capital receipts. Should such expenditure be capitalised the forecast balance of reserves will increase.

4.9 Funding for pupils with **high needs** is provided through Dedicated Schools Grant from government. A recent children's services finance survey showed that London boroughs were spending £78m more than their high needs grant allocation, with 32 out of 33 boroughs reporting a shortfall. For LBHF the cumulative shortfall in funding is forecast to be £14.2m by the close of 2018/19. The Council is developing options for a deficit recovery plan and has contacted the government to discuss funding levels. It is also discussing how this should be treated on the Council's Balance sheet following a consultation by the Education Funding Agency. Pending further clarification, the Council has set aside a reserve to cover the potential deficit.

4.10 Looking to the future an anticipated use of reserves is a planned investment of £27.3m in the King Street West Regeneration project with a forecast profit of £11.1m coming back to the Council from the proposed Joint Venture profits. This scheme will be considered at Full Council on 23 January 2019. The Council will benefit from efficiencies in delivering modern, inclusively designed and fit-for-purpose office and civic accommodation for its staff and visitors, as well as for small and start-up businesses. It also avoids the need for significant capital investment in the existing Town Hall and Town Hall Extension, which in 2017 was estimated at between £29.2 million and £53.5 million for both buildings, depending on the extent of refurbishment works undertaken. These figures exclude professional fees (estimated to be at least £2million to tender stage) and the cost of decanting staff to allow works to take place.

4.11 Maintaining reserves and balances at an adequate level is essential to the future financial resilience of the Council. For example, an overspend of £4.9m is forecast in the month 6 Corporate Revenue Monitor. This will be a further call on reserves unless the overspend is tackled by year-end.

4.12 Reserves can only be spent once. The forecast to 2021/22 identifies a tightening in the Council's finances that will need careful management and review. Continued focus will be required on keeping spend within budget and avoiding the use reserves to balance future budgets and rebuilding reserves for future investments.

5 FEES AND CHARGES

- 5.1 The budget strategy assumes:
- Social Care charges frozen
 - A standard uplift of 3.5% based on the August 2018 Retail Price Index for other charges
 - Case by case review for commercial services that are charged on a for-profit basis. These will be varied up and down in response to market conditions, with relevant Member approval.
- 5.2 The exceptions for this Committee are attached in Appendix 4.

6 2019/20 COUNCIL TAX LEVELS

- 6.1 The administration proposes to increase the Hammersmith and Fulham element of 2019/20 Council Tax in line with inflation, by 2.7%. A 2.7% increase will generate additional income of £6.3m over 4 years and annual income of £1.56m and will add £19.65 per annum (5.4p per day) to the Band D Council tax charge. As set out below, 52% of dwellings are liable for 100% council tax with exemptions/discounts for Council Tax Support claimants, students, care leavers and single person households.

Table 9: Liability for Council Tax

Total dwellings in the borough	88,700
Reductions:	
Exemptions (mainly students, includes care leavers)	(3,600)
Council tax support claimants (elderly & working age on low income)	(11,200)
Single person discount (25% discount)	(28,200)
Dwellings liable for 100% of Council tax	45,700 52%

- 6.2 **An adult social care precept** levy of 2% is budgeted for 2019/20 with a freeze in future years. This will generate additional income of £4.6m over 4 years and £1.15m in 2019/20. This will increase the Band D Council Tax charge by £14.55 (4p per day).
- 6.3 The Mayor of London's draft budget is currently out for consultation and is due to be presented to the London Assembly on 24 January 2019, with final confirmation of precepts on 25 February. The current Band D precept is £294.23.
- 6.4 The change to the LBHF Band D charge is set out in Table 10. The current LBHF Band D charge of £727.81 is 34% lower than the London average of

£1,112. The overall Band D charge, including the GLA precept, is the third lowest in the country.

