

Corporate Parenting Panel October 2010

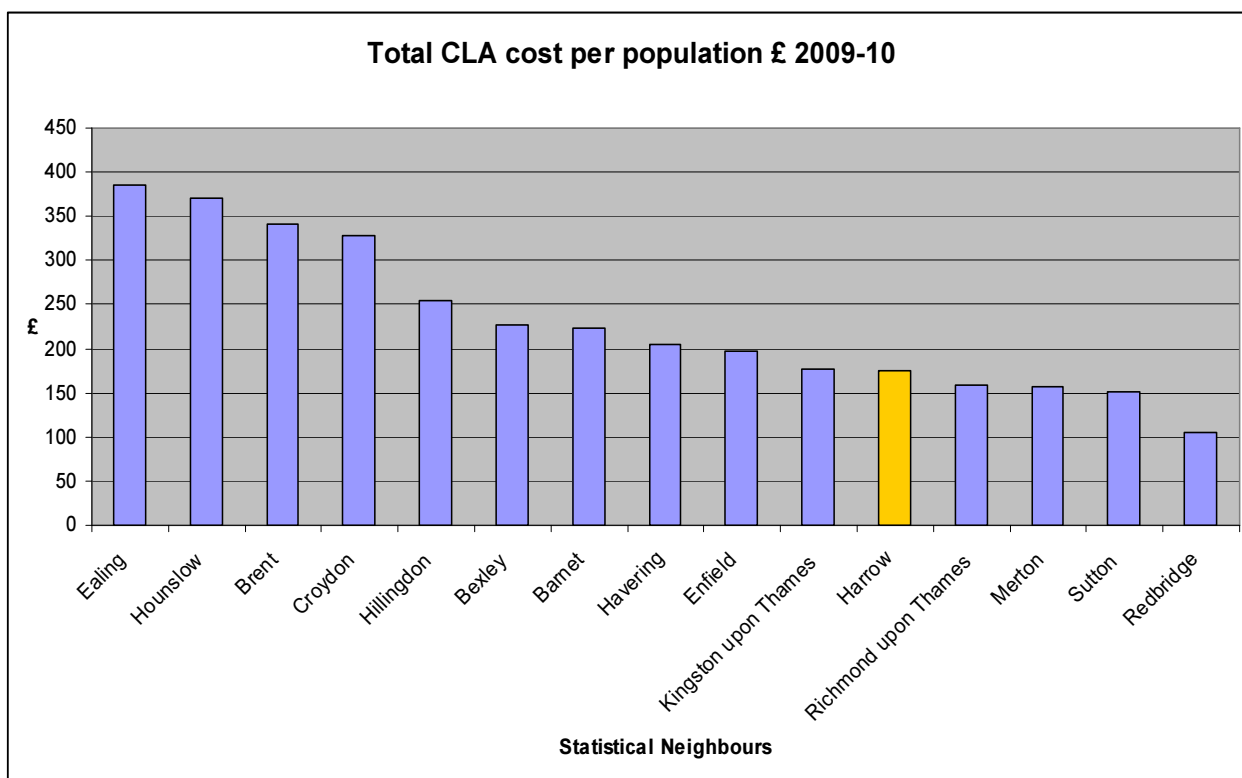
Attachment 3

Cost per Child Looked After

Work is currently underway with the CIPFA benchmarking club to provide detailed benchmarking data on the unit costs of different categories of placement compared with other authorities. This is a complex analysis and involves matching days of different types of care to expenditure. This data will be available towards the end of the calendar year and will be reported to the next CPP meeting. 2008-9 benchmarking data showed that while overall spend on children looked after was slightly below average, there were two areas in which unit costs were comparatively high:

- Residential placements
- Agency foster carers

Work has taken place to reduce the number of high cost placements and improve in-house fostering options, and panel members have been able to track the reduction in both of these through the regular activity reports in 2009-10 and early 2010-11. The cost per population analysis for 2009-10 is available and shows Harrow to be significantly below the average cost of our nearest neighbour group:



Source: CIPFAstats exp on CLA/ONS population 0-15 year olds. Average cost £230 per 0-15 pop, Harrow £174

However, we would expect to be well below average as our CLA numbers per population tend to be below average. A more relevant comparison will be provided when the benchmarking club data is published.

Details of ongoing work to reduce cost per CLA are as follows:

- **Developing the In House Fostering service** – the average weekly cost of an agency foster placement is £929pw compared to £450pw for the in house service. If the authority was solely reliant on agency fostering it would cost approximately £1.7m more in 2010/11.
- **Promoting Adoption & Special Guardianship Orders** – Since 2007 the council has placed 38 children for adoption with a further 25 children in Special Guardianship Order. If these children had remained in care then the cost to the council in 2010/11 would have been between £0.65m (for In house fostering) to £2.6m (if they had been placed in agency foster care).
- **Teenage Placement Strategy** – recent initiative to prevent vulnerable teenagers (who make up a high proportion of CLA – see chart 3b) from escalating into high cost residential placements by developing a specialist and skilled in house foster carers for teenage placements. It is too early to quantify the financial impact but at a weekly cost of £600pw compared to the average residential cost of approximately £2,500pw will lead to an approximate saving of £98k per annum for each placement.