

The Highland Council Redesign Board Workshop

14 February 2017

Agenda Item	
Report No	

Council Redesign: Children's Services

Report by Review Team Leader

Summary

This report provides a final report from the Council Redesign team which was tasked to examine Children's Services. It provides information on the service and specific recommendations on further work that could achieve savings and improvements in future service delivery and outcomes for children.

1. Background

- 1.1 Two functions were identified for review: looked after children and children in residential care. Looked After Children encompasses all placement types: residential care; fostering; adoption; kinship and looked after at home. The council is responsible for these functions although a range of partner agencies have some Corporate Parenting responsibilities.
- 1.2 Looked after children (LAC)
This function involves the planning, intervention and support for looked after children and aftercare services for formerly looked after children. This is a statutory, regulated function with little discretion for the Council as standards are set nationally in regulation and with consequences on the size of expenditure.
- 1.3 Residential care
This function relates to our duty to provide appropriate accommodation for looked after children. It involves in-house and commissioned places for looked after children, and the coordination of placements. This is a statutory, regulated function but with discretion for Council in relation to the type of accommodation used. The main legislation is contained in the Children (Scotland) Act 1995; the Regulation of Care (Scotland) Act 2001; and the Children and Young People (Scotland) Act 2014. Placement services are regulated and inspected by the Care Inspectorate regardless of the provider.
- 1.4 Under the Children and Young People (Scotland) Act 2014 young people in residential, foster or kinship care are entitled to remain looked after until the age of 21, under certain circumstances. Previously the duty ended at age 18. The Act has also increased the duty on councils to assess and meet the needs of young people in Through and Aftercare until the age of 26. This has financial implications for the Council as young people are entitled to remain in

accommodation for longer. Limited additional funding has been provided by the Scottish Government to meet the enhanced duties.

- 1.5 Within the Council Redesign programme there were a further four children's services identified for review at a later stage: fostering and adoption, commissioned preventative services, child protection and allied health professionals. Although not examined in detail as part of this review the Review Team identified links between these services and the functions we were examining, and some of the recommendations contained in this review involve these related functions.
- 1.6 This report provides details of the review. A set of specific recommendations is contained in **Appendix 1**.

2. Routes in to the Service

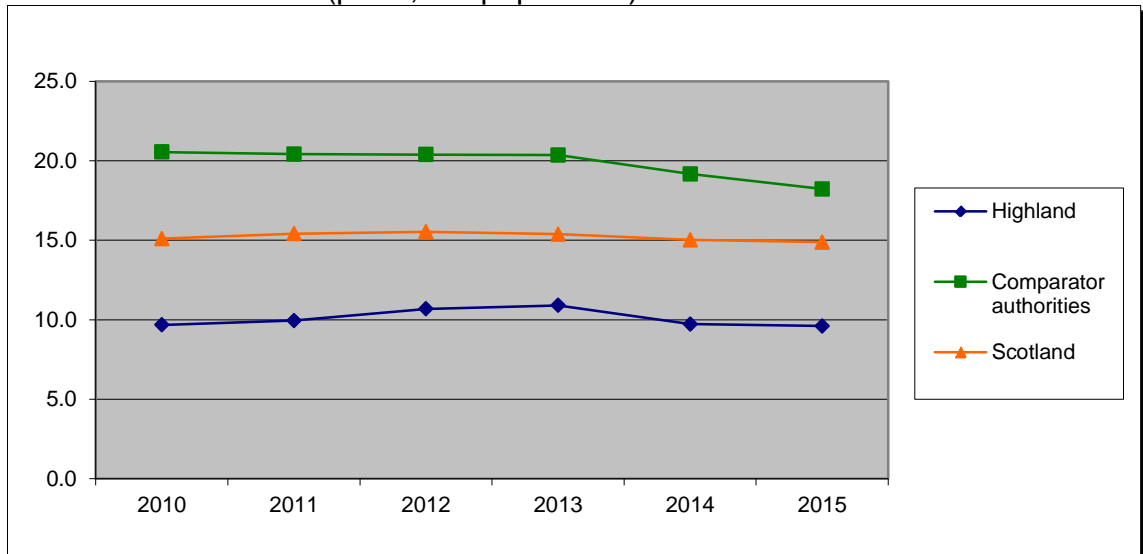
- 2.1 The "route in" to services for Looked After Children will always be via social work intervention, often due to child protection concerns, and frequently through the Children's Hearing system in circumstances where children are not receiving proper care.
- 2.2 Many of the children involved in the service have experienced intergenerational disadvantage and their parents have commonly displayed mental health issues, undiagnosed learning difficulties, and / or have a background of domestic violence or drug and alcohol misuse.
- 2.3 The majority of referrals to the Children's Reporter are on care and protection grounds, with a smaller proportion a result of criminal offences committed by children. A children's hearing can decide that compulsory measures of supervision are needed to help the child. This will have conditions attached which can include where the child or young person is to live.
- 2.4 A children's hearing can also decide when they think a young person should be placed in secure accommodation. The Council is responsible for making sure that what is stated in the compulsory supervision order is happening, and that the young person is getting the help that they need.
- 2.5 Where young people need to be placed in accommodation the options available are:
 - Kinship care
 - Fostering and Adoption
 - Residential: In house or from another provider
- 2.6 The current residential options used by the Council are set out in **Appendix 2**.

