



# Children & Education PSC

Key cost drivers, trends, performance data & opportunities





# Children, Families & Community Safety

Key cost drivers, trends & performance data



# Challenges and BCC Position

## National Challenges

- CIPFA performance tracker, 2023 reports on trends in children's services spending, and found that LAs spent £11.1 billion on children's social care in 2021/22, a 41% rise in real terms compared to 2009, while the children's population grew by less than 10% over the same period.
- Significant problems in how the placements market is functioning there are not enough placements of the right kind, in the right places, which means that children are not consistently getting access to care and accommodation that meets their needs. The largest private providers of placements are making materially higher profits and charging materially higher prices than would be expected from a functioning market.
- Some of the largest private providers are carrying very high levels of debt which creates a risk that disorderly failure of highly-leveraged firms could disrupt placements. "The UK has sleepwalked into a dysfunctional children's social care market. This has left local authorities hamstrung in their efforts to find suitable and affordable placements in children's homes or foster care.
- The national private residential placement costs increased the most, by 90.56%, while LA placement costs increased by 18.78%.
- Children's Home Association's State of the Sector Survey 2023 highlighted the private sector's approach to formal procurement and tendering, with over a third not engaging with formal processes (twice as many as in 2021) and half of all providers selectively considering which tenders to bid for. 22% of all providers also reported choosing to leave a commissioned framework in the last year, all of whom experienced no negative consequences following the decision (up from 17% in 2022).

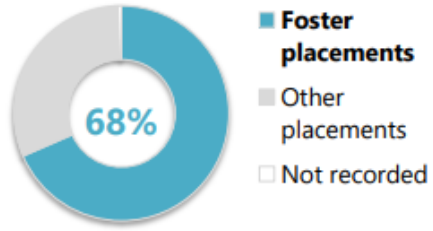
## BCC Current Position

- Total Children In Care – 731 (rate of 77.6 per 10,000 pop Nat avg.– 70 Stat Neigh- avg. 85
- No. of unaccompanied asylum-seeking children: 91
- Overall the rate of children in care has remained fairly static over the past few months after an increase prior to this period
- In the last 12 months 276 children entered care and 239 children ceased care
- There are 113 care leavers in the 17 & 18 age group and 218 in the 19 - 21 age group
- Bristol performs well in having care leavers living in suitable accommodation. There remains a housing challenge in the city particularly for young people with more complex needs which we are seeking to address in the housing recommissioning programme which will be presented to the council this autumn.
- Bristol overall performs well when compared to the national and statistical neighbour averages for Care Leavers in EET. Of those not in employment, education or training due to parenting responsibilities or disability eight were aged 17 and 18 and 31 were aged 19-21.

# Stability and placements

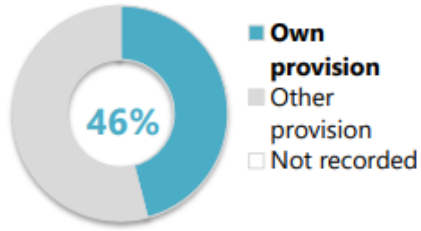
## CLA placements by type and provision

### Foster placements



LA 2021-22 76%  
SNs 2021-22 73%  
Eng 2021-22 70%

### Own provision



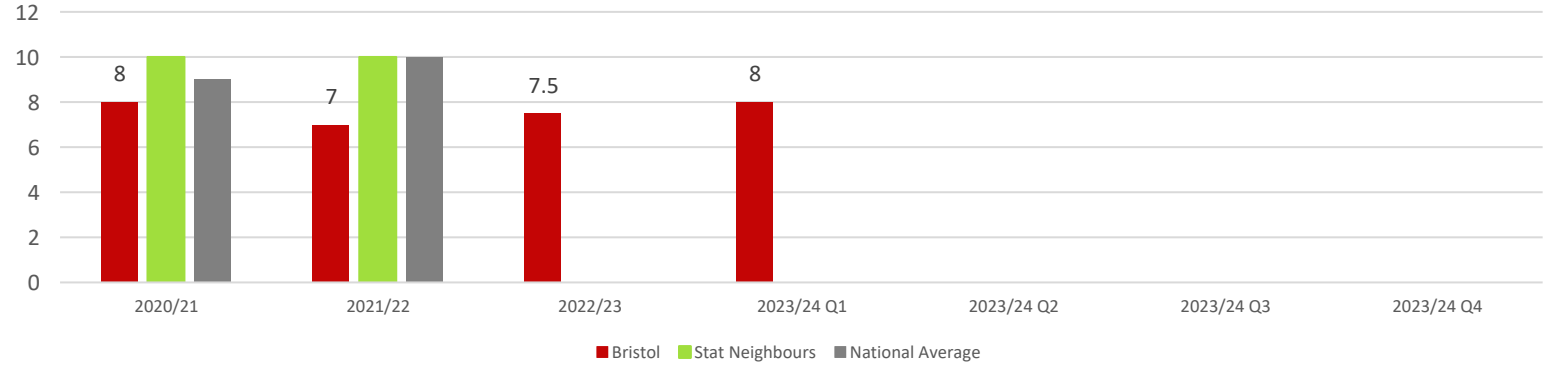
LA 2021-22 53%  
SNs 2021-22 47%  
Eng 2021-22 46%