Table 10: LBHF Band D Council Tax Charge

2018/19 LBHF Band D charge	£727.81
Proposed 2019/20 Increase of 2.7%	£19.65
Proposed 2% Adult Social Care precept	£14.55
2019/20 Total LBHF Band D charge	£762.01

7 Comments of the Director for Children’s Services on the Budget Proposals

- 7.1 Over recent years the Children’s Services department has experienced increasing demand for its services which has put significant strain on the limited resources available. Referrals and placements of looked after children and care leavers have increased along with significant rises in the demand and statutory responsibilities for young people with special education needs (SEN). The 2019/20 budget seeks to fund these additional pressures enabling a high-quality service to be maintained whilst also contributing to the requirement for efficiencies in a way that protects young people and improves outcomes.
- 7.2 The department’s approach to identifying potential savings has been consistent with the vision for Children’s Services which is:

‘To improve the lives and life chances of our children and young people; intervene early to give the best start in life and promote wellbeing; ensure children and young people are protected from harm; and that all children have access to an excellent education and achieve their potential. All of this will be done whilst reducing costs and improving service effectiveness.’

This has been key to developing a number of lines of enquiry that seeks to protect services to the most vulnerable members of the community within the statutory provisions required of the department.

The department seeks to do this through an innovative approach to service delivery that will seek to work with current service providers and groups in the community, to restructure how we deliver services, but protecting and improving services for families.

Table 11 – Children’s Services key budget changes

Directorate	2019-20 Growth £'s	2019-20 Savings £'s	Contract inflation £'s	Staffing Inflation £'s
Assets, Operations & Planning	0	0	1,700	6,600
Education	0	0	0	29,300
Family Services	3,244,000	(1,003,000)	390,200	501,100
School Funding	0	0	0	0
Special Educational Needs and Disabilities	16,000	(260,000)	181,700	239,000
Grand Total	3,260,000	(1,263,000)	573,600	776,000

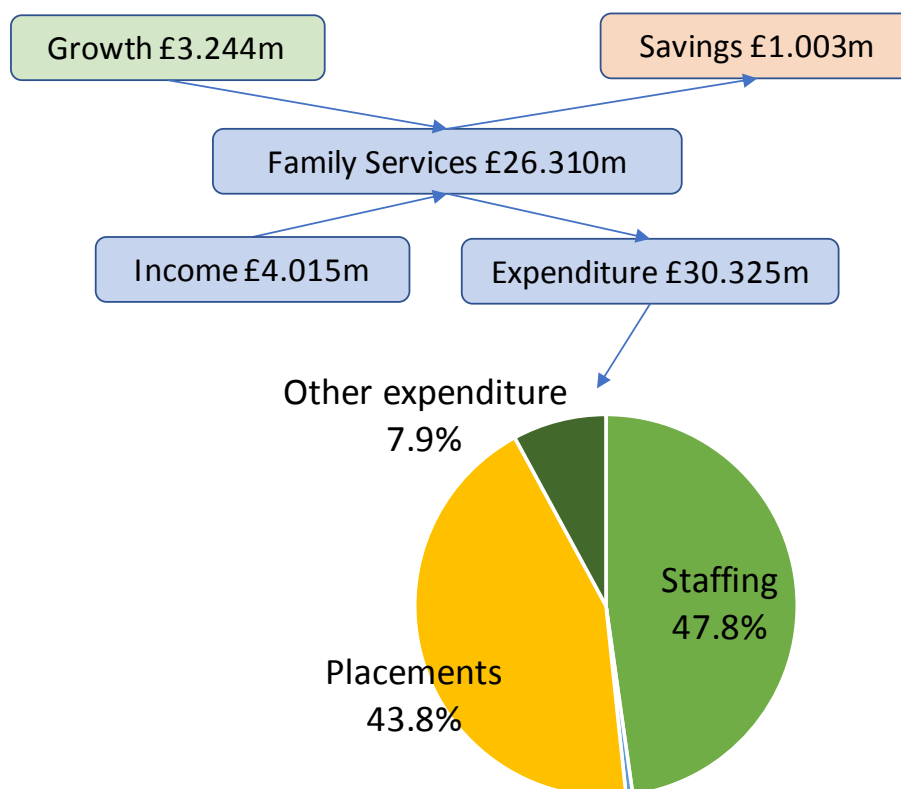
7.3 The department’s proposed net expenditure budget for 2019/20 is £43.805m. Within this sum are a number of areas over which the department has no control. These are defined as indirect expenditure and include contributions to corporate services and capital charges. In total these add up to £9.816m. This means that the net direct expenditure that the department is in control of is £33.989m. The table below sets out how expenditure is incurred across the various directorates within the department showing that the majority of expenditure is on Family Services, £26.310m (77%) of net controllable expenditure.

