

Additional information requested

During the Budget and Performance Overview and Scrutiny Committee meeting on the 9 December, members requested that further information be reported on:

- The Q3 Monitoring report to Committee in March 2014 to include additional focus in-depth on Council's challenges and responsibility towards and looked after children;
- The Q3 Monitoring report to Committee in March 2014 to include additional focus in-depth on the challenge of providing cost-effective temporary accommodation; and
- The Parking Recovery Plan within a report on the Street Scene Recovery Plan.

The requested information is provided in the following sections.

Challenges and responsibility towards and looked after children

Overview

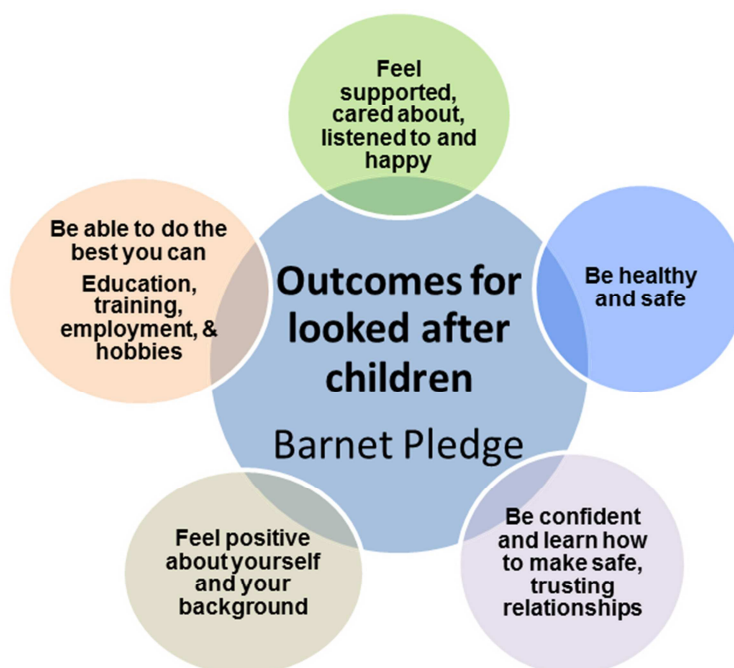
London Borough of Barnet seeks to take earlier preventative action to support children and their families so that fewer children become looked after. For those children and young people who do become looked after children, we want to ensure that needs are fully assessed and that children live within and are supported by their family or broader networks of connected people, where possible. Where this is inconsistent with the child's welfare, Barnet will seek to place children in an alternative family environment, in an appropriate placement that is able to meet their needs.

Where it is in the child's best interests to live with alternative carers, we seek to support our looked after children and young people to achieve excellent outcomes. Having the right placement in the right place, at the right time, is a vital factor in meeting the needs of children and in improving placement stability, which in turn is a critical success factor in relation to better outcomes for looked after children.

Barnet's Corporate Plan sets out that we seek to ensure that children who enter the care system are given a good start in life, with a stable home and access to education and other support.

Barnet has a relatively stable number of looked after children, a low rate per 10,000 under 18 population of looked after children and the vast majority of children only experience one 'episode of care'. At present, Barnet has approximately 310 looked after children at any one time.

The outcomes we seek for our looked after children are most clearly illustrated through the joint work of Barnet's looked after children and care leavers, with the Council, to develop the Barnet Pledge.



Responsibilities

In addition to the responsibilities that local authorities have to support children and young people who are below the threshold of becoming a 'looked after child', local authorities have a number of statutory duties and responsibilities to looked after children¹.