3 Context /Statistical Information

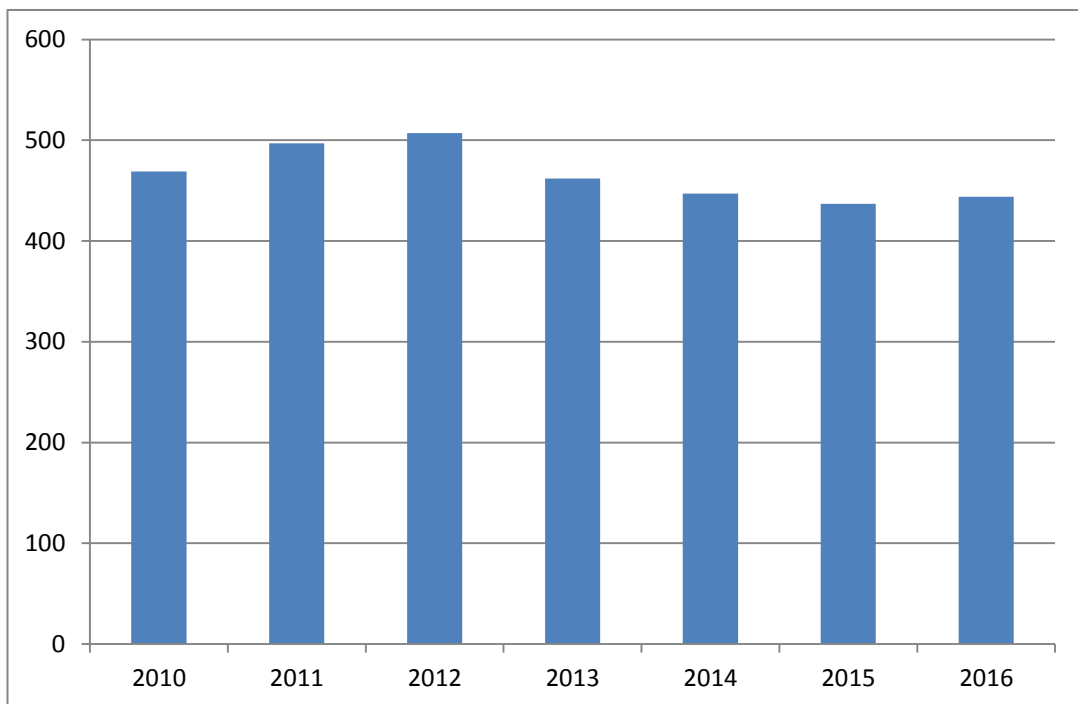
- 3.1 Highland has a lower rate of Looked After Children (per 1,000 population) than Scotland as a whole and of comparable Council areas. The figures have been

relatively stable over the last 5 years.

Looked After Children (per 1,000 population)



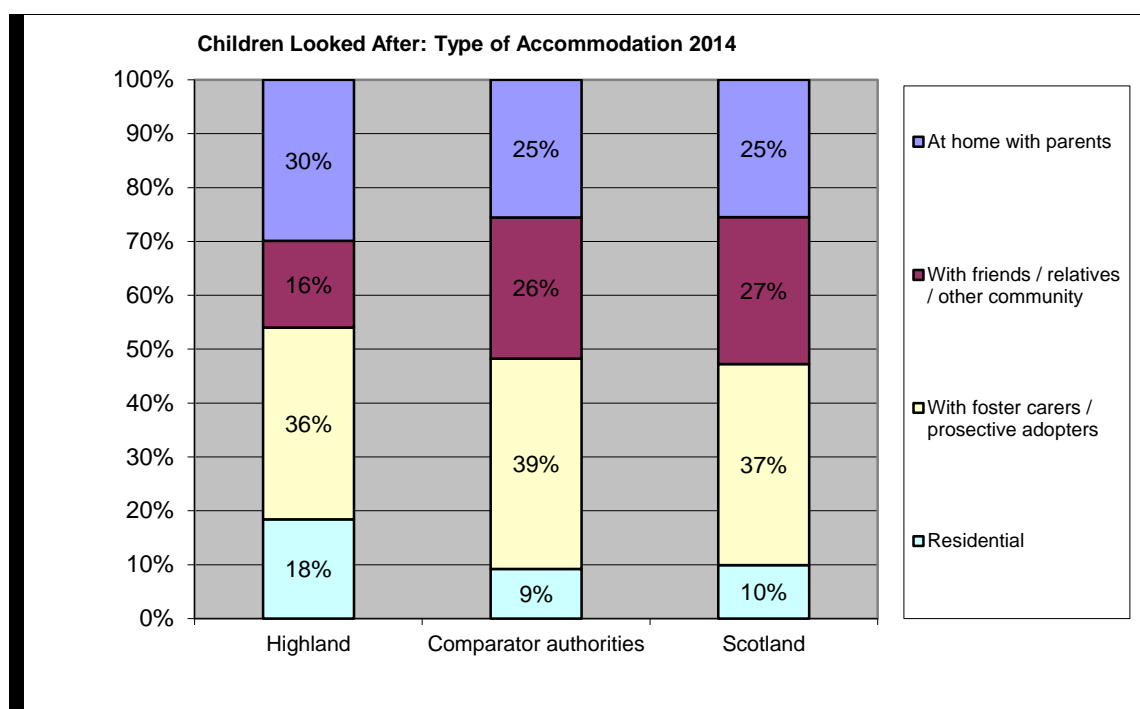
3.2 As shown in the table below the actual numbers of looked after children in Highland is relatively stable.