Table 12 – Children’s Services 2019-20 Controllable budget

Directorate	2019-20 Net Controllable Budget £'s
Assets, Operations & Planning	288,400
Education	716,000
Family Services	26,309,900
School Funding	0
Special Educational Needs and Disabilities	6,674,300
Grand Total	33,988,600

7.4 Family Services social care spend is primarily made up of staffing and placement costs. Increasing caseloads and complexity of cases have led to pressures over recent years. The 2019-20 budget seeks to address these pressures with growth in areas where they cannot be mitigated and where additional resource can prevent future spend and escalation of costs. Savings plans are also targeted here where the majority of controllable general fund budget is held. The savings put forward attempt to reduce cost and at the same time have a positive or neutral impact on service users.

Table 13 – Family Services controllable budget, key budget changes and expenditure types



- 7.5 Assets, Operations and Planning is responsible for ensuring the Council meets its statutory duty to ensure there are a sufficient number of school places across the borough, tackling the challenge of modernising and improving the school estate through major regeneration programmes as well as coordinating projects across the department. The budget of £0.288m includes DSG funded spend on school assets as well as staffing delivering these services. The 2019-20 budget proposes no significant changes in this area.
- 7.6 The Education directorate provides intensive support for schools requiring improvement, co-ordination of all primary moderation for Key Stage 2 and admissions, attendance and child employment services. The budget of £0.716m is predominantly the general fund contribution to staff delivering School Effectiveness services, governors support and Education Partnership services. Within education there is also the function to ensure the DSG income is fairly allocated to schools and retained services through support from the embedded finance service. The 2019-20 budget proposes no significant changes in this area.
- 7.7 The Special Education Needs and Disabilities (SEND) directorate provides services for 0-25 year olds with special educational needs or disabilities. A number of its services are fully or part funded by the Dedicated Schools Grant (DSG). The net general fund budget of £6.674m includes £2.824m on travel

care and support. The £0.260m savings are targeted here and are to be delivered through contract efficiencies and independent travel training which enable the current service offer and standards to be maintained. Short breaks and resources including care packages for disabled children, the Stephen Wiltshire Centre and the Haven account for £3.199m of the budget. Other than inflation no changes are proposed here.

7.8 Savings totalling £1.263m have been identified for 2019/20 and are set out in Appendix 1.

7.9 The savings proposals for Children's Services will seek not only to protect front-line services and to continue to offer a service appropriate to local need, but to improve our offer to residents facing difficult circumstances such as poverty and higher levels of need. The proposals will seek cost reductions through reduced spending on costly external placements by enhancing or expanding in-house provision.

7.10 At the core of all savings proposals will be services that strengthen families and help parents care for their children; whilst steadfastly remaining vigilant with regards to our duty of safeguarding vulnerable children and young people; taking decisive action to protect those that need it.

7.11 Appendix 1 also details £3.260m growth in 2019/20 for Children's Services. Growth is targeted at the budget pressures experienced in 2018-19 in social care placements and the increases in demand faced by the service.

8 Equality Implications

8.1 A draft Equality Impact Analysis (EIA), which assesses the impacts on equality of the main items in the budget proposals relevant to this PAC, is attached as Appendix 3. A final EIA will be reported to Budget Council.

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

None.

