

Leicester
City Council

SCE Social
Care &
Education

Placement costs and IMPOWER update

- Need to achieve best value for money
- Seeking savings to address budgetary pressures



- Finding the right home, in the right place, at the right time for all our children and young people, ensuring they have a safe place to live where they feel protected and valued

IMPOWER **EDGE** WORK

- Two phases of work led by IMPOWER in 12-week periods in 2023 and 2024
- Phase 1: identified opportunities for improving outcomes for children and young people, whilst easing budget pressures through reunification, placement move from residential to fostering and move from an Independent Fostering Agency to in house
- Phase 2: realised some of these opportunities and worked on elements of a wider, coproduced transformation plan
- 57 young people were identified in cohort 1, a further 46 were identified in cohort 2

- Across these cohorts, the net difference in between the original placement costs and costs as of December 2024 is a saving of £14,724.86 per week (representing an average saving of £142.96 per young person per week), equivalent to annual saving of £765,692.72
- Greatest savings generated through cohort 1 (total weekly savings £32,288.74), while cohort 2 sees weekly increase of £17,563.88
- In cohort 1, those identified for opportunity 1 and 2 had greatest weekly cost savings on average (though the identified opportunity was not the realised placement change in all cases)

	Original weekly cost	Current weekly cost	Difference	Difference average per person
Cohort 1	£183,523.64	£151,234.90	-£32,288.74	-£566.47
Cohort 2	£53,632.25	£71,196.13	+£17,563.88	£381.82
Total	£237,155.89	£222,431.03	-£14,724.86	-£142.96

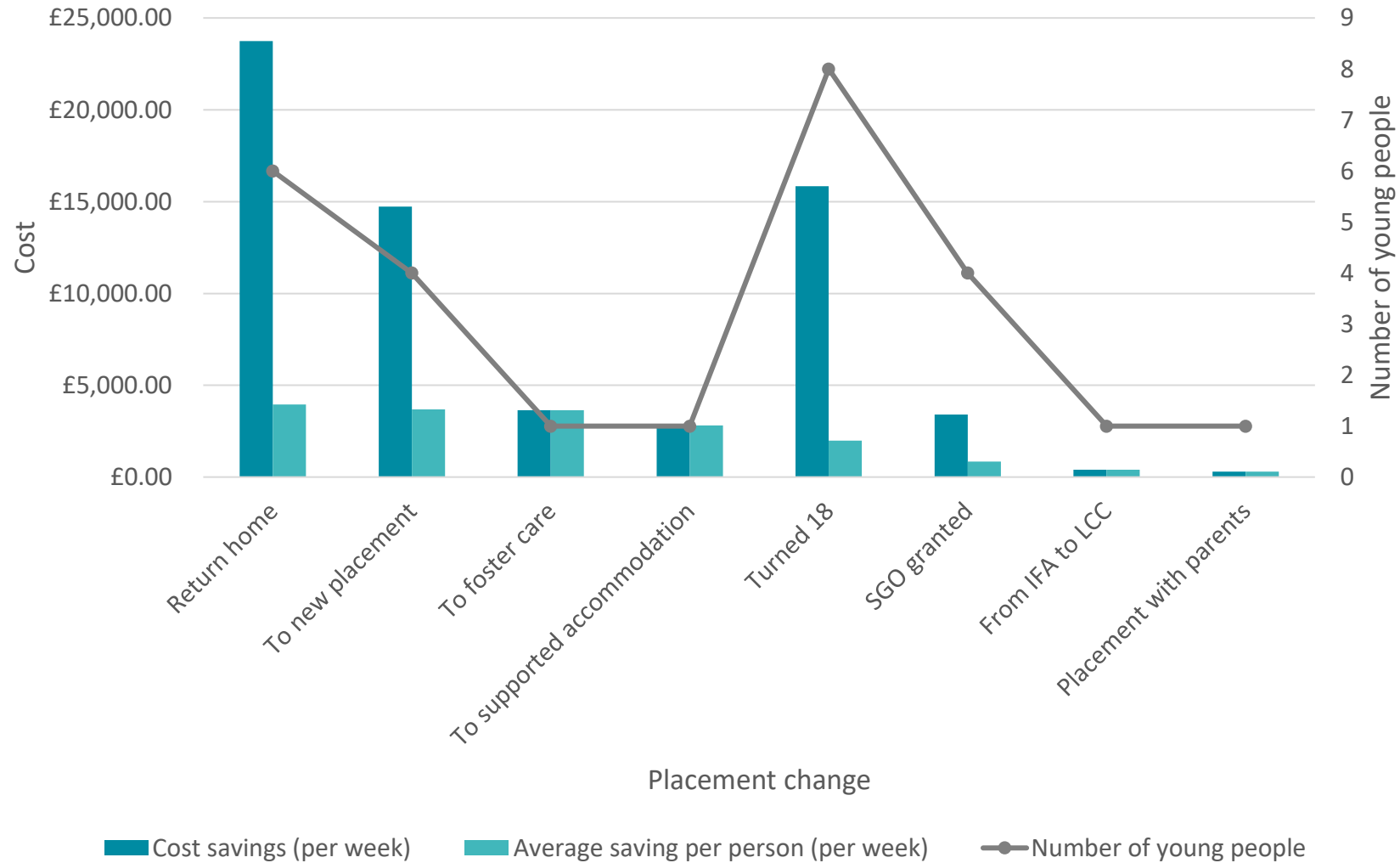
Cohort 1 identified opportunity	Total difference in weekly placement cost	Average difference in weekly placement cost per person
Opportunity 1 (Reunification)	-£12,261.80	-£817.45
Opportunity 2 (Placement move from residential to fostering)	-£21,177.55	-£882.40
Opportunity 3 (Move from an Independent Fostering Agency to in house)	+£1,150.61	+£63.92