3.3 There are a range of types of accommodation used by Looked After Children. It is important to note that this accommodation is effectively the child's home and in assessing what is the best form of accommodation the 2 main factors to consider should be (in order of preference):

1. likely outcome for the child; and,
2. cost to the Council.

3.4 There are differences in the types of accommodation occupied by these children in Highland compared to Scotland as a whole is shown below:



3.5 This shows a different profile of accommodation in Highland compared to Scotland as a whole. In Highland there are a greater proportion of children accommodated at home, but fewer in “kinship” care. Where a child is able to remain with their family, research has shown that placements are likely to be stable, however some outcomes are less positive, including educational outcomes. There are no placement costs for a child living with parents but kinship carer receive allowances comparable to foster carers, The combined total of these 2 categories is 45% compared to 52% nationally. There are similar proportions in foster care, which again is relatively effective in terms of “quality” and cost. There are foster carers commissioned directly by Highland Council and a small number of placements accessed from independent fostering agencies, for which there are higher fees, although these are still significantly less costly than residential care. Highland has a higher proportion of children in residential accommodation, which is the least favourable in terms of cost to the Council and variable in terms of outcomes for children.

3.6 The proportion of young children living in residential accommodation has been stable over the last 5 years though there has been a reduction of purchased placements from 67 in Jan 2015 to 52 in Dec 2016 and the proportion of young people accommodated out with Highland has reduced to below 50%.

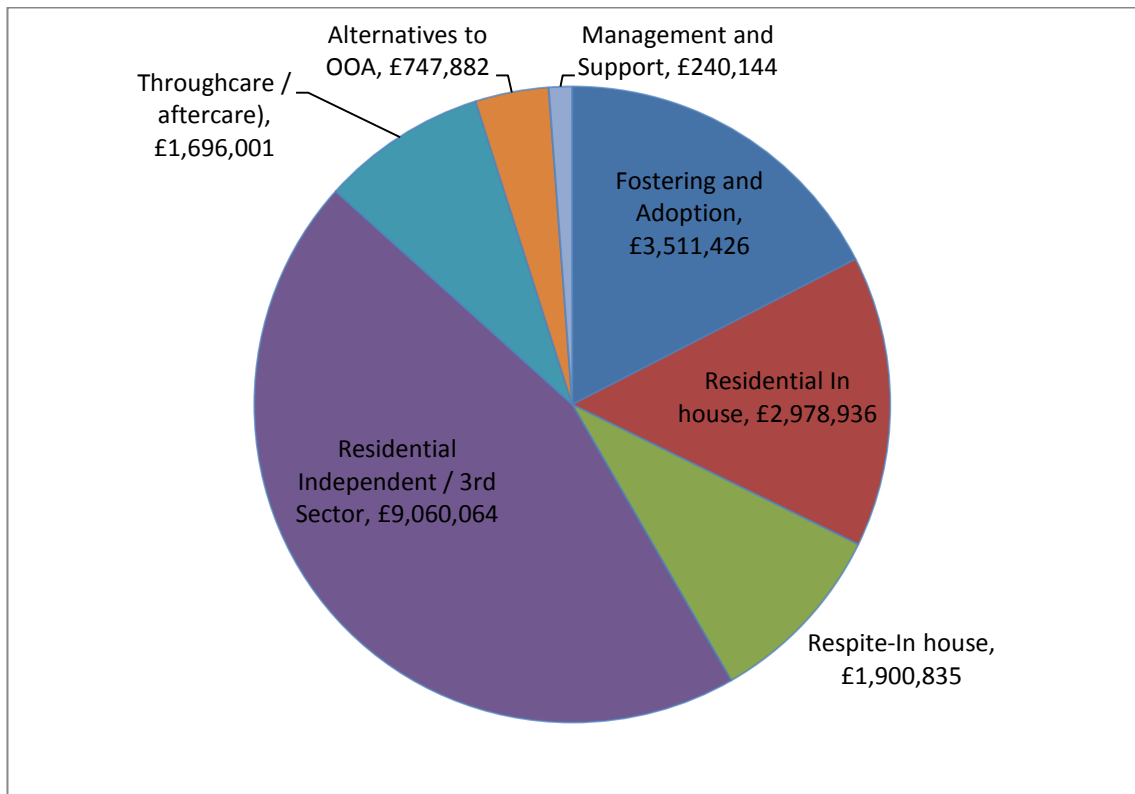
3.7 Some looked after children will have additional support needs. They may have been subject to adverse experiences, such as abuse or neglect, or witnessing domestic violence. This is known to lead to greater incidence of mental illness, injury and death in childhood, and premature mortality, suicide, disease/illness and substance misuse as adults. These adverse factors can affect behaviour and make it more difficult to accommodate children at home or within Highland

due to the challenges of managing risks and difficult behaviour. Some looked after children have specific additional support needs which have been identified such as attention-deficit hyperactivity disorder (ADHD), autism, learning disability, dyspraxia or complex health needs.