Placement type (open CLA)	Own LA	Private	Other	Total
Foster placement	322	151	29	502
Placed for adoption	1	0	10	11
Placed with parents	0	0	37	37
Independent living	0	0	0	0
Residential employment	0	0	0	0
Residential accommodation	2	90	11	103
Secure Children's Homes	0	0	0	0
Children's Homes	11	52	6	69
Residential Care Home	0	1	0	1
NHS/Health Trust	0	0	2	2
Family Centre	0	3	1	4
Young Offender Institution	0	0	0	0
Residential school	0	0	0	0
Other placements	0	0	0	0
Temporary placement	0	0	0	0
<b>Total placements</b>	<b>336</b>	<b>297</b>	<b>96</b>	<b>729</b>

\*Short term stability is the percentage out of the entire care population that have had 3 or more placements in the past 12 months

\*\*Long term stability refers to children in care that are aged under 16 and have been in care for 2.5 years or longer and have remained in the same placement for at least 2 years

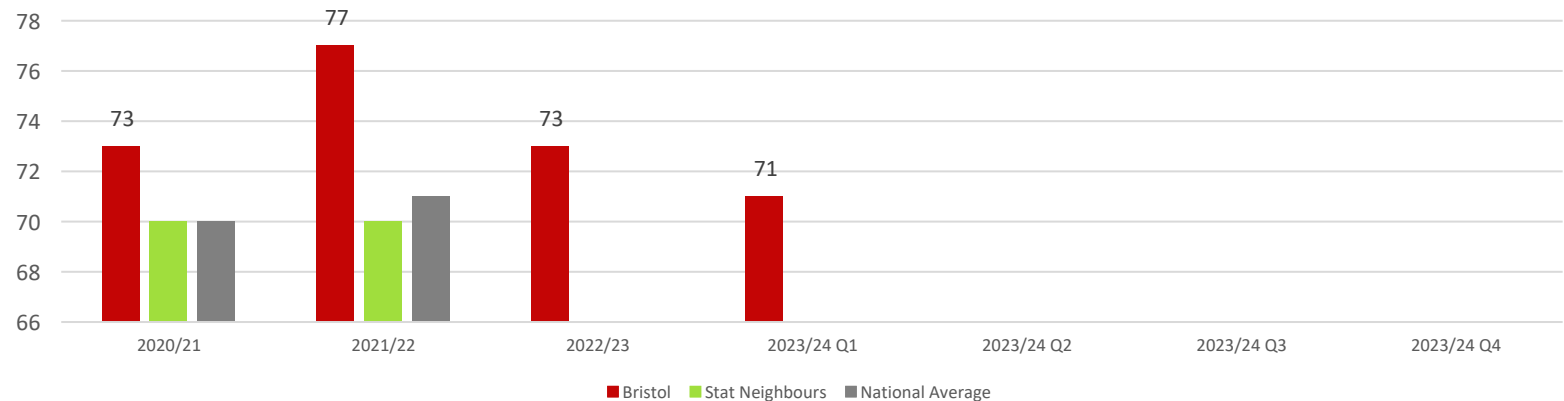
## Short-term stability (% of children in care with 3 or more placements in the year\*)



Of the 731 children in care 39 had 3 placements, 5 had 4 placements and 9 had 5 placements

For long term stability of placements the cohort consists of 251 children of whom 178 had lived in the same home for 2 years

