Consultation

Did you take part in either of the Scottish Government consultation exercises which preceded the Bill and, if so, did you comment on the financial assumptions made?

1. The Council took part in the consultation exercises and provided estimates of the possible financial impacts on the Council using the information provided. The Council subsequently provided comments on the assumptions being made by the Scottish Government for the estimated client numbers, costs and savings and the overall financial impacts of these assumptions.

Do you believe your comments on the financial assumptions have been accurately reflected in the FM?

2. The Council does not believe that its comments have resulted in any change to the original assumptions made by the Scottish Government, particularly in relation to kinship carers.

3. There was a significant difference in opinion in potential additional costs due to the Council believing that the number of informal kinship carers taking advantage of the new legislation would be significantly higher than the Government estimates.

4. There was also a significant difference in the assumptions of value of savings, or avoided costs that would be delivered to the Council as a result of the new legislation. The difference was due to a view, by the Council, that the stated aim of the legislation itself would not lead to the reduction of Looked After Children entering kinship care and therefore the level of savings is significantly over estimated.

5. The FM does, however, acknowledge ‘that there have been methodological challenges in estimating the costs of some provisions, particularly with respect to the duties relating to…….kinship carers……. These challenges in large part relate to estimating how the preventative approach set out here will result in future avoided costs….’

6. In relation to throughcare and aftercare the estimates of the numbers taking advantage of the legislation and the number that would cease to receive support as their age increased also differed, with the Council believing the numbers taking advantage to be higher and the number ceasing to be lower.

7. See answer to question 4 below for further details.

Did you have sufficient time to contribute to the consultation exercise?

8. The Council had sufficient time to contribute to the consultation exercise.
Costs
If the Bill has any financial implications for your organisation, do you believe that these have been accurately reflected in the FM? If not, please provide details.

9. The Council believes that the costs for Children’s Rights, GIRFEC, Early Learning / Childcare and Other Proposals are accurately reflected based on our understanding of the requirements of the legislation.

10. However, we do not believe the financial implications of Looked After Children are accurately reflected:

11. Throughcare and Aftercare
We estimate that for Edinburgh the numbers becoming eligible for support would be approximately double the number estimated in the FM based on known care leavers that would become eligible for further years of support. We also do not believe there will be a significant reduction in numbers eligible from 2018-19 as estimated in the FM.

12. The Council’s estimate of additional funding required was £763K per year for 2015/16 and 2016/17 which is approximately £500K greater than the amount we believe Edinburgh would receive. This would increase to approximately £600K per year from 2017/18 as we do not believe the numbers eligible for support will reduce as assumed in the FM.

13. Kinship care
In terms of costs the major difference between the Council’s assumptions and those in the FM are around the number of potential informal kinship carers that will come forward to be assessed. The FM estimates between 1.5% and 3.5% will come forward, whereas, the Council believes this will be significantly higher.

14. The Council estimates there to be approximately 800 informal kinship arrangements in place in Edinburgh and is of the view that significantly more carers than 3.5% will come forward for an assessment. The number ultimately ‘successful’ in receiving support will be less than the number that come forward for assessment but as it costs £1,500 for every assessment should the number be 10% not 3.5% there would be an additional cost of £78K a year in assessments. The Council feels the number coming forward will be significantly greater than 10% however.

15. In terms of savings the Council does not believe the number of Looked After Children entering kinship placements will reduce by the levels estimated, and therefore, does not generate the level of savings to cover the increased costs. The FM estimates the number would increase by 29% from 2015/16 to 2019/20 using the national increase from 2007 to 2011 of 87% as the basis for arriving at this estimate.

16. However, for Edinburgh the rate of growth for this period was significantly lower at 28%, and therefore, we are not anticipating the rate of future growth and by implication the level of potential savings the FM assumes can be delivered.
17. The Council also believes that the informal kinship arrangements deemed to be ‘at risk’, and eligible for support, will be greater than the number that would ever become ‘Looked After’ from the breakdown of such arrangements and therefore costs will be incurred supporting informal kinship placements that would never have become costs as a Looked After child. Therefore, there is not a direct link between the costs incurred and the costs saved/avoided.

18. In summary:
the costs will be greater due to the number requiring an assessment being significantly greater than 1.5% - 3.5%, the value of potential savings / avoided costs being significantly lower due to the size of forecast growth forecast in the FM being too high for Edinburgh and the link between all ‘at risk’ placements that will receive support and the savings from breakdown in informal kinship care placements not becoming LAC is not valid.

Do you consider that the estimated costs and savings set out in the FM and projected over 15 years for each service are reasonable and accurate?

19. The Council believes that the costs and any savings for Children’s Rights, GIRFEC, Early Learning / Childcare and Other Proposals are accurately reflected based on our understanding of the requirements of the legislation.

20. As described in question 4 above we do not believe the costs and savings / avoided costs in relation to throughcare and aftercare and kinship care are reasonable and accurate as they under estimate the potential costs and over estimate the potential savings.

If relevant, are you content that your organisation can meet the financial costs associated with the Bill which your organisation will incur? If not, how do you think these costs should be met?

21. With the funding made available for Children’s Rights, GIRFEC, Early Learning / Childcare and Other Proposals the Council is confident it can meet the financial costs of implementation.

22. In the case of Looked After Children the funding the Council would receive through the FM is insufficient. It would have to divert resources from other early intervention and preventative measures, such as those funded through the Early Years Change Fund, to match increased costs or lower than forecast savings.

23. Does the FM accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise? The Council believes that the margins of uncertainty are accurately reflected for Children’s Rights, GIRFEC, Early Learning / Childcare and Other Proposals.

24. However, as previously described we do not believe the margins of uncertainty in relation to throughcare and aftercare and kinship care accurately reflect what we believe will be the impact on Edinburgh.
Wider Issues

Do you believe that the FM reasonably captures costs associated with the Bill? If not, which other costs might be incurred and by whom?

25. The Council believes it can meet the requirements of the GIRFEC legislation, however, the costs are based purely on teachers requiring training and the costs of back filling them. We would expect staff other than teachers to also require training which will incur additional costs.

26. Other than the issues around throughcare and aftercare and kinship care already stated we believe the FM reasonably captures costs associated with the Bill.

Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?

27. Should there be any subordinate legislation in relation to the rate of allowances paid to foster carers or kinship carers, which was originally suggested in the consultation, this would incur additional costs to the Council. Also, case management of throughcare and aftercare to age 25 and support to kinship carers from any subordinate legislation would generate additional costs. Any estimate of additional cost could only be provided once the details of the proposed legislation were provided.