Appendices

Appendix 1 – Savings and Growth Proposals

Appendix 2 – Risks

Appendix 3 – Draft Equality Impact Analysis

Appendix 4 – Fees & Charges not Increasing at the Standard Rate

Children's Services

Financial Strategy Growth			Budget Change			
Service	Description		2019-20 Budget Change Cumulative (£000's)	2020-21 Budget Change Cumulative (£000's)	2021-22 Budget Change Cumulative (£000's)	2022-23 Budget Change Cumulative (£000's)
	Looked After Children and Care Leavers Growth Pressure		2,050	2,050	2,050	2,050
	DUBs Cases Growth Pressure		232	232	232	232
	Ongoing investment in teams working to prevent escalation of cases through early intervention		612	612	612	612
	Family Support and Child Protection - new team		350	350	350	350
	Disabled Children direct payments London Living Wage growth		16	16	16	16
Total Growth			3,260	3,260	3,260	3,260

Financial Strategy Savings			Budget Change			
Service	Description (max 15 words)	Delivery Risk (H-M-L)	2019-20 Budget Change Cumulative (£000's)	2020-21 Budget Change Cumulative (£000's)	2021-22 Budget Change Cumulative (£000's)	2022-23 Budget Change Cumulative (£000's)
Savings						
Children's Services	Increased and earlier provision of Housing for Care Leavers	Medium	(159)	(318)	(382)	(382)
Children's Services	Working with users of the travel service to promote independent travel training. Making sure all of our routes are well planned and efficient. Savings from the Crown Commercial Tickets Contract. Working with Adults Social Care to better plan arrangements for 19+	Medium	(95)	(95)	(95)	(95)
Children's Services	More users receive support and Independent Taxi Travel Training. The contract for travel to Jack Tizard school is renegotiated Effective preparation for adulthood pathways delivered by SEND service reducing demand for post 19 travel care support.	High	(165)	(165)	(165)	(165)
Children's Services	Improving the way we organise and manage spending on providing escorts, to support children travelling to contact meetings/appointments that are part of their care plan.	Low	(40)	(40)	(40)	(40)
Children's Services	Giving children the security of a Special Guardianship order where they are long term placed with foster carers, reduced Agency costs.	Low	(105)	(205)	(205)	(205)
Children's Services	Enhanced placement Oversight & Management ,	Medium	(50)	(50)	(50)	(50)
Children's Services	Building a new improved approach/service for adolescents through relationship building, tackling knives, gang and youth violence	Medium	(50)	(50)	(50)	(50)
Children's Services/Corporate Finance	Better finance information to managers through Finance dashboards and business intelligence	Low	Will support overall budget management	Will support overall budget management	Will support overall budget management	Will support overall budget management
Children's Services	Enhanced Fostering/secure base - Developing a scheme for the most experienced foster carers with high support from the LA to take children with higher needs currently in residential care.	Medium	(599)	(599)	(599)	(599)
Total Savings			(1,263)	(1,522)	(1,586)	(1,586)

Children's Services Risk/Challenges

Department & Division	Short Description of Risk	Risk				Mitigation
		2019/20 Value (£000's)	2020/21 Value (£000's)	2021/22 Value (£000's)	2022/23 Value (£000's)	
Children's Services						
Looked After Children placements	New high cost placements. Cases have occurred in 2018-19 with annual costs of up to £0.345m. In 2018-19 the top 20 placements are expected to account for 27% of the total placements spend. Contingency is built into the budget for placements growth in line with 2018-19 and 2017-18, however additional high cost placements above this are a significant risk.	500	500	500	500	Growth of £2.050m in the 2019/20 MTFS for Looked After Children and Leaving Care pressures. Investment of £0.650m in a Diversionary Team to prevent further escalation in LAC costs
Children with disabilities	New high cost placements. Individual costs are high with the most expensive package in 2018-19 forecast to cost £437k with 50% funded by health. A new placement at this level is a significant risk.	200	200	200	200	
High Needs Block and Schools Grant funding pressure	Due to the current commitments to children, it will be a significant challenge to meet children's needs within the budget envelope defined by Central Government. There is a high risk that the whole systems review of SEND will have significant lead in times resulting in a financial risk that expenditure will exceed central government funding over the medium term. The risk may be compounded by further unfunded demand growth in Education & Health Care Plans and SEN Support.	4,500	4,500	4,500	4,500	
Early Years Dedicated Schools Grant Funded Expenditure	There is a risk for 2019/20 with respect to the Early Years National Funding Formula. A change in the NFF requires all LAs to passport funding via the Early Years Dedicated Schools Grant (EY DSG) to all providers based on a participation (activity model) with standard unit rates. This will have an adverse financial impact on the budgets of Schools in LBHF who have benefitted from protected payments via lump sum payments until 2018/19. There is a particular risk around the provision for vulnerable children subject to a child in need and child protection assessment and how this can continue to be funded from Early Years DSG in line with government regulations.	500	500	500	500	
Children's Services Total		5,700	5,700	5,700	5,700	