- Safeguard and promote the welfare, including educational attainment, of looked after children; ascertaining the wishes and feelings of children and parents before making any decision; and giving due consideration to this and to the child's religious persuasion, racial origin and cultural and linguistic background
- Secure sufficient accommodation within the local authority's area to meet the needs of their looked after children, intended to lead to an increase in the number and range of placements available within the local authority area and secure sufficient children's homes for looked after children who need such a home, ensure that the children's homes are maintained and run to an acceptable standard and ensure that the welfare of children in voluntary and private children's homes in their area is being safeguarded
- Promote contact between the looked after child and his/her family
- Appoint a suitably qualified Independent Reviewing Officer for all looked after children to ensure that care planning and case review are done well, reflect the needs of the child, take into account their wishes and feelings, and monitor the performance of the Local Authority in its functions and decision making
- Appoint an independent visitor to visit, advise and befriend a looked after child for whom this would be in their best interests
- Legal Aid, Sentencing and Punishment of Offenders (LASPO) Act 2012 requires that where a young person is remanded to custody they are to be treated as a looked after child and require much the same support as any other looked after child. These young people may also become eligible for leaving care services. Visits must take place for children who cease to be looked after as a result of being detained in custody

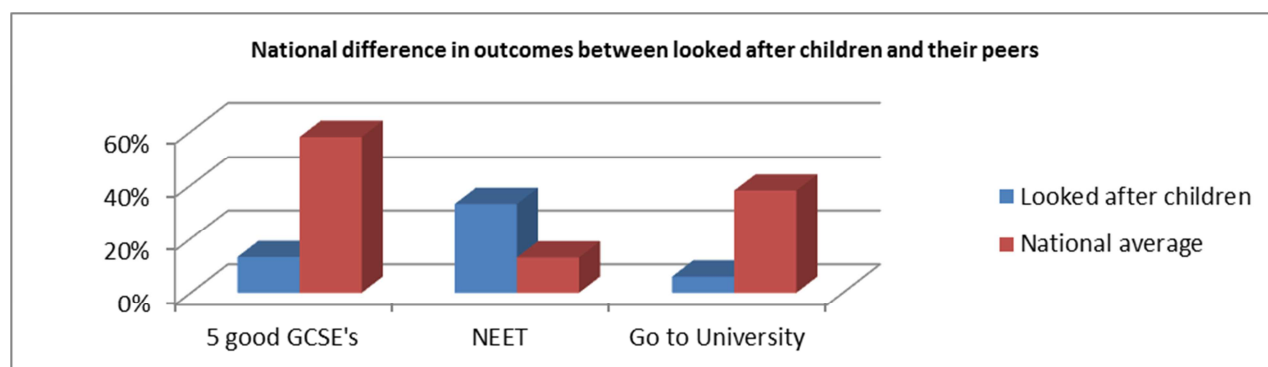
¹ The main, although not exclusive, sources of responsibilities to looked after children are the Children Act 1989 and Children and Young Persons Act 2008.

Challenges

With good planning, cost effective use of resources to support children and young people who are in need, on the edge of care, or are looked after children, will provide them with the best possible opportunities to achieve good outcomes and lead successful adult lives. However, this provision of services and support to looked after children is not without challenges.

Supporting looked after children to attain excellent outcomes

Looked after children have had a multitude of difficult, challenging and traumatic experiences, at often very young ages. As a result of these experiences, looked after children have to overcome additional barriers in their lives and often find it more difficult to achieve the same outcomes as their peers. The chart below provides a stark illustration of the national difference on three key outcomes:

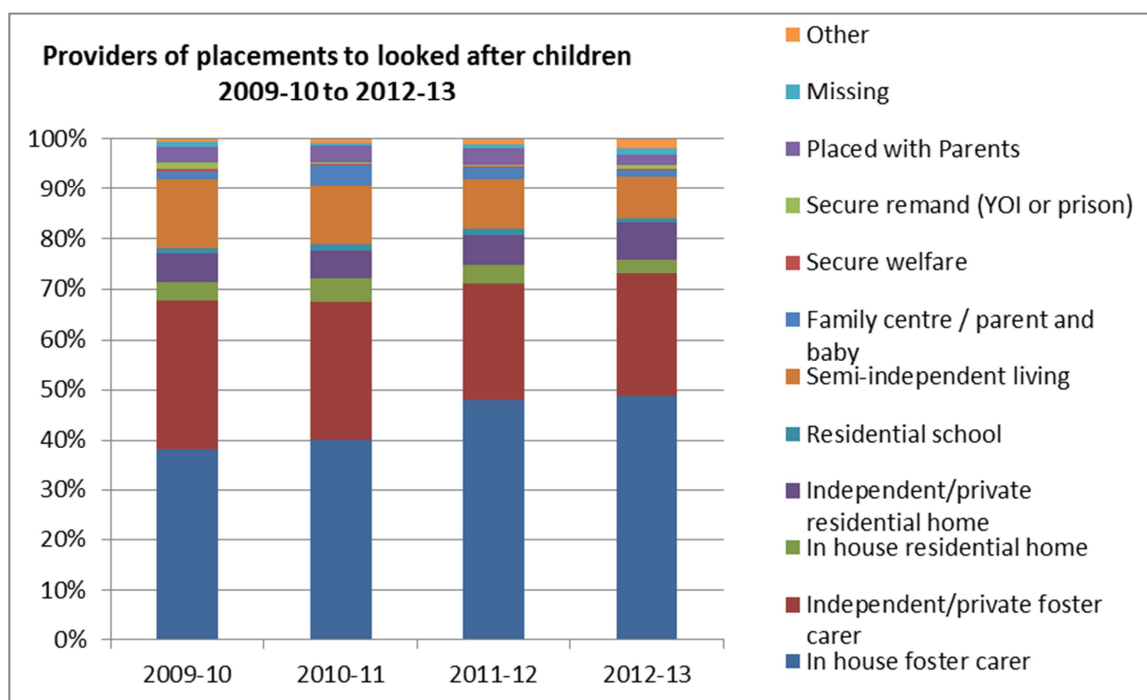


Source: www.thewhocarestrust.org.uk

However, in highlighting these challenges, the resilience, talents and successes of our looked after children must not be underestimated. As corporate parents, our focus must remain on narrowing the gap for looked after children and supporting them to lead happy and successful lives, both as children and in their independent adult lives.

Providers of placements for looked after children and complexity of needs

Barnet's in house foster service is performing well and there has been a growth over time in the proportion of placements which are provided through in house foster carers. In house foster carers are currently meeting the majority of demand for placements. However, there has also been an increase over time in the number of independent/private foster carer placements and independent/private residential placements being commissioned which is driving financial pressures.



There are key reasons that independent/private foster carer and residential placements need to be commissioned for looked after children;

- Barnet, like many local authorities nationally, does not have enough in house foster carer capacity to meet all demand for foster placements and is continually seeking to recruit more in house foster carers. Family Services Delivery Unit is currently undertaking extensive work, as part of the Social Care Transformation Programme, to review and further expand and improve foster carer recruitment
- Many foster carers do not feel they can offer the required support to meet the specific needs of some looked after children; particularly those with complex disability needs or who display socially unacceptable behaviour. As part of the Social Care Transformation Programme, additional and more flexible support services are being considered to support in house foster carers to offer placements to children with additional needs
- There is finite in house residential home provision in Barnet which, when full, means that independent/private residential home provision needs to be commissioned. The Social Care Transformation Programme is exploring how looked after children could be supported to move on from residential homes to other placement types. Some independent/private residential provision are residential schools which meet specific needs of looked after children with SEN needs

Population growth

Barnet is a place of growth over the next five years, with the greatest growth concentrated in the west of the borough. Based on previous trends of looked after children rates per 10,000 under 18 population, there is a potential projected looked after children population of 355 in Barnet by 2020 which will create additional cost pressures. The Social Care Transformation Programme will quantify current and future demand, and deliver solutions to better meet demand for social care placements, to quantify the cost of this, and to ensure that we can provide the right placement in the right place at the right time for looked after children, to support them to achieve the best possible outcomes.

Providing cost-effective temporary accommodation

A combination of the government's welfare reforms, sustained increases in private sector rents in London, and continued pressure created by decants and lease-ends of long-term temporary accommodation mean that Barnet Homes is required to deliver more units to meet demand.

