ABSTRACT
A full Best Value Review of Residential Provision for Children and Young People has recently been undertaken in Angus. The review took place between early 2006 and November 2007 and was chaired by Catherine Coull, who at the start of the review was Angus Council’s Director of Law and Administration but who retired in 2006. Ms Coull voluntarily continued to chair the review. The review is wide ranging and has implications for Angus Council and NHS Tayside. The review has been officially considered by the NHS Tayside Executive Team.

1 RECOMMENDATIONS
It is recommended that the Social Work and Health Committee and the Education Committees each for their respective interests, should:-

i) note the content of this report and the Best Value Review report which has been placed in the Members’ Lounge;
ii) endorse the proposed Action Plan arising from the BV Review.

2 INTRODUCTION
In November 2005 the senior management teams of Social Work and Health and Education prepared a joint report for elected members highlighting the operational and financial pressures on the joint residential schools budget. Committee Report 1305/05 instructed the Directors of Social Work & Health and Education, in consultation with the then Acting Director of Finance, to set up a Best Value Review of Residential School Placements.

This area of expenditure has been problematic for a number of years. Expenditure is often unplanned and is frequently incurred as a result of a decision made by a Children’s Hearing or following Court proceedings. There is also an increasing incidence of Placing Requests made by parents who wish to access specialised education provision. Costs per placement show considerable year on year increases with very little competition in the market place to prevent this.

In 2005-06 local authorities across Scotland were spending £396.7m on meeting the costs for the placement of children in residential educational settings - a sum of £148.5m above the Grant Aided Expenditure (GAE) which was then set at £248.2m.

This funding gap has important resource implications for councils as it is very unusual for expenditure in any area of service provision to be 60% higher than GAE. (Spending Review 2007: An Assessment of Expenditure Need by Local Authorities on Children’s Social Work Services from 2001 – 2007, Midwinter)
The area under review in Angus accounted for 1.4% of the Council’s total Revenue Budget expenditure during the period April 06 – March 07 with a budget cost of £3,031,039. The actual cost represents 2.39% of the combined Education and Social Work budgets. In addition both Education and Social Work incur significant additional cost in respect of looked after children who are accommodated outwith Angus who have been placed with carers in other Council areas by Social Work. The contribution made to placements by NHS Tayside at the current time is variable and difficult to define in this report.

This expenditure should be seen in the context of the total number of looked after and accommodated children from Angus, which, during 2006/07, was 283 (Angus CLAS Return 06/07 see appendix B of review report) representing 1.2% of the number of children living in Angus in the age group 0-18 years. (Population 23,208 Census 2001)

The national figure of 1.3% of the child population now looked after and accommodated shows that while Angus is still below the national figure this is only marginal. Statistical information is not yet to hand for 2007/08. However trend information indicates that both the national figure and the Angus figure will continue to show a slight increase. (The Scottish Government: A National Statistics Publication for Scotland CHILDREN LOOKED AFTER STATISTICS 2006-07.)

The number of children in specialised, residential educational provision placed by Angus Council during 2006/07 was 12 (Best Value Review return 06/07) which represents 0.05% of the total number of children living in Angus in the age group 3-18 years. (population 21,723 Census 2001)

Up to 31 December 2007 that figure has increased to 15 children, five of whom are in the primary school age bracket.

3 NEXT STEPS

The Best Value Review report contains a number of recommendations and a Conclusions Section. The Review has been considered by the Programme Monitoring Sub Group of the Council’s Management Team and Angus Council’s Monitoring Group. Both of these groups have recommended that the Directors of Social Work & Health and Education should be remitted the task of preparing an action plan based on the recommendations of the Review and that the report should also be considered by NHS Tayside Board. The attached Action Plan (Appendix) has been compiled with a view to addressing this whole agenda.

Local Authorities no longer operate in a traditional buyer/seller market but are required to manage within the parameters of local government finance. It is therefore important that work is progressed to develop a national contract which will allow local authorities and residential care providers to work together within a transparent and equitable framework.

Spiralling costs and a captive market make the quality of care only one of the concerns for providers of care and education. Evidence from Care Commission Inspection reports shows that poor practices and barely adequate accommodation can, and do, impact on the quality of care and education being provided to vulnerable children. Local authorities often have no option but to consider such provision and, as a result, are struggling to meet their duties and obligations to other children and young people in the community who may also require key services.