## Long-term stability (% of children in care under 16 who have been in the same home for 2 years or longer\*\*)



# Children, Families and Community Safety – cost drivers and trend

## Care Leavers 18+ in CSC commissioned accommodation – A joint Pilot with HO

Annual Placement Costs - UASC/Non-UASC Breakout -	2021/22	2022/23	Growth
<b>All 16+ ESA Placement Costs (Annual)</b>	<b>£3m</b>	<b>£9.3m</b>	<b>210%</b>
<b>All 16+ ESA Placements (Number)</b>	<b>42</b>	<b>105</b>	<b>150.0%</b>
UASC	-	51	-
Non-UASC	42	54	28%
<b>Average Placement Cost (Annual)</b>	<b>£71,428.57</b>	<b>£79,047.62</b>	<b>10.7%</b>
<b>Number of 18+ (constant) in ESA</b>	<b>20</b>	<b>20</b>	<b>-</b>
<b>Total cost of 18+ (annual) in ESA</b>	<b>-</b>	<b>£1,500,000</b>	<b>-</b>

All Care Leavers can now be granted Priority 1 status on the Housing Support Register 6 months before their 18th birthday. However demand for Young People’s supported housing has increased whilst fewer young people are able to move on from the Pathway leading to longer waiting times to access Pathway accommodation. There is a gap in provision for those with multiple complex needs and because they are currently housed in ESA accommodation, and are not Homeless, they remain at high cost to the LA – currently 9 young people who are not asylum seekers.

Some 18+ UASC do not yet have right to remain status and are ineligible through HSR- these remain the responsibility of CSC. We currently have 6 in ESA with this status.

**This proposal relates to those 18+ UASC who do have right to remain but have been unable to move on due to general lack of Housing Options accommodation.**

<b>Problem Statement</b>	Flow and volume of UASC and non-UASC to 18+care leaver with lack of HSR accommodation to meet need & retaining high costs to CSC														
<b>Change Lever</b>	Jointly agreed pilot for CSC to commission 6 x 18+ supported accommodation for asylum seekers on the HSR pathway using expert in asylum support and paid largely through HB subsidy + CSC top up														
<b>Operational KPI</b>	Number of 18+ UASC with leave to remain within CS accommodation Block 6-bed provision is full Provision enables further move-on after period of 9-12 months														
<b>Quality benefits</b>	Appropriate move-on within the City with support from a recognised asylum seeker support organisation to support integration Develops stronger problem solving between HO and CSC														
<b>Financial Equation</b>	<table border="1"> <tbody> <tr> <td>Spend Before £61,100</td> <td>X</td> <td>6 yp</td> <td>£366,600</td> </tr> <tr> <td>Spend After £13,000</td> <td></td> <td>6 yp</td> <td>£78,000</td> </tr> <tr> <td>Spend p/a CS £63,000</td> <td></td> <td>Spend p/a HO £15,000</td> <td>Programme Benefit £288,600 full year From Aug 23 £192,400 Aug to March 2024</td> </tr> </tbody> </table>			Spend Before £61,100	X	6 yp	£366,600	Spend After £13,000		6 yp	£78,000	Spend p/a CS £63,000		Spend p/a HO £15,000	Programme Benefit £288,600 full year From Aug 23 £192,400 Aug to March 2024
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<b>Type of opportunity (Saving/Cost Avoidance)</b>	Budget saving														

# Children, Families and Community Safety – cost drivers and trend

## UASC supply capacity

BCC UASC allocation	2023/24	
	93	
Cost of spot ESA p/wk (av)	£967.79	
Cost of block from framework	£550	
Cost in-house fostering	£355	
Cost external fostering	£844	
% UASC aged 16 & 17 in local block arrangements	10%	
Number of blocked local UASC beds	12	

Bristol has an allocation through the NTS of 0.1% of children’s population – 93 UASC at any one time. It is difficult to plan for the demand required because of the constant flow through refreshing numbers once children reach 18 and this then requires us to top back up to 93; we also receive spontaneous arrivals. Move-on of 18 year olds is difficult because of lack of availability through the HSR, and leaves us with over 18s in 16-18 commissioned accommodation (this is a separate project). Increasingly, UASC are placed in spot purchased ESAs where costs are very high.

We have a 16+ framework, but there are too few providers able to secure accommodation at scale to enable us to block through this, leading to the use of spot contract ESAs at high cost. A new sub-regional framework will be in place by April 2024.