3.8 The percentage of Looked after Children with known additional support needs for Highland in 2015 was 14% (**61 children**). This is similar to the national Scotland average of 13%. Where the level of additional support needs is highest, this limits the range of potential placement providers and means that the providers are able to determine the cost of the placement or may ask for additional staff to be employed at additional cost. In the more challenging cases, young people may need to be kept safe in secure accommodation which is the most expensive type of residential care due to high staff ratios.

4 Service Costs

4.1 The overall Highland Council budget for Looked After Children is £20,135,288 (for 2016/17). This budget is distributed across activities as follows:



4.2 Costs of each type of accommodation will vary significantly from case to case depending on the nature of the case. For the purposes of this project the following rounded average costs have been used:

Accommodation type	Number of cases (average or snapshot)	Average annual cost per case
Fostering and Adoption	133	£30,000
Residential In house	23	£130,000
Residential Independent / 3rd Sector	52	£200,000
Alternatives to Out of Area Placements	22	£34,000

4.3 As shown above there are significant variations in these average costs between accommodation types. In simple terms – if overall numbers of looked after children remained the same replacing one independent sector accommodation place with a foster care placement would save the Council approximately £170,000 per year in accommodation charges. Replacing an independent sector place with an in-house place would save £70,000 per place. We need to urge caution in the interpretation of these figures. It should be stressed that these are very broad estimates, and do not take account of differences in individual needs. For example if an independent sector place is expensive because it is meeting the special needs of a child then the same needs would have to be met in-house if the child moved back to Highland, therefore the cost of the in-house placement would be higher than the average quoted above. Overall though the table gives an indication of the relative costs involved in accommodation placements.

4.4 The line titled “Alternatives to Out of Area Placements” in the table above describes a range of initiatives already implemented by the Care and Learning Service to rebalance the accommodation used. There are currently 22 children placed in these alternative resources who otherwise would be in expensive purchased placements, avoiding costs of £2.5m in 2015-16. This figure is likely to be higher for 2016/17. This demonstrates the commitment to challenge and innovation within the Service and the scope for trying different models of accommodation. Some examples which could be further developed / replicated are set out in section 5 below and in the Review Team recommendations (in **Appendix 1**).

5 Key findings of the Review Team

5.1 The Review Team included David Goldie, Ian Murray, John Finlayson, Sandra Campbell, Cllr Davidson and latterly Cllr McCallum and John Gibson (staff side representative). It was also supported by Malina MacDonald-Dawson and Gordon Killbourn (Managers in C&L) and Lynnsey Urquhart (CIT). It has identified a number of recommendations / actions that could deliver efficiencies, cost savings and improve outcomes for children. These fall under the following broad themes:

- Preventative actions to reduce the number of children entering residential care;
- Maximising the use of the best and most cost effective accommodation options.

- Partnership working

5.2 This is a demand led service and there are limited opportunities to “turn off the tap” in terms of demand. Nevertheless overall case numbers – ie numbers of looked after children in the system - are relatively stable. The key factors affecting expenditure are:

- overall numbers of looked after children;
- availability of in-house accommodation (fostering or residential)
- unit costs of purchased accommodation.

5.3 It is important that we continue to focus and fund appropriate and effective preventative services that reduce the number of children entering care. Additional Support in school can also play an important role in early identification and responding to problems at an early stage. For example, there is a role for schools in early identification of risk factors and managing “challenged and challenging” children in schools through additional support. It is suspected that practice varies and there are likely to be “best” practice examples within Highland, but not necessarily sharing of good practice.

5.4 We currently have 10 children in out of area placements for whom we have no suitable education resource in Highland for them to return them to. These children cost approximately £3m per year in total. The revenue costs of an in-house specialist service are likely to be lower. The Killen project uses a former school house on the Black Isle, and the Children’s Services budget funds the additional costs of specialist staff to allow young people to return young people from out of area accommodation. Experience to date suggests an annual saving of £50,000 per placement, including extra funding for Pupil Support Assistants. A Business Case could be developed for extending this type of provision, assuming that the educational needs of these young people can be met locally.

5.5 Edge of Care Services can be an important way of ensuring that children at risk are supported in the community and prevented from entering the care system. This relates to specialist support services available to children identified as at risk – aimed at preventing them from entering the “care” system. Aberlour Childcare Trust is currently funding an Edge of Care pilot in the Mid-Highland area to begin April 2017. We will be in a position to start looking at outcomes by the end of 2017. There is evidence that this type of intervention can be successful at avoiding residential placements.

