

**PERTH AND KINROSS COUNCIL****Strategic Policy and Resources Committee - 21 September 2016****TRANSFORMATION PROGRAMME 2015-2020 PROGRESS UPDATE  
AND  
EXPANSION OF FAMILY BASED CARE REQUEST FOR ADDITIONAL FUNDING****Report by the Depute Chief Executive, Environment  
(Sustainability, Strategic and Entrepreneurial Development)****PURPOSE OF REPORT**

This report provides an update on the Transformation Programme and identifies a proposal to draw down additional funding of up to £47,000 from the Earmarked Reserve for Transformation, to ensure that the capacity and support needed to secure the effective delivery of the Expansion of Family Based Care Review is provided.

**1. BACKGROUND / MAIN ISSUES**Overview

- 1.1 The Council's Transformation Strategy 2015-2020 was approved by Council on 1 July 2015. The transformation programme is focused on continuing our proactive approach to public service reform, and embracing change that keeps Perth and Kinross Council in a position of strength, to meet the significant challenges ahead. This report gives an update on the progress of the programme.
- 1.2 On 10 February 2016, the Strategic Policy and Resources Committee approved requests for funding from the Earmarked Transformation Reserve for phase 2 transformation reviews, including £162,000 for the Expansion of Family Based Care. This report provides further detail on the purpose of that review and presents a revised funding request to secure the effective delivery of the review.
- 1.3 The Family Based Care Review's key purpose is cost avoidance. It aims to meet increasing demand within Perth and Kinross and the immediate geographical area, therefore avoiding future costs associated with more expensive external placements.

**2. PROPOSALS**Transformation Programme

- 2.1 Progress on Transformation reviews was initially reported to the Strategic Policy and Resources Committee on 2 December 2015, (Report Number [15/155](#)). Updates were provided on 10 February 2016 (Report Number [16/50](#)), 20 April 2016 (report Number [16/186](#)), and 15 June 2016 (report number [16/268](#)). Appendix 1 to this report details the most recent update on progress.

## Expansion of Family Based Care

- 2.2 The Expansion of Family Based Care Review is a 4 year transformation project (2016-2020). The Council will need to provide an increasing number of quality foster care placements for looked after children to meet its statutory responsibilities. This is a requirement regardless of whether it is provided 'in-house' via recruitment of foster carers, or purchased externally from other independent agencies.
- 2.3 The review aims to avoid unnecessary costs for a service which had an overspend of £246,000 in the last financial year and is projected to overspend by £1,119,000 in the current year, due primarily to unprecedented high demand for external foster care placements.
- 2.4 The proposal is to expand the number of foster carers and increase the range of family based care options for looked after children, young people and care leavers. A fundamental objective is to be able to provide for looked after children within the local communities, and reduce the reliance on placements via external providers. The outcomes of the review will be achieved through an expert-led recruitment campaign, building Council capacity within a long term strategy. Additional staffing resource will be created in order to manage the highly intensive work and assess and train high quality carers.
- 2.5 The review includes the development of an 'over-supply' of foster care placements, which can generate income from offering placements to neighbouring authorities at a competitive rate. The income from the management fees attracted will, in the longer term, assist in providing financial sustainability to the project.
- 2.6 The investment required to deliver this transformation project will cover development costs including:
- Project management
  - Dedicated and specialised marketing and communications.
  - Training and development of staff in the Family Placement Team and Through Care and After Care Teams
  - Staffing resources to manage recruitment, training, development and assessment of foster carers and supported lodgings providers
  - Resource to increase the activity of the statutory fostering and permanence panel
  - Administration and business support
- 2.7 Reports to the Lifelong Learning Committee in May and November 2015 (15/212 and 15/510) identifying the benefits of the review were well received.  
Financial investment required
- 2.8 The Outline Business Case for the Expansion of Family Based Care was approved by the Executive Officer Team in January 2016. Funding of £162,000 was approved by the Strategic Policy and Resources Committee on 10 February 2016.