<b>Problem Statement</b>	Flow and volume of UASC and lack of availability of blocked ESA provision in the City at affordable cost. Spot purchase is high cost.														
<b>Change Lever</b>	New sub-regional framework and availability of a not for profit Housing organisation with expertise in asylum with willingness to block spot properties with support.														
<b>Operational KPI</b>	% UASC over 16 placed in local block arrangements. Target 50% Unit weekly cost (to be held <£500)														
<b>Quality benefits</b>	Appropriate provision in the City with providers who will support move-on, integration, ESOL														
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<b>Type of opportunity (Saving/Cost Avoidance)</b>	Budget saving														

# Children, Families and Community Safety – cost drivers and trend

## Contract Efficiency

Placement market (external)	2022/23 Q1	2023/24 Q1
ESA number	56	107
ESA cost (avg weekly)	£1743.21	£2140.37
Residential number	59	56
Residential cost (avg weekly)	£5855.21	£6808.03
IFA number	228	212
IFA cost (avg weekly)	£798.91	£889.26

Children placed in external provision (residential, IFA and ESA) are charged at high cost to BCC, often without a clear outcomes based contract which can be tracked for progress. Initial contract costs are often increased while providers assess risk, but often these do not come down after the assessment period. The Commissioning/Placements Teams are not able to fully contract manage every individual IPA as numbers in the external market increase. This leaves BCC paying for services that are sometimes not needed and sometimes not being received.

In the 22/23 financial year, a specific project managed to achieve cost avoidance of £4M through contract reviews and careful negotiation. We have some indication that these cost reductions are not sustained as providers seek to increase costs again at a later date which we would like to control.

<b>Problem Statement</b>	Lack of robust contract review process and lack of outcomes based contracting leaves BCC subject to pressure to increase packages of care which are then not decreased as a child's needs change.																	
<b>Change Lever</b>	Re-structure teams to enable robust management of contracts Locate new resource within MAT which is ASC led																	
<b>Operational KPI</b>	Programme & process for reviews in place Number of placements in each market reviewed % of placements in each market with reduced contract spend																	
<b>Quality benefits</b>	Contract & care reviews will ensure VFM as well as outcomes being met for permanency planning																	
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# Children, Families and Community Safety – cost drivers and trend

## Care and Support Framework

	2021/22	2022/23	% change
Cost of spot purchased agency spend	£22,100	£1.8M	800
Number of breaches CSC			

There is a lack of care and support provision available to work with children and families who need support into their family/foster or care homes to maintain stability when their needs become so high that carers are unable to cope. This leads to carers telling us that they can no longer look after their child, and means that children either come into care from families or, if they are already in care, their carer gives notice and there is a search for another home. For children with very complex needs who have been taken to hospital for concerns for their safety, we are sometimes unable to discharge them home or to a care provision because of a lack of care and support.

We do not currently have a framework for this type of agency care which is leading to high numbers of breaches of PCR2015 through spot purchase. Costs are higher when we do spot purchase, and we have less ability to control quality.

<b>Problem Statement</b>	No existing compliant means of contracting agency care and support staff. High costs for spot purchase and poor control of quality.		
<b>Change Lever</b>	New sub-regional framework for care and support staff led by BCC		
<b>Operational KPI</b>	No breaches relating to care and support staff Cost per hour is managed within set tolerance (needs setting)		
<b>Quality benefits</b>	Ability to monitor quality through framework		
<b>Financial Equation</b>	<div style="border: 1px solid black; padding: 5px; background-color: #e0f0e0;">Average hourly cost 22/23 £</div>	<div style="border: 1px solid black; padding: 5px; background-color: #e0f0e0;">Total cost 22/23 £1,800,000</div>	
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<b>Type of opportunity (Saving/Cost Avoidance)</b>	Budget saving		



# Children, Families and Community Safety – cost drivers and trend

## 16+ Sufficiency Strategy

Over 70% of children in our care are over 10 so that we will see high numbers of care leavers over the next 5-10 years. We are seeing high numbers of young people coming into care aged 16+ either as UASCs or through the Homelessness pathway with a small number coming in as safeguarding concerns. Our City demographic shows a 30% growth in yp between the age of 16-30 over the next 5 years.

The demand for Housing has outgrown supply and care leavers are not able to move into HSR accommodation where they need to do this, particularly if they still have high support needs. This has left the 16-18 accommodation that we do have blocked by 18+ care leavers and led to spot purchase of ESA accommodation and significant over-spend in this market.

Without a clear strategy underpinned by evidence, we do not have a strong signal to the market or to internal services of how we need to meet demand for our different cohorts.

