

Finance Sub-Committee

21 February 2018

Present: Councillor A McMullen (Chair)
Councillors D Cox, N Craven, and J O'Shea

F43/02/18 Apologies

Apologies were received from Cllr F Weetman.

F44/02/18 Substitute Members

There were no substitute members.

F45/02/18 Declarations of Interest and Dispensations

There were no declarations of interest or dispensations reported for this meeting.

F46/02/18 Minutes

The Sub-committee noted that, in relation to the two posts within the Locality Team highlighted at the last meeting, these posts are being funded via a Cancer Transformation fund grant, for which Sunderland CCG are the lead body.

In relation to the monitoring of accounts of partnership companies, it was noted that these were being monitored at the interim and year end points and any concerns will be raised at the strategic partnership board.

It was noted that performance information in relation to the payment of contractors by the Council within the 30 day limit is published on the Council's website. The majority of payments are made within 10 working days.

Resolved that the Minutes of the meeting held on 24 January 2018 be confirmed and signed by the Chair.

F47/02/18 Looked After Children

The Sub-committee received a presentation from Nik Flavell, Senior Manager, Safeguarding and Children's Services, which set out more detailed information on the spend, cost pressures and cost avoidance activity in relation to Looked After Children, as requested by the Sub-committee.

The sub-committee noted the definition of a Looked After Child (LAC) as a child or young person up to the age of 18 years old who is in the care of the Local Authority because of the voluntary agreement of a parent (Section 20), or because the Local Authority has applied and gained an Order from the Family Court to safeguard a child at risk of significant harm in the care of a parent (Care Order).

The Sub-committee noted that nationally the number of LAC is at its highest since 1985, with numbers increasing steadily over the last nine years. In addition, the number of children starting to be looked after has risen in recent years and the number of children ceasing to be looked after has fallen. The main reason for the increase relates to an

increase in the number of children looked after under a care order, with numbers in this category increasing by 26% over the last 3 years.

It was noted that a national review entitled 'Care Crisis Review' has been commissioned and is due to report in June 2018.

The Sub-committee were given information about the position of North Tyneside in the national and local context. It was noted that within the North East Region, the authority has the second lowest use of care for children and young people, and the use of care has been relatively stable for a number of years, declining slightly since 2014/15.

The Sub-committee considered information on the different type of placements in use for LAC and the different average costs according to type of placement. It was noted that, within a broadly stable LAC population, there has been some significant positive change in placement use over the past twelve months. However, the use of some placements can have a significant impact on spend, for example the use of Secure Accommodation is very expensive and even very small increases in the number of children requiring this kind of placement can have a significant effect on the budget.

It was noted that there has been a 29% reduction in the use of external placements over the last year which has been beneficial in terms of costs. However, this has been offset by costs related to the need for secure unit accommodation for three exceptionally complex young people.

It was also noted that there is a cost pressure in relation to the Authority's Children's homes which relates to the use of staff outreach hours as an alternative to external residential accommodation. This is part of an innovative approach to the development of Edge of Care support.

Members noted a cost pressure related to the continued use of Independent Fostering Agency placements. Despite a reduction in the number of such placements, there are still 23 children and young people placed. It was noted that the average annual cost of an IFA placement is just under £25,000 more expensive than an equivalent placement in Authority Foster Care. The Authority has been developing a strategy to increase their offer to foster carers, particularly in relation to the support from the local authority and other services, to encourage more foster carers to work with the local authority rather than IFAs.

Members asked about options for the Council to raise the level of fees paid to foster carers in order to compete with IFAs and whether this would impact on the level of fees they have to pay to connected person foster carers. It was noted that this is largely the case, although there is some flexibility in that the local authority are able to remunerate foster carers according to skill levels.

There was some discussion about supported living and how the costs of supported living depend on the level of support needed by the child. Members noted that increasing the number of supported accommodation placements was a key priority for the authority and this had influenced the development of the five bedroom unit, Mitford Gardens, utilising HRA stock. It was noted that these services can also help with the transition from child to adult services, with some young people able to stay in a supported living placement over the transition period.

The sub-committee noted the action that has been taken to manage cost pressures and avoid cost within the authority. This has included a greater senior management involvement in gateway meetings to decide on the need for care, and a programme of systematically reviewing the plans for children and young people in care aimed at rehabilitation to the care of families where it has been safe to do so, and more cost effective placements where care remains appropriate. In addition the authority is working with CCGs to achieve contributions towards the costs associated with the most complex and therefore expensive to accommodate young people.

The Authority is also working with the Dartington Social Research Unit to analyse, model and develop system-wide solutions to reduce demand.

There was some discussion about the differing rates of LAC between authorities. It was noted that an element of this was down to deprivation levels, but the picture was more complex with rates of LAC also linked to organisational culture and differing local thresholds for care, the quality of early help and intervention, and parenting support.

Members thanked officers for the report which they had found very helpful in understanding the financial picture in relation to LAC.

F48/02/18 Section 106 Payments

The Sub-committee considered the quarterly report which provided a summary of unspent Section 106 (S106) monies and anticipated future S106 grant receipts.

Members noted that some of the unspent funds had been on the list for a considerable amount of time and queried whether officers were pro-active in trying to get the money spent. It was noted that if the money is received from developers it is held until it is spent and pro-active action is taken to facilitate this.

Members requested that future reports include a variance analysis which would enhance the report.

There was some discussion about the infrastructure works in relation to Killingworth Moor and it was noted that these works were grant funded.

It was AGREED that the report by noted.

Signed by: _____

Date: _____

Cllr A McMullen, Chair of the Finance Sub-committee

21 February 2018