- 2.9 The revised funding request is for £209,000 to ensure the effective delivery of the review, an increase of £47,000 over the period of the review. This increase has arisen following further detailed analysis of the resources required to ensure the effective delivery of this project, over its duration to 2019.
- 2.10 The Outline Business Case projected income generation of £164,000 over the second, third and fourth years of the review. The income anticipated relates to the receipt of a management fee from other local authorities for the supply of foster care placements in Perth and Kinross. This fee covers the costs of recruitment, assessment, approval, training, development and support of foster carers, as well as the payment of fees and allowances for the work that foster carers carry out on behalf of the local authority. The management fees could potentially generate £15,600 per annum per placement.
- 2.11 Originally it was considered that this income generation could be used to offset budget pressures, however on further analysis, the projected income will be reinvested in funding the continued delivery of the service. Therefore there is no overall saving to the Council. However, as mentioned in section 2.3, the main objective of the review is avoidance of additional costs, and unbudgeted overspends.

### 3. CONCLUSION AND RECOMMENDATIONS

- 3.1 The transformation programme is well under way. Additional funding is requested to support the Expansion of Family Based Care Review.
- 3.2 It is recommended that the Strategic Policy and Resources Committee:
- (i) Notes the progress with the Transformation Programme, as detailed in Appendix 1.
  - (ii) Agrees to the release of an additional £47,000 from the Earmarked Reserve for Transformation for the Family Based Care Review and removes the savings target of £164,000 attributed to this review.

#### Author

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#### Approved

Name	Designation	Date
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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	<b>Yes</b>
Corporate Plan	<b>Yes</b>
<b>Resource Implications</b>	
Financial	<b>None</b>
Workforce	<b>None</b>
Asset Management (land, property, IST)	<b>None</b>
<b>Assessments</b>	
Equality Impact Assessment	<b>None</b>
Strategic Environmental Assessment	<b>None</b>
Sustainability (community, economic, environmental)	<b>None</b>
Legal and Governance	<b>None</b>
Risk	<b>Yes</b>
<b>Consultation</b>	
Internal	<b>Yes</b>
External	<b>None</b>
<b>Communication</b>	
Communications Plan	<b>Yes</b>

### 1. Strategic Implications

#### Community Plan/Single Outcome Agreement

- 1.1 The proposals relate to the delivery of the Perth and Kinross Community Plan/Single Outcome Agreement in terms of the following priorities:

- (i) Giving every child the best start in life
- (ii) Developing educated, responsible and informed citizens
- (iii) Promoting a prosperous, inclusive and sustainable economy
- (iv) Supporting people to lead independent, health and active lives
- (v) Creating a safe and sustainable place for future generations

#### Corporate Plan

- 1.2 The Council's Corporate Plan 2013 – 2018 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

- 1.3 The report relates to all of these objectives.

## **2. Resource Implications**

### Financial

- 2.1 The financial implications are detailed in the report, including a request to utilise an additional £47,000 from the Transformation Reserve.

### Workforce

- 2.2 There are no direct workforce implications arising from this report.

### Asset Management (land, property, IT)

- 2.3 There are no direct asset management implications arising from this report.

## **3. Assessments**

### Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been assessed as not relevant for the purposes of EqIA.

### Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.4 The proposals within this report have been considered under the terms of the act and no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

### Sustainability

- 3.5 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.

- 3.6 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

#### **4. Consultation**

##### Internal

- 4.1 The Head of Finance, Corporate Human Resources Manager and Head of Legal and Governance Services were consulted in the preparation of this report.

##### External

- 4.2 Not applicable.

#### **5. Communication**

- 5.1 Communications with staff will be undertaken as part of the individual reviews.

## **2. BACKGROUND PAPERS**

The background papers referred to within the report are:

- Report to SP&R Committee on 23 September 2015, Report No (15/397)
- Report to SP&R Committee on 2 December 2015, Report No (15/555)
- Report to SP&R Committee on 10 February 2016, Report No (16/50)

## **3. APPENDICES**

- Appendix 1 – Progress Report on Phase 1 and Phase 2 Transformation Reviews