Challenges faced by Barnet Homes

There are a number of challenges faced by local authorities in providing cost effective accommodation for homeless households:

1. Continued increases to private sector rents. With rents increasing at a rate of 7% a year and Local Housing Allowance (LHA) rates rising only in-line with the Consumer Price Index (CPI), the difference between LHA rates and market rents is increasing. To further compound matters, temporary accommodation subsidy is indexed against January 2011 LHA rates, meaning the difference between what councils can afford to pay for temporary accommodation and market rents is now significant in most areas in London.
2. A competitive North London temporary accommodation market with almost 1 in 5 temporary accommodation placements in England being made by North London boroughs has led to increased costs with many providers offering accommodation to the highest bidder.
3. The migration of benefit claimant households from inner London boroughs to outer London boroughs has led to increased demand for private sector accommodation in outer London boroughs, which in turn has fuelled private sector rental inflation.
4. Increased demand for temporary accommodation; since quarter 1 2011/12 there has been an 18% increase in the number of households in temporary accommodation in London with numbers rising from 35,850 to 42,260 over that period. As a result, competition between local authorities has increased and led to price inflation of temporary accommodation.

The London picture

Challenges in procuring cost effective temporary accommodation are being faced by all London authorities with homelessness demand. In this competitive environment, information on temporary accommodation costs are not readily shared, however there are agreements in place to help minimise price inflation induced by inter-borough competition. The Inter Borough Accommodation Agreement (IBAA) has been in place to help prevent boroughs from outbidding each other with a number of key principles, most importantly the principle that no borough will pay more than the host borough to secure accommodation.

Unfortunately, due to an inability to meet homelessness demand, some boroughs are not consistently adhering to the agreement and unfortunately this agreement continues to be flouted by boroughs with the consequences of not meeting homelessness demand meaning the objective to not outbid is regularly being ignored. As a result, many providers will offer accommodation to the borough they know will offer most money for it. However, a positive element of IBAA has been the requirement on boroughs to share information on what they pay for accommodation outside their borough.

Analysing data provided through the IBAA agreement, it is clear that Barnet Homes has had greater success than its North London counterparts in securing cost effective accommodation in other London boroughs. For example, December information indicated that Barnet Homes secured just 42% of units at rates higher than temporary accommodation subsidy caps. This was by far the best performance in the sub-region, with Westminster procuring 78%, Haringey and Islington securing 93% and 100% of Camden and Enfield's acquisitions being above temporary accommodation subsidy rates.

The Impact of mitigating actions taken by Barnet Homes to reduce costs

Barnet Homes has deployed a number of mitigating actions to help reduce costs in meeting homelessness demand in 2013/14:

1. Improved cash incentives for private sector landlords offering assured shorthold tenancies as an alternative to temporary accommodation.
2. An improved scheme for private sector landlords wishing to lease their property to Barnet Homes for use as temporary accommodation.
3. Incentivising the provision of cost effective emergency accommodation with guaranteed rents through a 'block-booking' scheme.
4. A revised Housing Association temporary accommodation leasing scheme enabling partners to secure additional units.
5. Procurement of more affordable accommodation outside London for use both as temporary accommodation and as an alternative to temporary accommodation.
6. The introduction of the Benefit Cap Taskforce - a partnership consisting of officers from organisations including Barnet Homes, Capita and Jobcentre Plus. The main objective of the Taskforce is to prevent households affected by the Benefit Cap from becoming homeless by assisting them in securing employment and/or cheaper accommodation and the provision of benefits and money management advice and short-term Discretionary Housing payments.
7. Since joining Barnet Homes, greater emphasis has been placed on homelessness prevention within the Housing Options Service including the development of prevention performance targets and process changes allowing earlier intervention work. The recommendations of the most recent Housing Options Service Review (February 2014) aim to build an even greater capacity for prevention work.
8. Utilising the Localism Act to discharge homelessness duty to households where reasonable offers of accommodation are made.