DRAFT Equality Impact Analysis (EIA) of main budget proposals for Children's Services

1. General Fund Savings Proposals - £1,263k in 2019/20

	Ref No.	Description	2019/20 saving (£'000s)
Savings	CHS1	Increased and earlier provision of housing for care leavers	159
Savings	CHS4A	Travel Care & Independence Solutions - Productivity	95
Savings	CHS4B	Travel Care Contracts and Pathways	165
Savings	CHS5	Efficiencies in use of Escorts and Support Staff	40
Savings	CHS6	Fostering Agency / Inhouse placements to Special Guardianship orders	105
Savings	CHS7	Enhanced placement oversight and management	50
Savings	CHS8	New Approach/Service for Adolescents	50
Savings	CHS10	Enhanced Fostering/secure base	599

CHS 1 – Increased and earlier provision of housing for care leavers

This proposal is to improve and create a range of flexible housing and support solutions for Looked after children (aged 16+) and care leavers with low to medium needs and risks. The proposal aims to increase flexibility and sufficiency of the supply of accommodation for this co-hort.

The plan is to provide an increased and improved range of services to ensure that the young people have the right housing option available for them and to support them to move towards sustainable independence. This should positively impact those with key protected characteristics benefiting from the service including marginalised and stigmatised young people with complex needs and disabilities.

CHS 4.A - Travel Care & Independence Solutions - Productivity - Working with users of the travel service to promote independent travel training. Making sure all of our routes are well planned and efficient. Savings from the Crown Commercial Tickets Contract. Working with Adults Social Care to better plan arrangements for 19+

Travel Care Service Area Engagement / Surgeries

The proposal is likely to have a neutral impact on SEN transport users. It is aimed to ensure efficiency in contract management and procurement arrangements only and we would continue to work with our current range of providers. There would be no impact on the quality of services provided to service user

Adopting Crown Commercial Contract for Train, Flight & Accommodation bookings

The proposal is likely to have a neutral impact on SEN transport users. It is aimed to ensure efficiency in contract management and procurement arrangements only, with an expectation that the service specification would remain even if provision moves to a different provider. There would be no impact on the quality of services provided to service users.

ASC / SEN Co-working

The proposal is likely to have a neutral impact on SEN users. It is aimed at identifying those instances where passenger assistance services can be safely combined, to achieve efficiency in the use of resources, but with no impact on the safety or quality of services provided to service users.

CCG contribution towards medically related needs

The proposal is likely to have a neutral impact on SEN users as it is aimed at ensuring fair and equitable cost sharing arrangements are in place between responsible bodies in health and the public sector and it will not impact on service delivery.

Annual review of Travel Care Plans and Route Reviews

The proposal is likely to have a neutral impact on SEN users where the review shows that the current level of provision is suitable to the need of the service user. For those that may not already have suitable provision the proposal should have a positive impact as their needs will be reviewed and met. Overall it is expected to provide positive outcomes through being responsive and pro-active in identifying changing levels of needs and adjusting services to match these needs.

CHS 4.B Travel Care Contracts and Pathways - More users receive support and Independent Taxi Travel Training. The contract for travel to Jack Tizard school is renegotiated. Effective preparation for adulthood pathways delivered by SEND service reducing demand for post 19 travel care support. (3 year lead in)

Support to SEN and Local Offer team to promote and implement independent travel training

The proposal is likely to have a positive impact on service users who participate as it will promote safety awareness skills and will help move them to greater independence and could, for some users, provide greater flexibility in when they travel as opposed to waiting for transport to arrive at home.