<b>Problem Statement</b>	No existing compliant means of contracting agency care and support staff. High costs for spot purchase and poor control of quality.		
<b>Change Lever</b>	New sub-regional framework for care and support staff led by BCC		
<b>Operational KPI</b>	No breaches relating to care and support staff Cost per hour is managed within set tolerance (needs setting) % off framework		
<b>Quality benefits</b>	Ability to monitor quality through framework		
<b>Benefit Equation</b>	<p>Before % contracts off framework</p>	<p>Before Wkly cost off framework</p>	<p>Before Total annual off contract £</p>
	<p>After % contracts off framework</p>	<p>After Wkly cost off framework</p>	
<b>Type of opportunity (Saving/Cost Avoidance)</b>	N/A		

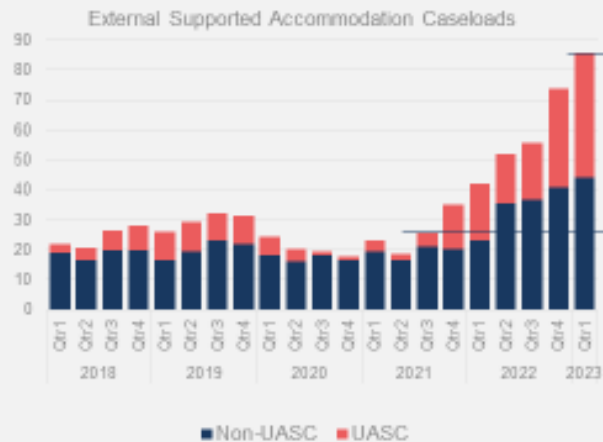
# Children, Families and Community Safety – cost drivers and trend



## External Supported Accommodation



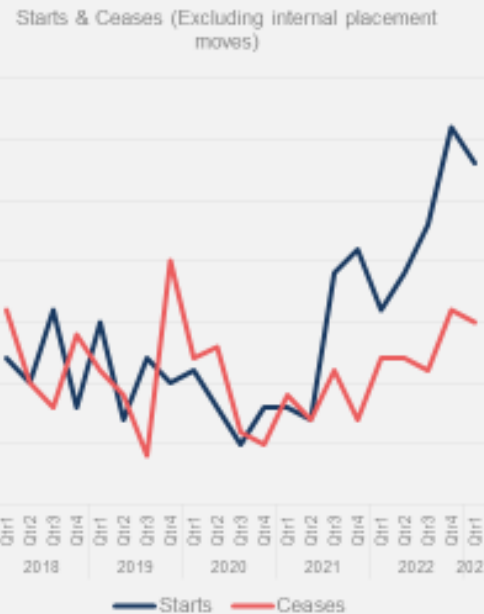
### THE MAJORITY OF 16/17 YEAR OLDS ARE PLACED IN EXTERNAL SUPPORTED ACCOMMODATION



Though a decrease was seen in 2019, through 2020 & 2021 the External Supported Accommodation caseload has increased to

**3.5x**

The caseload in Q1 2021



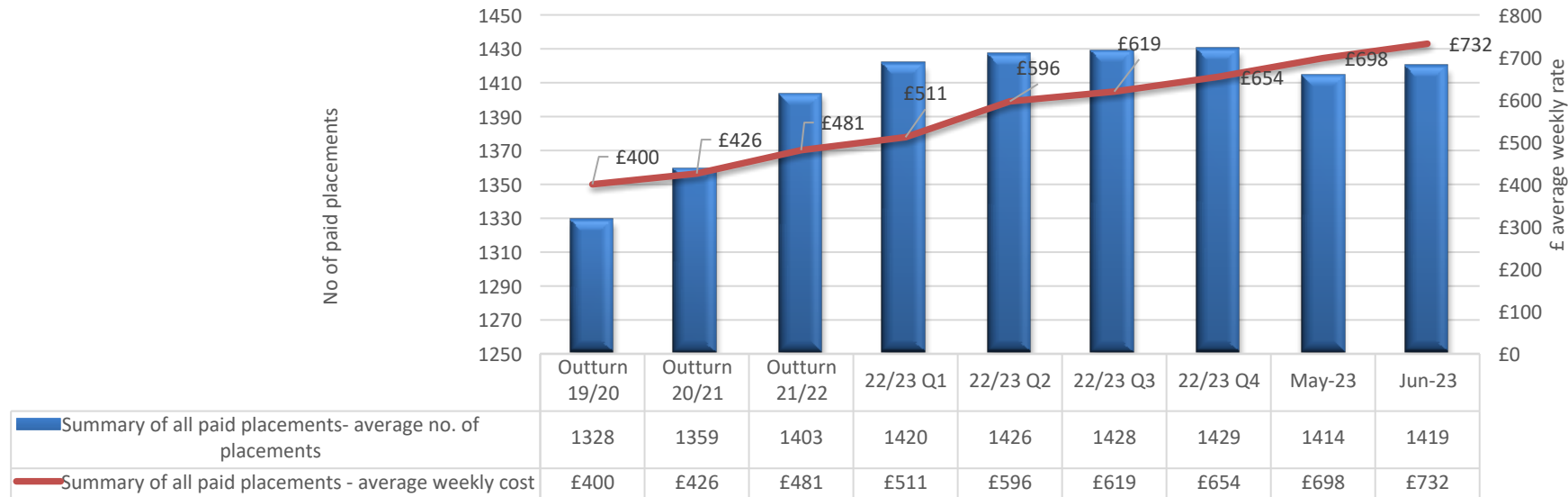
The primary driver of increase caseload is an increase in starts and the inability to match that level in ceases.