This review has confirmed the need for agencies to work together to ensure that effective, quality services can be provided locally. An integrated approach to early intervention and crisis support, which allows open and honest communication with
parents, children and young people, should lead to better outcomes in general and a reduction in the need for residential accommodation placements.

The review makes a number of recommendations for the benefit of children and young people in Angus while recognising that there will always be a need for residential accommodation for some very troubled young people. There is no ideal solution but there is an opportunity to work together to change the way in which the care needs of most young people who experience difficult times in their lives are addressed.

4 FINANCIAL IMPLICATIONS

There are no financial implications arising from the approval of the attached Action Plan. As the specific Improvement Actions are taken forward, further reports will be submitted to Committee detailing any resource implications at that time.

5 HUMAN RIGHTS IMPLICATIONS

There are no Human Rights implications arising as a result of the recommendations contained in this report.

6 CONSULTATION

The Chief Executive, the Director of Corporate Services, the Head of Finance and the Head of Law & Administration have been consulted in the preparation of this report.

7 CONCLUSION

The review has considered a number of key issues relating to the cost of caring for accommodated children outwith the local authority area. The review acknowledges the good work and effective practice which are evidenced within Angus but notes that issues, outwith the control of those who provide services in Angus, have now impacted on the effective delivery of services to all children.

Issues such as younger children being placed in residential accommodation, societal expectations, the increase in substance misusing parents, child protection referrals, troubled and troublesome youngsters and improved outcomes for children with complex health needs are combining to create a potentially difficult situation. The review has recognised that changes to local service delivery bringing positive outcomes for those troubled young people who are most in need may be possible. It is recognised that this cannot be done without a full review of the current budgetary arrangements and the need to involve key partners, in particular NHS Tayside and the Angus Community Health Partnership.

It is also recognised that this is not only an issue within Angus but one which is replicated across Scotland. This review has highlighted the need for the new Scottish Government to take account of the issues facing local authorities and their partners in undertaking their role as corporate parents and, in particular, to address the need for adequate funding.

R Peat  J A Anderson
Director of Social Work and Health  Director of Education
NOTE: Background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on as follows in preparing the above report:


(Population Census 2001)

The Scottish Government: A National Statistics Publication for Scotland CHILDREN LOOKED AFTER STATISTICS 2006-07.)
## Action Plan

<table>
<thead>
<tr>
<th>Improvement Action</th>
<th>Identified Tasks</th>
<th>Lead Officer</th>
<th>Timescale</th>
</tr>
</thead>
</table>
| 1 Establish principles and protocol for residential accommodation placements and funding with NHS Tayside and Angus CHP. | • Engage NHS Tayside and Angus CHP in discussions about tripartite management, of residential accommodation placements.  
• Present protocol for agreement to Education and Social Work Committees, NHS Tayside Executive Team, Angus CHP Board. | JAA/RP/CS/SW          | May 2008    |
| 2 Develop a Commissioning Strategy, with neighbouring Tayside authorities.        | • Progress meetings with relevant neighbouring Tayside authorities to discuss the development of a commissioning strategy.  
• Report back on discussions and planned developments to relevant directorates and committees.                                                            | DSS/RP                | May 2008    |
| 3 Make CoSLA aware of the findings of the review and engage in discussion about the urgent need for national contracts with residential care providers. | • Progress meetings with CoSLA to discuss the progress of national contracts with residential care providers.  
• Report back on discussions to relevant committees.                                                                                                     | LH/IL                 | May 2008    |
| 4 Develop a local early intervention and crisis management model.                | • As part of the review of behaviour support and offsite, consider development of an early intervention and crisis management model.  
• Cost provision of service and identify funding including possibility of three years agreements with voluntary sector partners with clear agreed outcomes.  
• Report, as part of behaviour support and offsite review, to Joint Directorate.                                                                        | JN/GMcI/EA/NHS Tayside Lead Officer | August 2008 |
| 5 Develop a corporate agreement which ensures effective management of residential accommodation budget and compliance with corporate parenting duty. | • Agreement of different approach to budgeting to be considered by Angus Council Education, Social Work & Finance.  
• Address issues relating to corporate parenting to ensure effective compliance by elected members and senior officers. | LH/IL                 | August 2008 |
| DSS/JAA/RP                                                                       |                                                                          |                       |             |
| 6 Joint review of Behaviour Support and Offsite Provision.                      | • Review to be scoped and agreed by Education and Social Work Joint Directorate.  
• Working Group to be established and action plan agreed.  
• Report of findings to be presented to Joint Directorate.                                                                                           | JAA/RP                | August 2008 |