Independent Taxi Training

The proposal is likely to have a positive impact on service users who rely on transport by taxi due to distances they have to travel from home to school. It will

promote safety awareness skills and greater flexibility as they move towards greater independence.

Negotiation of the Jack Tizard transport contract with CT Plus

The proposal is likely to have a neutral impact on SEN transport users. It is aimed to ensure efficiency in contract management and procurement arrangements only, with an expectation that the service specification would remain unchanged even if provision moves to a different provider. There would be no impact on the quality of services provided to service users.

Adulthood Pathways

The proposal is likely to have a positive impact by providing a wider range of alternatives to post 19 year olds, other than formal education provision due to improved preparation of pupils for greater independence in adulthood.

CHS 5 – Efficiencies in use of Escorts and Support Staff - Improving the way we organise and manage spending on providing escorts, to support children travelling to contact meetings/appointments that are part of their care plan.

This proposal is to review the way that the provision of escorts to support children travelling to contact meetings and appointments is managed. This is currently organised on an ad-hoc basis using sessional family support staff.

The proposal will have a neutral impact on young people with protected characteristics. It is not to change the service being delivered but the way it's being delivered by looking at more cost-efficient delivery models.

CHS 6 – Fostering Agency / Inhouse placements to Special Guardianship orders - Giving children the security of a Special Guardianship order where they are long term placed with foster carers, thereby reducing agency costs.

This proposal is to encourage families who are caring for children in care long term to apply for a Special Guardianship Order under the Children Act 1989. This confers parental responsibility for the child to the carers and achieves legal permanency status for the young person concerned. The young person is no longer categorised as a Looked After Child and is no longer in the care of the Local Authority but the Local Authority commits to providing ongoing post order support to the carers and paying them a special guardianship allowance. There are benefits to the child of no longer being in care and there are cost benefits to the Local Authority as they will no longer be paying fees to an Independent Fostering Agency

The proposal will have a positive impact on young people as the young person would be fully absorbed into their families and not stigmatised by remaining a child in care. A special guardianship order provides greater security for the young person and normalises their family experience and is only granted if it is agreed by the carers, the child (if applicable) and the Local Authority as being in the child's best interests.

CHS 7 – Enhanced placement oversight and management

This proposal is to improve day to day management and financial oversight of children's placements by enhancing management oversight by regular panels and placement model tracking.

The proposal will have a neutral impact on young people with protected characteristics. It will act as a trigger to ensure that management are satisfied that young people are in the most appropriate placement based on the balance of cost and need without impacting on individual children's care plans and safeguarding considerations.

CHS8 – Building a new improved approach/service for adolescents through relationship building, tackling knives, gang and youth violence

This proposal aims to improve how services are provided to adolescents with the aim to develop a one team approach to build relationships with young people who do not respond positively to a traditional social work model.

The proposal includes improving services for young people with key protected characteristics. These include young people at risk of child sexual exploitation, being involved in gangs, low self-esteem and mental health, offending behaviour, substance mis-use and going missing. The proposal aims to improve outcomes for these young people by reducing those entering the criminal justice system, reducing being placed into care and reducing the number of young people not in education, employment, or training.

CHS 10 – Enhanced Fostering/secure base - Developing a scheme for the most experienced foster carers with high support from the LA to take children with higher needs currently in residential care

This proposal aims to select a pool of approximately 5 in-house foster carers to undertake a bespoke training package designed and facilitated within the current Fostering service and aligned to the Secure Base model of care. On completion of the training, a sample of children currently placed within high-cost residential units will be carefully identified to return to in-borough placements with carers that have undertaken the secure base training model.

The proposal aims to improve services for young people with key protected characteristics. The Secure Base Model provides a framework for caregivers and for those who support them to think in more detail about the different but connected caregiving approaches that can help a child to move towards greater security. It is a positive, strengths based approach that focuses on the interaction between the caregiver and the child, but also considers how that relationship can enable the child to develop competence in the outside world and manage often complex relationships with birth family members.