5.6 Where children do need accommodation there is a clear hierarchy of options. Overall there are two clear aims: to keep children in Highland and to reduce costly “spot purchase” arrangements. Placements which are some distance away have several disadvantages; they are more costly to monitor, they reduce contact between the child and their family which may make a return home less likely in future, they can lead to a child becoming disconnected from their home community and not wishing to return to Highland as an adult and there are more challenges in ensuring that services are high quality and

continue to meet the needs of children.

- 5.7 In all cases the first preference would be finding a foster placement rather than a residential placement. Highland Council has lower rates of fostering than Scotland as a whole. There are constraints in “capacity” locally, in terms of the pool of foster carers available and geography. A shortage of foster carers means that most teenage children are placed in residential accommodation.
- 5.8 There is no national “pricing structure” for Foster Carers, and Highland is considered to pay one of the lowest rates of allowance. Increasing allowances could attract more foster parents. The extra cost of allowances would be offset by savings on expensive residential placements, however it would also increase the costs of existing placements, both in foster care and kinship care.
- 5.9 Following initial assessment of need and availability of accommodation, where foster care is not an option we prioritise placements in the following order:
1. Council owned/managed residential units.
 2. Local privately contracted accommodation
 3. Spot purchased in or out of area private/3rd sector accommodation

Spot purchase arrangements are used as a last resort or where the young person has very specialist needs, as these tend to be the most expensive option.

- 5.10 Although there is a clear hierarchy in relation to accommodation options the reality is that Social Workers are often dealing with immediate needs, within a wide ranging generic role, and will be under a duty to find accommodation at short notice. Often a children’s hearing will stipulate a specific accommodation option within the conditions attached to supervision orders.
- 5.11 Placing children in accommodation will always be more expensive than supporting them at home and in the community. There will always be a need for some children to be accommodated. Where this is necessary the accommodation should meet their needs, meet quality standards and be as economical as possible for the Council.
- 5.12 There are some culture, workload and administrative factors that may work against the objectives of preventing and reducing the duration of residential accommodation.
- 5.13 Once children are placed in residential accommodation, or out of area it is often difficult to bring them back. In terms of Family Teams this will often be because the immediate pressure is on assessing and placing new cases rather than reviewing and changing existing placements. Family Teams also have to consider whether further moves will be in the best interests of individual children who may be settled in existing placements. In some cases changes in accommodation will require the approval of the children’s hearing and appropriate education provision will need to be identified.

- 5.14 The budget for Out of Area Placements is managed centrally, but spend takes place locally. If the budget was held locally that might encourage areas teams to manage numbers entering residential care and actively returning from residential care. There are also risks in terms of loss of control of the budget.
- 5.15 The Review Team feels that further consideration should be given to staff roles and responsibilities in relation to this function. That might involve different working arrangements and possibly different staff roles. Many of the tasks involved, in relation to commissioning and monitoring accommodation does not require professional input, and doing this in different ways could speed up the process and free up professional staff time.
- 5.16 The Corporate Improvement Team has looked into how placements are arranged and purchased and there is scope for savings through the use of a national procurement framework (Scotland Excel) and the potential of having contracts with local external providers. It was agreed that further work on procurement has the potential to realise savings.
- 5.17 There are issues about the transition of cases to Adult Services, which is managed by NHS Highland. There are currently 5 young people remaining in accommodation services, funded by the Council who are over 18 and should have moved to adult services. Costs were £239,000 for the 9 months of April to December 2016. Limited Capacity and the model of supported accommodation in Adult Services results in bottlenecks and increased cost.
- 5.18 Children and Adult Mental Health Services (CAMHS) is currently commissioned and funded by NHS Highland. There is scope for improving referral and assessment processes.
- 5.19 Even if there is no clinical diagnosis of a mental health problem more effective mental health support could still prevent cases progressing to needing accommodation.

6 Aftercare Services

- 6.1 There are arrange of accommodation and support arrangement is place for young people who have left care but are still being supported by the Council until age 26. The aftercare budget pays for rent of properties for over 16's including those within the Alternatives to Out of Area Placement programme.
- 6.2 Within Care and Learning there is currently a budget of £4.2m for a wide range of commissioned services, some of which directly relate to Looked After Children. This is being reviewed as part of the budget setting process and any specific services commissioned for Looked After Children should be reviewed as part of the wider strategy.

7 Conclusions and Recommendation

- 7.1 This is a complex area of work for the Council. We are delivering a demand led service with clear legal duties that affect vulnerable and disadvantaged

children and families. Costs of accommodation are high and subject to market conditions that are difficult for the Council to influence.

7.2 Given the complexity of the issues involved there is no simple solution to reducing costs and improving outcomes. However there are a broad range of actions that individually could make a difference and taken together could result in cost reductions together with better outcomes for clients.