We want to understand where this rise in starters is occurring.

# Children, Families and Community Safety – cost drivers and trend

There has been a slight reduction in the overall number of placements since March 2023 though the average net weekly cost has increased by £78 (11.9%):

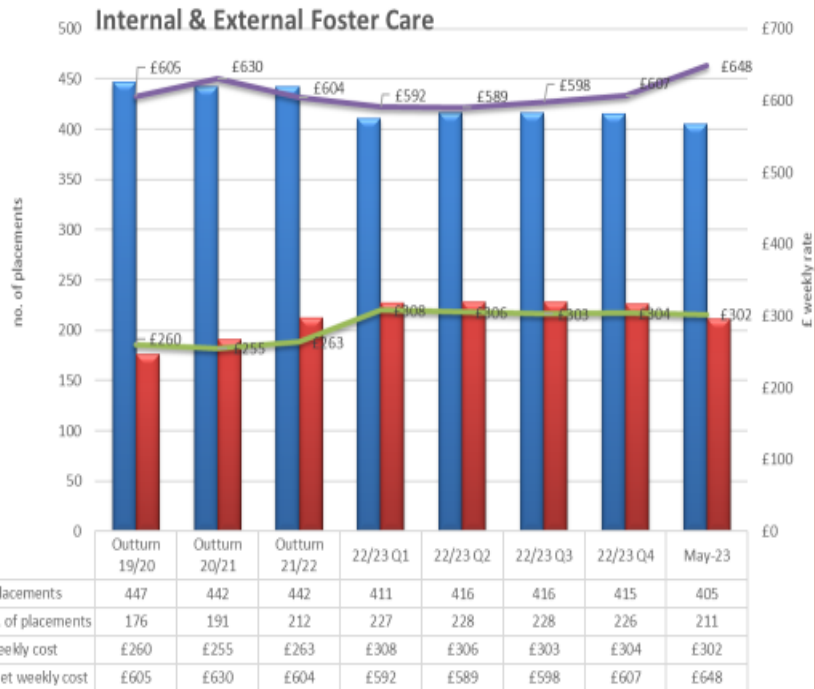
Summary of all paid placements and care arrangements



The rationale for increase in average net weekly cost: increase in support packages requested from providers usually because of instability and fragility of placement. Also, the ratio of residential to fostering is changing with fewer fostering placements being made, the unit costs in residential are significantly higher (£350 per week core versus £5,500 per week core).

# Children, Families and Community Safety – trends activity and cost

- Both in-house fostering and IFA placements have fallen since March. The net weekly cost of an average IFA placement is £346 more than an in-house placement:



- The volume of ESAs (including unregistered placements) has almost doubled in the last 12 months:





# Education – Home to School Travel

Deep Dive

Key cost drivers, trends & performance data



# Education (General Fund only) - cost drivers and trend

## ■ SEN – HTST - Children travelling out of area

- General demand increasing due to the demand of EHCPs increasing.
- The P2 forecast for travel was £9,87M which was a variance of £975,000 from the budget, whereas the P3 forecast for travel was £11,84M which was a variance of £2,944,000 from the budget. The primary reason being the significant increase in out of area travel due to school sufficiency problem nationally and within Bristol.
- In the last 3 years, this has generally evidenced around 16-17% growth in numbers per year
- Many children and young people are having to go to out of area schools, increasing the cost of journeys for the service. Increase in routes from 48 to 72 which is 50% from April 22 to April 23.
- The increase is 128% but is actually similar number of routes: 63 rising to 66. The costs are very much annualised and subject to the variations in term activity. So a rise from April to June is very usual, less activity July and none in August. Costs rise again Sept, Oct, Nov. Total mileage is around 40,000 more per quarter now than it was in the last academic year in July
- The impact of COVID-19 has resulted in less availability of drivers and the recent cost of living crisis has increased fuel prices significantly. Significant increase in market costs per passenger per day from April 22 to April 23 – all passengers in and out of area
- There is a Current processes, technology and ways of working within the service are unable to effectively handle the increase in demand and are introducing unnecessary effort, cost and risk to the service

# Education (General Fund only) – HTST cost drivers and trend

## SEN – HTST - Children travelling out of area

- There has been an increase in routes from April 22 to April 23 of 128% but is actually similar number of routes: 63 rising to 66. The costs are very much annualised and subject to the variations in term activity. So a rise from April to June is very usual, less activity July and none in August. Costs rise again Sept, Oct, Nov.
- Total costs per day out of area have increased from £342,000 per day to £479,000 per day which is an increase of 40% in this period and attributed to both the apparent increase in market costs as well as the increase in distance out of area which seems to be increasing.
- A good illustration as shown below. This route has just been agreed by SEND pre-tribunal for a child who had been excluded from a Special School. The new setting is the closest able to meet need. Journey time for this child will be up to two hours each way in the busy commute period (far more than the national guidance), and as we have no other children at the school, this will be a single occupancy route unless parent will agree to a personal travel budget and drive themselves – this is rarely the case with long routes  
[Bristol BS1 to Petherton Park School - Google Maps](#) day, or c.£57,000 per year (190 days) for one child.