- In the two cohorts identified by IMPOWER, there have been reductions in placement costs totalling £64,884.57 per week (£3,373,997.64 per annum)

Reason for reduced cost	Number of young people	Cost reductions (per week)	Average reduction per person (per week)
Turned 18	8	£15,846.56	£1,980.82
Return home	6	£23,746.62	£3,957.77
To new placement	4	£14,737.03	£3,684.26
SGO granted	4	£3,407.63	£851.91
To supported accommodation	1	£2,810.79	£2,810.79
Placement with parents	1	£300.30	£300.30
To foster care	1	£3,639.75	£3,639.75
From IFA to LCC	1	£395.90	£395.90

IMPOWER cohort - savings

Placement cost reductions



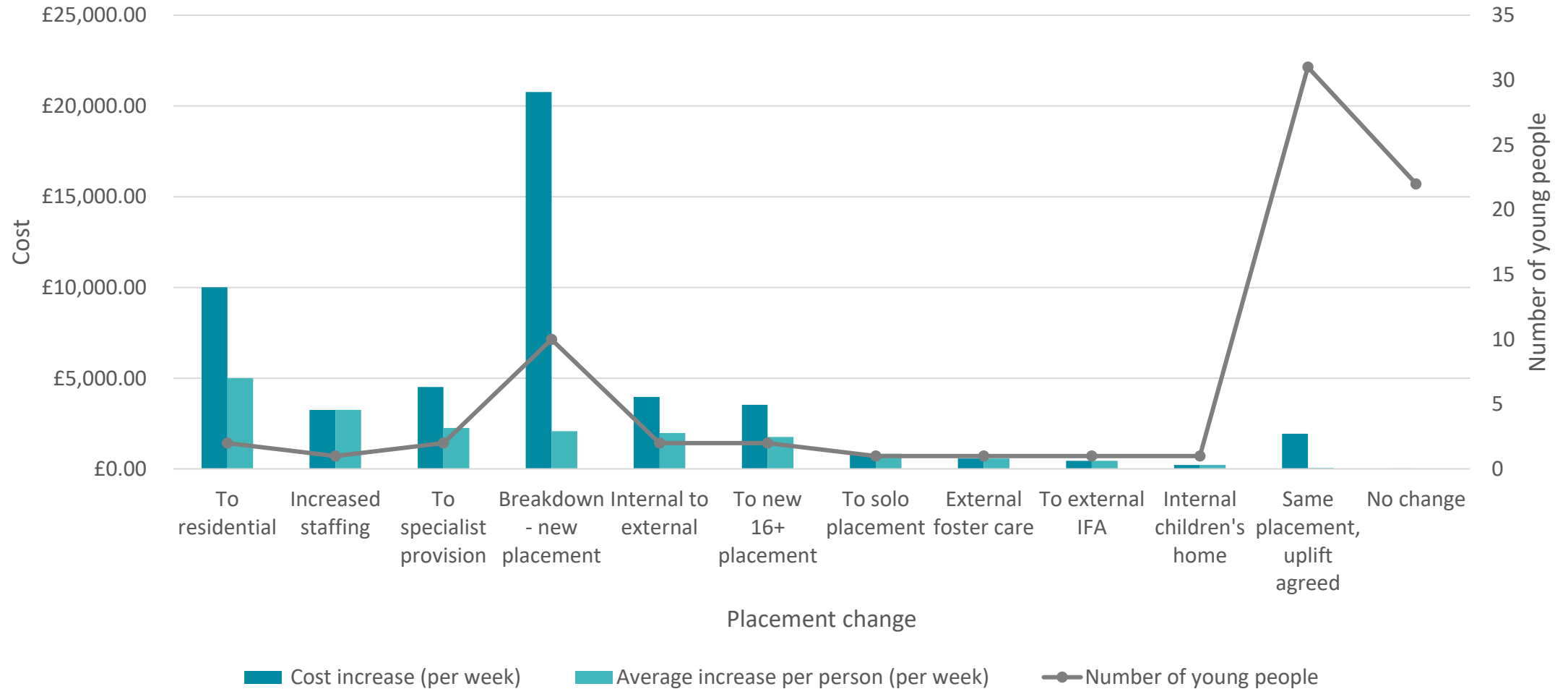
IMPOWER cohort - increases

- In the two cohorts identified by IMPOWER, there have been increases in placement costs totalling £48,212.50 per week (£2,507,050.24 per annum)

Reason for increase	Number of young people	Cost increase (per week)	Average increase per person (per week)
Same placement, uplift agreed	31	£1,947.21	£62.81
No change	22	£34.19	£1.55
Breakdown - new placement	10	£20,776.32	£2,077.63
To specialist provision	2	£4,515.48	£2,257.74
To new 16+ placement	2	£3,534.27	£1,767.14
Internal to external	2	£3,964.21	£1,982.11
To residential	2	£10,012.02	£5,006.01
To solo placement	1	£839.21	£839.21
Increased staffing	1	£3,250.00	£3,250.00
Internal children's home	1	£227.91	£227.91
External foster care	1	£579.69	£579.69
To external IFA	1	£448.29	£448.29