7.3 A full set of recommendations are attached at **Appendix 1**. Comments on implementation are contained along with the recommendations. Most of these recommendations can be taken forward as operational matters within the Care and Learning Service, and indeed many are already in progress. Some will require additional input – for example:

- Recommendations relating to culture change may require external facilitation.
- Recommendations relating to increasing foster carers may require professional marketing input and restructuring of the service
- Recommendations relating to procurement and commissioning of services will require additional and enhanced input from the Corporate Improvement Team, and to maximise the full potential savings would require the creation of a small team to manage the process of spot-purchasing of placements.

None of the recommended actions are straightforward and most will actually require us to put extra resources in to realise longer term savings.

7.4 Key recommendation for early action are:

7.5 There are some key recommendations which appear to have the greatest potential for short term savings in revenue expenditure and improving the outcomes for individual children.

7.6 Acknowledging that a foster placement is likely to achieve a better outcome than a residential placement for the child, as well as reducing the cost to the Council, we should review and implement new arrangements in order to increase the number of Foster Carers. This should include looking at fostering allowances, publicity and advertising and operational arrangements for assessing foster placements as well as how we could increase foster places particularly for older children.

7.7 Spend on expensive private sector residential placements account for the single biggest element of expenditure on children's services. Review procurement arrangements for private sector residential accommodation, and setting up a small dedicated team focussing on managing and monitoring accommodation placements are likely to reduce costs and improve outcomes for children.

7.8 The Service is dealing with some extremely vulnerable children and the lead agencies in the Highland Integration Scheme need to be able to make sure that services are focussed and delivered in the right way. Particular issues in

relation to mental health services and the way individual's needs are met as they move from children's to adult services have been identified as part of this review. It is recommended that these specific issues be subject to further discussion with NHS Highland.

8. Implications

- 8.1 Resource: The report sets out some broad savings that could be achieved by preventative work and shifting the balance of accommodation used. These are based on comparing broad unit costs for different types of accommodation. These are complex areas requiring further work.
- 8.2 Legal: There are no specific implications. None of the recommendations contained in the report would affect the Council's ability to comply with its legal duties.
- 8.3 Equalities: There are no specific implications. The mental and physical health needs of any individual child would continue to be at the centre of case planning.
- 8.4 Climate Change/Carbon Clever: There are no implications.
- 8.5 Risk: Some recommendations involve trying new ways of working / innovative service delivery models. These would require appropriate Project Governance arrangements to be in place.
- 8.6 Rural: There are no specific implications. The Review Team is aware that it may be more difficult to meet specific needs and provide specialist services within remote rural communities.
- 8.7 Gaelic implications: There are no implications arising from the report.

Recommendation

Members are asked to consider the findings of the Review Team in relation to Children's Services and approve the Action Plan contained in **Appendix 1**.

Agree to progress the following key actions as a priority:

- Implement arrangements to encourage and support an increase in the number of Foster Carers.
- Implement changes to procurement recommended by the Corporate Improvement Team and agree that the Team carry out further work on the potential for further savings through procurement practice.
- Set up a small dedicated team focussing on managing and monitoring accommodation placements. This would most likely require additional resources or release of resources from another part of the Directorate.
- Have further discussion with NHS Highland to ensure that the Highland Integration Scheme is operating as effectively as possible in achieving the best outcomes for children, especially in relation to mental health services and in the transition to adult services. Consider how to enhance wrap-around support in any future development of residential provision.
- Develop governance, management and review arrangements within Care and Learning in order to take forward the review findings and assess to what extent the outcomes have been achieved.
- Agree to engage with the wider staff group and develop specific plans to include those staff directly involved with the services under review.

Designation:

Date:

Author:

Council Redesign: Children's Services Recommendations

	Objective	Resource and Action required	Potential financial impact / target	Ease of implementation
1	Increase the focus on appropriate and effective preventative services that reduce the number of children entering care.	<p>Practice is likely to vary, and there are likely to be "best" practice examples within Highland.</p> <p>Identify, and promote sharing of existing good practice in early identification of children at risk, and additional support to prevent cases entering the care system.</p> <p>Role for schools in early identification of risk factors and managing "challenging" children in schools through additional support.</p>	<p>Requires business case / or demonstration project to evidence "spend to save" on additional support resources vs accommodation placements.</p> <p>Current plans are based on the attraction of additional funding via the Third Sector.</p>	<p>Training and sharing best practice relatively easy.</p> <p>To be effective the approach may require increasing additional support resources.</p>
2	Specialist Education Services	<p>Reviewing current practice of not having full-time alternative education in Highland.</p> <p>We have 10 children in out of area placements for whom we have no suitable education resource in Highland for them to return them to. These children cost approximately £3m per year in total. The revenue costs of an in-house specialist service are likely to be</p>	<p>Annual cost per placement at the Killen Project is estimated at £170k per year (including payments to schools for full-time. 1:1 PSA support).</p> <p>This compares to the cost of Out of Area Placements costing £220k, a difference of £50k per year per placement.</p>	<p>Requires identification of children for whom the provision would be effective; consultation with parents / other agencies; identification of suitable site(s) / capital development costs; and</p>