To date, the actions taken have delivered a number of positive results:

1. An increase in private sector accommodation through our cash incentive scheme to a total of 290 lettings year-to-date. This compares favourably with the 2012/13 outturn of 173 and 121 in 2011/12.
2. Procurement of leased accommodation has increased with a total of 37 units acquired year-to-date and a further 35 in the pipeline. Again, this has far exceeded the previous year where 21 units were acquired throughout the year.

3. A total of 217 'block-booked' units have now been acquired at affordable rates, reducing demand for emergency accommodation.
4. An additional 25 units of leased accommodation have been provided by our Housing Association partners in 2013/14, with many of these units outside Barnet and London.
5. Procurement of affordable accommodation outside London has increased throughout 2013/14 with as many as 67 lettings carried out.
6. The Benefit Cap Taskforce has assisted over 150 households to remain in their current accommodation.
7. During 2013/14 Housing Options has already prevented over 600 households from becoming homeless, having particular success working with young people and victims of domestic violence. Combined with the preventions made by the Taskforce, a total of 760 preventions had been made by the end of January 2014. This is 40.2% above the annual target (542) and a 69.3% improvement on 2012/13 prevention performance.
8. A total of 17 households have had their homelessness duty discharged where they have either accepted or rejected reasonable offers of private sector accommodation.

The mitigating actions delivered tangible benefits with numbers in emergency accommodation reducing from a peak of 682 in July 2013 to 479 at the end of January 2014 (a 30% drop) and consequentially reducing potential costs to the council. Current forecasts estimate a net cost of £820k to the General Fund in 2013/14 and a cost reduction/saving of £230k on the potential costs had the mitigating actions not been taken (£1.05m).

The true benefit of the mitigating actions will be felt in 2014/15, with costs to the General Fund potentially amounting to £956k as opposed to the £2.432m costs had no action been taken (a cost reduction of £1.446m).

Street Scene Recovery Plan

Following Quarter 2 the financial challenges have continued into Quarter 3, Street Scene remains as a high concern for both projected year end variance and parking services.

Cabinet Resources Committee Quarter 3 monitoring can be found at Annex A of this report.

The Street Scene budget plan and current expenditure has been robustly scrutinised and the following are the main current issues:

Parking

Each area of the plan has been examined in detail to re-align projections to account for current activity. Both income and expenditure are monitored and tracked monthly and variations accounted for.

All areas of the SPA will be delivered barring the achievement of the original plan for residents permits and vouchers. There is a projected non-achievement of income of £700k and this is due to the reduced income received as a result of the Judicial Review decision.

It should be recognised that there has been additional activity as a result of positive action by the contractor (NSL) with regard to bailiff action to recover older debts. This is a one-off outcome and will return to an annual activity from 2014 onwards.

Income projections have not been achieved for off-street parking. This is a long standing short-fall which has continued over the last 5 years. Two actions have been undertaken to seek to improve the position which are Town Centre reviews and car park tariff changes. This has resulted in an improved transaction rate but has resulted in small income improvements only.

A parking project plan has been developed and is underway which will focus on themes covering Parking Services, Parking Policy, Customer Experience and Communications. The aim will be to bring these services together in order to deliver an improved service for the customer and improved traffic management ensuring traffic flows efficiently and effectively within the London Borough of Barnet.

Waste Transformation

The waste transformation project was delivered successfully with the change of service offer and the new service operational on the 14th October 2013. The new operational model will save a further £653k in 2014/15 (£958k in total) and will have contributed to the savings of £1.9m in 2016/17 through saved landfill levy costs.

Since the building of the financial model, as part of the business case for transformation, the market prices for the recyclates have reduced and have added a c.£1.1m pressure to the budget. There was also an additional resource requirement during the weeks following the transformation, to ensure smooth service transition while the operations embedded and this incurred £120k of additional costs during that time.

As a result of this recovery plan, budgets have been re-designed for the 2014/15 financial year which show that the service design, going forward, will deliver the transformation savings accordingly.