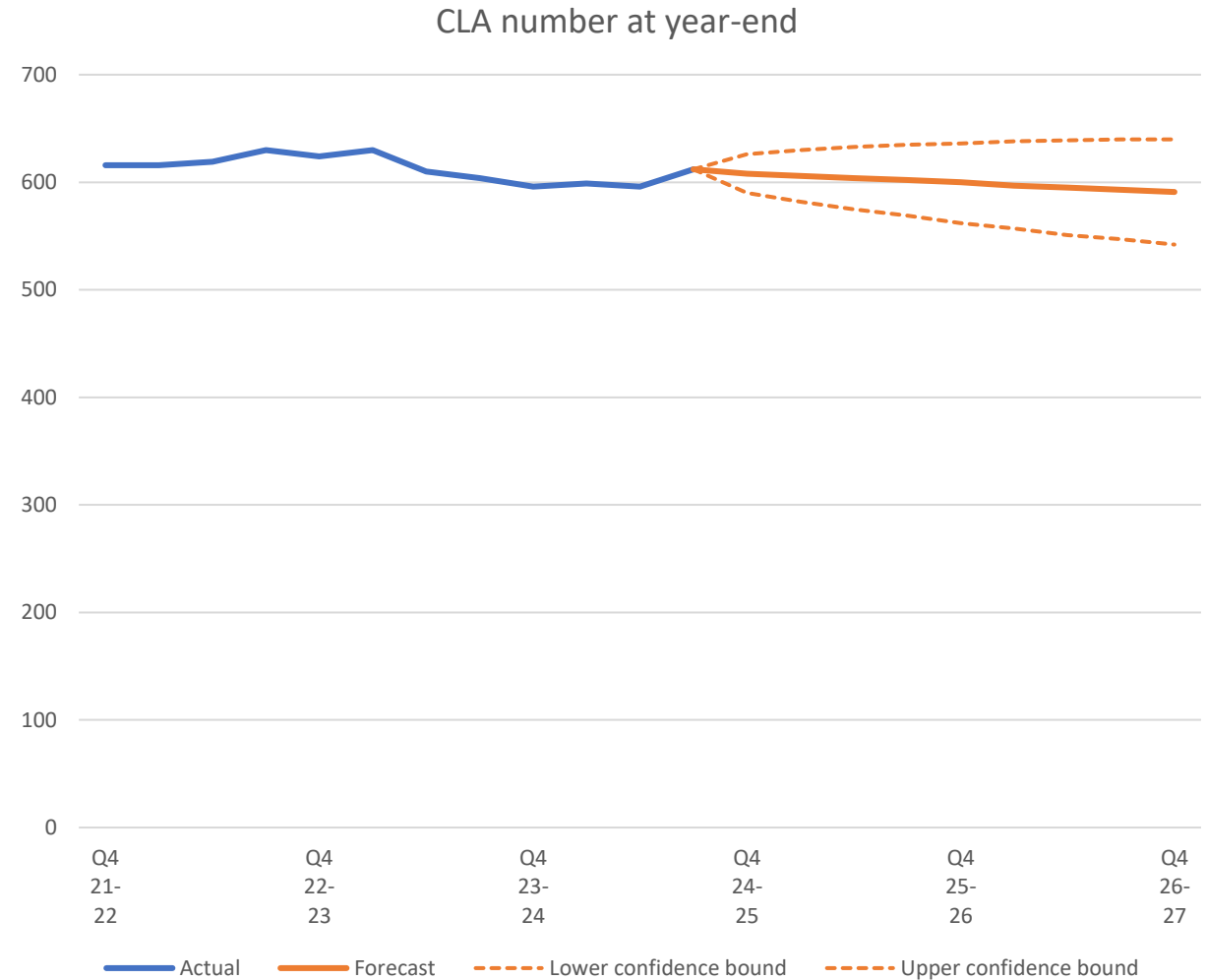
IMPOWER cohort - increases

Placement cost increases



General IMPOWER reflections

- CASS numbers lower than predicted on IMPOWER forecasts – impact on trajectories
- Overall trajectory in looked after children numbers and placement spend optimistic



- The Valuing Care approach helps teams to understand the needs, strengths, and aspirations of the child or young person, which inform the opportunities identified which could better support them. Potential benefits of utilising the tool include:
 - Supporting a more integrated model for commissioning placements, identifying trends in need
 - Planning for future sufficiency within fostering through the identification of strengths and development needs
 - Enhancing specialist matching of children's needs to placements, e.g. mental health needs

- Wider implementation of the Valuing Care tool during 2024 has been impacted by the cyber incident (rendering the testing system unavailable) and a shift in focus on towards preparing for an Ofsted inspection (with a decision made not to begin work implementation until after the inspection activity concluded).
- The Valuing Care tool will be revisited in 2025, with consideration given to alignment to existing frameworks/ expectations (e.g. Signs of Safety and Strengths and Difficulties Questions) together with a wider review of forms. It is not possible for any wider LiquidLogic systems change until after May 2025 due to planned updates so there will be time to first better understand the impact of the Valuing Care tool before any roll out is initiated.

Further to activity building on the IMPOWER work, additional work to reduce placement costs and support children and young people into placements that best meet their needs has been carried out:

- Governance around managing costs strengthened (including boosted capacity within placements team, panels offering infrastructure for oversight (high-cost panel, PDG, transitions panel)), supporting quality assurance, greater levels of challenge, oversight and quality assurance
- Opening of a new Children's Home and planned further expansion of internal Children's Home offer, ICB agreed joint bid for capital funding 25/26 (tier 4, mental health discharge)
- Work to support those at the edge of care, including a pilot of Functional Family Therapies to support reunification

- Functional Family Therapies pilot programme:
 - Based on analysis of family therapy programmes, scoped opportunity to expand eligibility criteria for FFT
 - Therapeutic family support to achieve reunification
 - 6 children being worked with between now and April
- Discharges from care
 - 2023/2024: 24 discharges from care – SGOs, kinship, adoption, return home
 - 2024/2025 (year to date): 16 discharges from care – SGOs, kinship, adoption, return home