	Objective	Resource and Action required	Potential financial impact / target	Ease of implementation
		<p>significantly lower.</p> <p>Consider the development of a small, fulltime education resource for young people who can't manage mainstream schools.</p> <p>Consider whether we can make a case for external funding / can we lobby the Scottish Government for use of Attainment Funding for this client group – this is currently targeted at very few schools.</p> <p>The Killen Project in the Black Isle is currently piloting an approach to intensive support / specialist education for 2 children with complex needs who were previously in out of area placements.</p> <p>Establish costs / benefits and whether there is a business case for extending this approach to full-time alternative education in Highland.</p>		<p>recruitment / commissioning of suitable specialist staff / support services.</p>
3	<p>Consider increasing Intensive Support Service to maximise the number of children</p>	<p>This relates to specialist support / intensive “supervision at home” services available to children identified as at risk</p>	<p>The Aberlour project is due to start in April 2017 We need to assess and evaluate the</p>	<p>As above</p>

	Objective	Resource and Action required	Potential financial impact / target	Ease of implementation
	supported in the community.	<p>– aimed at preventing them from entering the “care” system. Action for Children are currently commissioned on a small scale to provide this type of service.</p> <p>An “Edge of Care” pilot is also being funded by Aberlour Childcare Trust in the Mid area. Children 1st are seeking Big Lottery funding to offer a service in the South area.</p> <p>There is evidence that this type of intervention can be successful at avoiding residential placements.</p> <p>Intensive supervision at home can be used as an alternative to residential placements.</p>	<p>effectiveness.</p> <p>The annual cost per placement in the Aberlour project is estimated as £12k.</p> <p>This compares to average costs of £180k for an accommodation placement.</p>	
4	Reconfigure services to provide wrap-around services for those young people who are likely to require residential care	<p>There is a good practice model called “No Wrong Door” developed by North Yorkshire Council. This has been externally funded from the UK Government to test the spend-to-save concept.</p> <p>The model involves the comprehensive configuration of services. In North</p>	North Yorkshire Council reports a reduction in revenue expenditure of £2m per year after an initial £5m investment over 3 years.	<p>A detailed business case would be required. This would model capital and revenue costs associated with a Highland Model.</p> <p>A favourable</p>

	Objective	Resource and Action required	Potential financial impact / target	Ease of implementation
		Yorkshire this is involves a single building “HUB” for all services for Children at Risk, including mental health services (see below).		Business Case would need to be followed by a clear business plan and project management arrangements.
5	Increase the number of foster placements and redesign the fostering service to enhance the recruitment of new carers	<p>Placing children with Foster Carers is considered to be the best option in terms of cost and outcomes for children.</p> <p>The following actions could help:</p> <p>Minimise timescales for undertaking assessments for foster carers and placements – this can currently take up to a year.</p> <p>Consider more professional marketing / campaigning to increase numbers of Foster Carers</p> <p>Consider Cost / benefits of increasing financial incentives to increase the number of foster carers</p> <p>Consider a formal partnership / contract with an external fostering agency.</p>	<p>Significant benefits could be achieved.</p> <p>The average annual cost for a foster care placement is £30k compared to an average of £180k for an accommodation placement</p>	<p>It is difficult to estimate the “pool” of available and willing Foster Carers.</p> <p>Current advertising is ongoing but foster carer numbers relatively stable.</p> <p>Will need to look at resource issues / specialist staff to accelerate the assessment process.</p>

	Objective	Resource and Action required	Potential financial impact / target	Ease of implementation
6	Review staffing arrangements to enable Social Workers in Family teams to focus on early intervention and alternatives to expensive accommodation options prevention.	<p>Consider current staff roles and remits, including:</p> <p>Costs / benefits of specialist staff who can focus on this type of activity.</p> <p>Consider reorganising residential, fostering & through care services together into a combined service.</p> <p>Review staff roles and responsibilities eg many of the tasks involved in relation to commissioning and monitoring accommodation does not require professional input, and doing this in different ways could speed up the process and free up professional staff time.</p>	<p>There will be no direct savings – in fact there may be additional staff costs in relation to specialist services.</p> <p>Benefits will come from improved prevention and the management of accommodation placements to shift costs over time from more expensive to less expensing options.</p>	<p>Further work is required to review staff arrangements and undertake staff and trade union consultation.</p> <p>Ongoing support and management input to achieve culture change and maintain any improvements achieved.</p>
7	Review budget management roles and accountabilities.	The budget for Out of Area Placements is managed centrally, but spend takes place locally. This means that staff who are making spending decisions are not budget holders.	<p>This should be linked with 6 (above) so that budget management arrangements match any revised staff arrangements.</p> <p>Options appear to be:</p> <p>If the function is managed and</p>	Further work required linked to 6 (above)