2. General Fund Growth Proposals - Total £3,260k in 2019/20

	Ref No.	2019/20 Growth £000s	Description
Growth	CHSG1	2,050	Looked After Children and Care Leavers growth pressure
Growth	CHSG2	232	Dubs cases growth pressure
Growth	CHSG3	612	Maintaining diversionary teams to prevent further escalation in LAC placements
Growth	CHSG4	350	Family Support and Child Protection – Demand led additional team
Growth	CHSG5	16	Direct Payment Minimum Wage

CHSG 1 – Looked After Children and Care Leavers demand led pressure

The growth request to align budget with the cost of the current cohort of Looked After children and Care Leavers would ensure resource provision against which savings initiatives with respect to placement expenditure could be delivered. The proposal would have a neutral impact on children in supported placements.

CHSG 2 – DUBs placements pressure

The growth request to align budget with the actual net cost commitment of children looked after as a result of the DUBs scheme. The proposal would have a neutral impact on children in supported placements.

CHSG 3 - Maintaining diversionary teams to prevent further escalation in LAC placements

This proposal aims to maintain the LAC and Family Assist teams. These teams have been in place for 2 years.

The teams currently work with young people with key protected characteristics, this proposal has either a neutral or positive impact by ensuring that the quality and timeliness of interventions are minimising any adverse effect on disrupting family lives of already disadvantaged and vulnerable residents.

The Family Assist team offer intensive time limited support for adolescents that are at high risk of becoming looked after. The service work intensively with young people who would otherwise have been in care or returning from a short period in care sustaining them within their families and community.

The LAC Assist team works intensively with children and young people who are in care in higher cost placements where there are opportunities to step them down to lower cost provision, return them home or stabilise a placement.

CHSG4 - Family Support and Child Protection – Demand led Additional Team

This proposal is to maintain the 5th team within FSCP. This team has been created based on pressure due to increasing caseloads and referrals for child protection

cases and the need to allocate cases based on complexity to the most appropriately qualified social workers.

This proposal covers young people who cover a range of protected characteristics. This 5th team enables earlier intervention to be maintained ensuring the best outcome for families and prevention of entering care where appropriate.

CHSG5 – Direct Payment Minimum Wage

This proposal does not involve a service change but ensures that direct payments allow for minimum wage legislation.

DRAFT

Children's Services Fees & Charges Exceptions

Fee Description	2018/19 Charge (£)	2019/20 Charge (£)	Proposed Variation (%)	Reason For Variation Not At Standard Rate
School Meal Fees				
School Meals- Primary (Pupils)	£1.80		⇒ 0.0%	
School Meals- Secondary (Pupils)	£1.90		⇒ 0.0%	
School Meals- Primary (Adults)	£3.15		⇒ 0.0%	
School Meals- Secondary (Adults)	£3.15		⇒ 0.0%	
Professional Development Centre				
Education Staff				Review indicates that an increase could make the hire of rooms at the professional development Centre (Lilla Husset) uncompetitive. The review is expected to conclude in the new year.
Meeting Room	£80.00	£80.00	⇒ 0.0%	
Boardroom	£165.00	£165.00	⇒ 0.0%	
Training Suite	£195.00	£195.00	⇒ 0.0%	
Conference Room	£245.00	£245.00	⇒ 0.0%	
LBHF EX EDU				
Meeting Room	£110.00	£110.00	⇒ 0.0%	
Boardroom	£220.00	£220.00	⇒ 0.0%	
Training Suite	£245.00	£245.00	⇒ 0.0%	
Conference Room	£300.00	£300.00	⇒ 0.0%	
External Users				
Meeting Room	£100.00	£100.00	⇒ 0.0%	
Boardroom	£250.00	£250.00	⇒ 0.0%	
Training Suite	£375.00	£375.00	⇒ 0.0%	
Conference Room	£400.00		⇒ 0.0%	