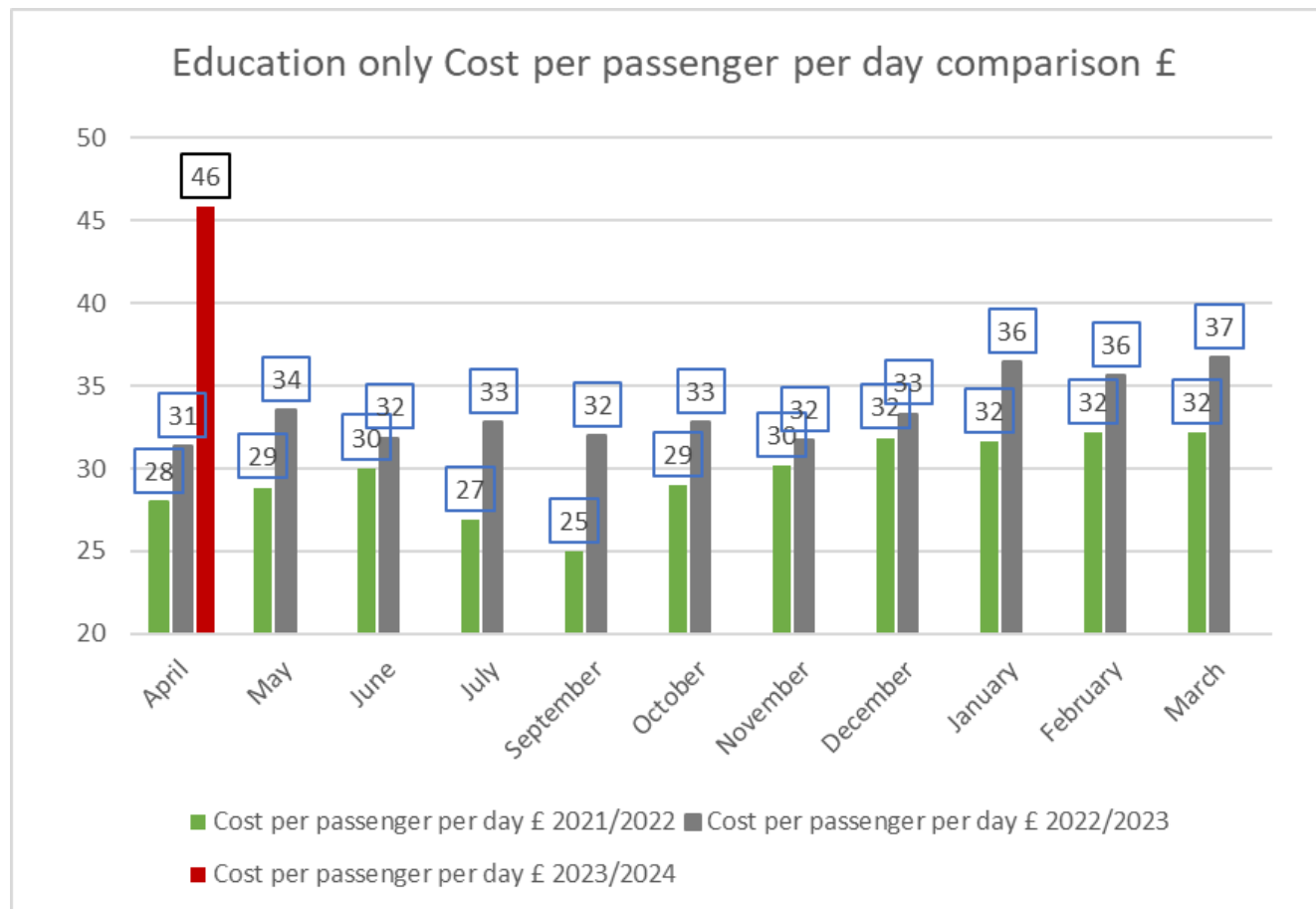
### BS1 to Petherton Park School

Find local businesses, view maps and get driving directions in Google Maps.

[www.google.co.uk](http://www.google.co.uk)

# Education (General Fund only) – HTST trend activity and cost

The graph below shows the significant increase in market costs per passenger per day from April 22 to April 23 – all passengers in and out of area. Although this appears to be relating to market rates, further analysis seems to suggest that distance, or greater mileage accounts for this increase rate per passenger.





# Education (General Fund only) – HTST trend activity and cost

## Market costs and mileage

- We have created an additional report within our operating system that provides mileage for the route and cost per mile so that we can monitor this more closely and review all routes where mileage is particularly high.
- As expected, we see higher mileage for shorter routes, but there are some where the disparity cannot be explained and warrant review.
- Comparing mileage in July 2022 is difficult because we are missing some route mileages. Using those we do have and inferring an average for those that are unknown, it does look as though our total mileage is around 40,000 more per quarter now than it was in the last academic year in July.

## Our Apr-June mileage/cost report:

Contractor average per mile costs	highest £10.22	lowest £1.07
Out of authority average milage costs	£2.24	
In authority average mileage costs	£3.05	
Combined average mileage costs	£2.65	
9-16 seater average mileage costs	£2.68	
5-6 & 7-8 seat average mileage costs	£2.56	
Other type average mileage costs	£2.93	
Total route mileage	881,263	
Total passengers (incl non-ed)	1219	
Total costs (before re-charge)	£2 454,000	



# Opportunities for Recovery



# High-level recovery approaches

- Redesign of Children and Education operating model, processes and service delivery aligning to needs and demands of services, improving our processes
- Supporting ongoing recruitment of International Social workers to increase team capacity and capability to support a wider range of CYP in Bristol
- Aligning our statutory critical roles to the market rates to improve our recruitment and retention of these posts
- Growing our apprentice cohort is vital for our pipeline and progression route for students but it does require us to be willing to take the risk that funding won't extend past 2025
- Development of Social Worker Academy
- Developing 16+ market in line with new regulation and growing shared housing units with intention to block. 16+ strategy signals need to the market and will encourage providers onto a new sub-regional framework.
- Blocked units of Unaccompanied Asylum Seeker Children accommodation with specialist asylum support provider ACH. Blocked 6 units for 18+ to bring young people out of costly External Support Accommodation.
- Development of a new supported housing pathway

# High-level recovery approaches

- Mockingbird satellites for greater support around fostering
- Re-profiling children's homes programme – increase of internal residential placements from 15 to 24 including a new provision for younger children aged 6-12
- Earlier and more inclusive services for children which prevents the need for Education Health Care Plan
- Increase local sufficiency.
- A request to schools and colleges to consider use of their vehicles with driver could change this dynamic and could support schools to sustainably fund their vehicles.
- Reviewing alternative models for fleet provision to reduce the cost in the market and also deliver on future carbon zero targets through investment in new technology.
- The new DPS framework has an inflation adjustment mechanism built in which can be applied annually. In September, we can review inflation rates according to the mechanism and apply adjustments to the contracts.
- Our new travel policies will reduce costs through clarity around 16+ entitlement and an independent travel training offer.