

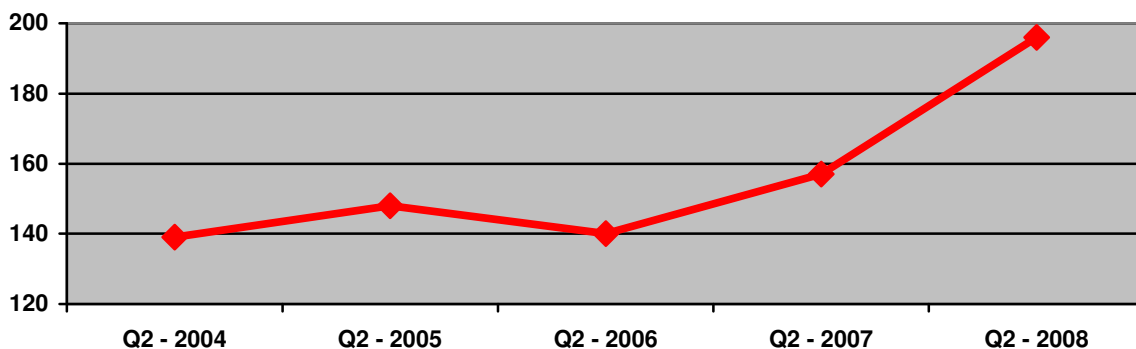
**Fostering Costs** (Supplementary Estimate request £40k)

At the time of the second monitor a total overspend of £236k was being projected. Management action had already been taken to try and reduce the impact of this on the General Fund by persuading the Schools Forum to allow an additional £100k (on top of the existing £237k) to be charged to Schools Budget (and hence the DSG). This reduced the projected overspend on general fund budgets to £136k. This figure was reduced further to a revised overspend of £96k following the release of the £40k from contingency.

Since then the projected overspend has worsened by £56k, with the latest estimate being for a £150k overspend against the revised budgets. In light of this the directorate is requesting the release of the remaining £40k still being held in the contingency budget.

The total number of Looked After Children (LAC) placed with York Foster Carers has been increasing throughout 2008/09. LAC are children in care and legally the full-time responsibility of the local authority. They are to put it simply “our children” or “children of the local authority” on a short term or on occasions longer term basis. We work to get children home to their parents or moved to permanent adoptive carers. They live predominantly in foster homes. As the numbers of children in care increases we run the risk of having to use Independent Fostering Agency placements (private agencies rather than our own foster carers) at significant costs ((£800-£1,200 per week) or in worse cases, residential care outside of the authority (£2,000 plus per week). Children come into care for a range of reasons – parents requesting because they cannot manage their behaviour; we through the courts insisting because they have or are at severe risk of very serious physical, sexual or emotional harm.

**Graph to show LAC population between 2004 and 2008**



The size of the LAC population in the city continues to rise and put pressure on existing resources. This creates financial pressures through the greater use of independent fostering agency placements. Why has care population increased? It is a national picture – a combination of better identification of children; children

staying in care positively longer and acute pressures within some households, particularly where drug misuse is involved.

Of the total number of Looked After Children, the number placed with York Foster Carers has been increasing throughout 2008/09 as follows:

Age bands	2007/08	2008/09		
	31/03/08	Quarter 1	Quarter 2	latest
0 to 4	22	31	32	32
5 to 10	30	34	37	38
11 to 15	49	50	52	58
16 to 17	14	17	20	21
Total	115	132	141	149

The 2008/09 fostering budget has sufficient funding for 106 children to be placed with foster carers at any one time. The latest figures (see above) show that there are 43 more children in foster care than was allowed for in the original budget, at an additional cost of £290k (producing the current projected overspend of £150k when the additional budget allocations of £100k from the DSG and £40k from contingency are factored in).

Members should also be aware that there are further overspends being projected in a number of other related budgets, most notably:

Out of City Placements	+£136k
Legal Fees	+ £95k
Section 34 Contacts	+ £55k