	Objective	Resource and Action required	Potential financial impact / target	Ease of implementation
			<p>delivered locally the budget should be held locally.</p> <p>If there are specialist teams in place for specific functions then budget management would sit with the relevant manager.</p>	
8	<p>Improve case monitoring and review for high cost accommodation placements.</p>	<p>There should be systems in place that allow us to review cases to minimise stays in high cost accommodation.</p> <p>Run workshops with Lead Professionals who have children in residential care to develop thinking and best practice in case review and “flexible return” for children placed in more expensive out of area accommodation. For example if a package of support in Highland is cheaper and would meet the needs of the child than the purchased placement then Lead Professionals should be enabled to implement this.</p>	<p>Though not all cases can be managed in Highland due to capacity of accommodation and lack of specialist services each case avoided will reduce cost compared to alternatives.</p>	<p>There are likely to be a number of issues relating to culture and practice, and possibly legal / regulatory / other external barriers to change.</p> <p>This may require challenging existing assumptions and practice.</p> <p>This may result in proposals for change to organisational structures / role and responsibilities related to actions 6 and 7 (above)</p>

	Objective	Resource and Action required	Potential financial impact / target	Ease of implementation
9	Review funding for Third Sector	<p>Review current provision against outcomes to establish value for money.</p> <p>Consider future commissioning arrangements.</p>	<p>There are potential savings through rationalising services and re-procurement.</p> <p>However the greatest benefit would be in ensuring that the funding is used to support initiatives and Third Sector contribution to the key aims of preventing children entering care or achieving the best outcomes for formerly looked after children.</p>	Scope and undertake a best value review of current funding.
10	Consider arrangements for accessing Child and Adolescent Mental Health Services (CAMHS)	<p>There are issues of joint working / accountability between NHS Highland and the Council in relation to CAMHS.</p> <p>There may be a case for some children's mental health services for Looked After Children being a Council responsibility.</p> <p>In many cases a "clinically based model" may not be the best method for dealing with children's mental health.</p>	<p>Better access to and arrangements for mental health services could result in children being accommodated in Highland and prevent high cost specialist accommodation services.</p>	<p>This requires discussion with NHS Highland and a joint review of Mental Health Services – with the need to provide better and more cost effective services to children a clear objective.</p>

	Objective	Resource and Action required	Potential financial impact / target	Ease of implementation
11	Increase the number of young people with an Additional Support Need transferring to Adult Services at 18.	There are a number of children remaining in accommodation services, funded by the Council who are over 18 and should really be moving to adult services funded by NHS. Limited capacity and the model of supported accommodation in Adult Services results in bottlenecks and increased cost.	Each adult who is unable to move on from children's services reduces capacity for children and costs Children's Services on average £180k per place annually. However there are additional costs for the purchased placements we must buy for those children unable to return to our own units	This requires further discussion with NHS Highland in order to agree the best practical solution. Discussion to date has not resolved this issue.
12	Procurement Arrangements for Accommodation Services	<p>The Corporate Improvement Team has already undertaken a review of Children's Services, focussing on the costs of accommodation for young people.</p> <p>It is felt that consistent procurement support on an ongoing basis would help the Service. It would be helpful if the CIT were to progress their work to tighten up placement process by offering officer time to Children's Services.</p> <p>Further work by the Corporate Improvement Team and possibly a dedicated resource to Children's Services would allow the Service to realise the full benefits of potential</p>	Current CIT estimates are for potential savings of £100k per year from moving current private sector accommodation procurement to the Scotland excel framework.	Corporate Improvement Team to complete and extend current work to provide detailed cost saving estimates and related recommendations for system / process improvements.

	Objective	Resource and Action required	Potential financial impact / target	Ease of implementation
		<p>system and process improvements as well as procurement savings available from the Procurement Shared Service / Scotland Excel. (NB - A separate report and detailed action plan has already been produced by the Corporate Improvement Team).</p>		
13	<p>Shifting balance of residential accommodation provision from external to internal accommodation</p>	<p>Business case for capital expenditure on more Council owned / managed children's homes</p>	<p>The current cost per placement at a Council run residential home is £130k per year. This compares to an average of £200k from a private sector placement</p>	<p>Further work is required to develop a costed Business Case.</p> <p>This would require to factor in the capital costs of new provision as well as ongoing revenue costs.</p>

Residential Options

Provider/commissioning arrangement	In/out with Highland	Type of placement	Age group	Beds Available
In-house: Highland Council	Highland	Standard placements plus 2 in the Orchard	12+	22
	Highland – 2 locations	Emergency placements	10+	4
	Highland	New development not yet in use. Caters for 2 younger children.	10+	2
	Highland	Houses linked to HC residential units & supported flats for returning from Residential	16+	6
	Highland	Disability – house attached to the Orchard	12+	2
3rd sector (currently Keys Cromlet, from April Aberlour)	Highland	Standard Placements	12+	15
Contract Barnardo's	Highland	Residential for young people returning from out of area.	16+	5

Contract (from April) Y People	Highland	Supported houses for young people returning from out of area.	16+	6
Spot purchase from Various Providers	Highland	Challenging Behaviour & Autism Placements, move-on for older age group	10+	17
Spot Purchase from Various Providers	Out with	Specialist: Autism, Disability, Challenging Behaviour, Secure, Specialist Small Education.	8+	Total N/K but 25 in current use