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Effective placing of “Hard-to-place” children: CVAA’s plans for increasing capacity

This Community-driven, innovative and collaborative solution is about.....

- **Focusing**

- on the children on the Register who are Hard-to-place: BME (404 at 30.9.11; 204 in sibling groups), non-BME sibling groups (737), and non-BME, single, “4 years plus” (393), and

- **Finding**

- Families specifically for them, training them to take on the greater challenge these children entail, and supporting them through the crucial first two years of placement

- **Learning**

- From that how we can roll out the model to meet the needs of more children, in parallel with the existing models of LA placement with locally-supported parents, and regular VAA placements ,

- **Developing**

- A second phase, capacity-building model to find sustainable permanence for an increasing number of harder to place children: more than are currently on the register, as well as Enhanced service offerings around this core, such as a longer-term support package for the three years post-placement or through to the child’s majority

- **Collaborating**

- Bringing together a UK-wide group of VAAs to give one seamless service, with LA choice, but common standards and UK-wide risk sharing, de-risked and funded by a UK –wide social impact bond

...in essence.....

- **For children which an LA considers “hard-to-place”**
- **They contract with a VAA to find and train a family to take them on, and support them whilst the placement settles in**
- **And pay in stages over a two year period: effectively in arrears of the savings they are achieving**
- **VAA’s are funded for their costs out of a SIB that effectively averages out the risks across all such placements UK-wide, and takes the residual risk onto the bondholders**

The service profile

- **LA contracts**

- With VAA from an agreed provider list
- Under common Service Level Agreement
- For that VAA to find a parent for a specific child

- **Service**

- finding appropriate parents – effectively requiring a recruitment drive to increase parents available;
- training them to take on these children;
- supporting them with an enhanced parent-buddy service around the time of placement to embed more effectively the required parenting style;
- support post-placement, pre-adoption;
- elements of post-adoption support

- **Targeted timings and volumes**

- Placement for each child within six months of initial contact
- Between 100 and 600 children a year catered-for

Sustaining choice

For LAs

- Whether to get involved or not
- Whether to make arrangements ad hoc with various VAAs, or to select a preferred supplier with which to work in a more structured collaboration
- Whether to place individual children through their own local arrangements, with other authorities' or VAAs' families using the current IAF-funded arrangements, or through this service

For parents

- To apply in the traditional way through a LA or VAA approval process
- To respond to the call for a more challenging or hard-to-place child

For the VAAs

- Whether to get involved or not
- Whether actively to promote this arrangement with particular LAs, or to “wait for calls”
- Whether to take on the task of finding a parent for a particular child

Payment profile, effectiveness and VfM

Payment by results

	£
Parent-finding payment (on registration and on placement)	25,000
Enhanced training/support payment (1 year and 2 years)	7,000
Parent-finding payment (on 2 years)	8,000
Therapy allowance for the child (1 year and 2 years)	5,000
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	45,000

PBR schedules

	£
Pre-placement – on registration	5,000
On placement	20,000
On 12 months successful placement	6,000
On 24 months successful placement	14,000
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	45,000

Effectiveness

- Effective placements are those which survive the test of time, and have the structure, and embedded therapy necessary to support the child as they address developmental delay and trauma, attachment and myriad other issues
- The therapeutic element in this kind of supported parenting comes at its core from trained and supported parental intervention, with selected additional work with the child and family through the services from the VAA, or sub-contracted in from third parties. Extreme or specific needs will still need to be funded by the LA on top of these arrangements.

VfM

- The PACT SROI study indicates over £800,000 per child gained by achieving an effective permanent placement. Over £400,000 of that is savings in LA LAC costs

Funding and de-risking: the SIB element

Payments to fund the work

- Targeted fund of £15m gross, £14.1m net of costs, raised over two years (as need arises)
- Advances of £15,000 on registration; £15,000 on placement; £5,500 at 12 months and £6,000 on 24 months.
- No repayment if placement does not achieve milestones, but no further payments on that placement
- Bond holders carry breakdown risk up to 10% of placements (VAAs currently achieving sub-5%)
- Bondholders receive 4% per annum on their investment plus sharing with VAAs the surplus left after covering breakdown “losses”

Who will invest

- Grant-making foundations
- Other non-profits
- Local Authorities or Central Government
- Private corporates
- Private individuals (also through EIS structures)

Why

- Financial return
- Social impact in an interesting area
- Backing recognised VAA “names” delivering what they are known for delivering: a low-risk prospect

What are the pro's and con's for.....

- **The hard-to-place child**

- A permanent home, more quickly
- With funding for the support that is needed to give it the best chance of success

But

-can't see any "buts"

- **The LA**

- Increased placements
- More effective placements: making the best of trained volunteers
- Only having to pay a small share of the gains once realised, in stages up to two years into placement

But

- ...again, can't see many "buts"

- **The VAAs**

- Additional delivery of mission
- Manage the risk of a bad year for breakdowns
- Fund the work whilst you wait for LA to pay

But

- Will have to expand capacity to do it

- **The parents**

- More parents get children to parent
- Support and training is made available to empower these important v olunteers

But

- They may take on children they otherwise might not have done...but if it's successful that's not really a disadvantage

Next steps

Happening now...

- **Phase 2 - VAAs are undertaking/funding detailed planning of:**
 - Service scope and delivery (including self-regulation standards)
 - Financial model (in greater detail)
 - Legal and structural model
 - Tax aspects
 - Investment routes and options
- **Phase 3 – fund raising...**

To come....

- **Enhanced service offering:**
 - covering support and therapy for three years post-adoption
 - covering this to the child's majorityIn each case within certain limits to carve out the high costs of the more extreme cases