

Context and Background on IMPOWER

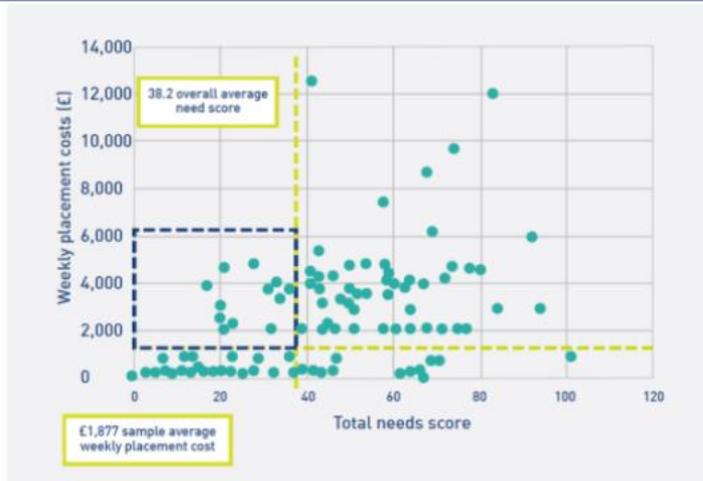
Proof of Concept

In recent years, local authorities across England have faced escalating challenges in children's social care, primarily due to rising placement costs and increasing demand.

The escalating costs and demand pressures necessitate a strategic approach. There is a critical need to implement a needs-led methodology that ensures children receive appropriate care tailored to their specific requirements, while also addressing the financial sustainability of care placements.

Investing in consultancy support from IMPOWER includes the opportunity to apply the Valuing Care methodology, which focuses on aligning care provision with individual needs, and the needs of children and young people at a cohort and population level.

How Valuing Care strengthens link between needs, cost and care



- By using Valuing Care, we can better understand the needs of children in care and compare this to cost.
- This highlights that there are multiple children with low needs who are in higher cost provision – and that **there is no correlation or 'value curve' between needs and cost.**
- This analysis has **helped re-shape placement sufficiency** and has driven down spending in numerous LAs.

IMPOWER

**EDGE
WORK**

This approach aims to improve outcomes for children and achieve significant cost savings, addressing both the quality of care and financial challenges we face as a council. This support will also identify wider opportunities for outcomes improvement and cost reduction and ensure the changes and interventions are embedded and sustained into business-as-usual.

IMPOWER has a proven track record of delivering measurable impact in other local authorities, often with high return on investment (ROI) and sustainable improvements. This includes Local Authorities who are rated Good and Outstanding with Ofsted and Local Authorities who are DfE statistical neighbours for BCP.

They have provided assurances that, for the majority of their projects, there has been a clear in year cost reduction which has covered the initial investment for their services.

We are anticipating that in the worst-case scenario, we can expect a return on investment of 3:1 based on the work completed by East Sussex Council. East Sussex are DfE statistical neighbours and rated good by Ofsted. However, BCP has a higher rate of children in care

(85 per 10,000 compared to 66 per 10,000 in East Sussex). Due to this difference, and the fact that the ROI is driven by factors such as the cohort of children who are prioritised, the ambition the local authority sets and the capacity to be able to focus on this work, we would anticipate at least a 4:1 return of investment, with some Local Authorities experiencing as much as a 8:1 return on investment.

This is illustrated in the below table where East Sussex is highlighted in green, demonstrating £1.5m in cashable savings in just 6 months.

Figure 1 | Examples of impact from support delivered to other local authorities

Local authority	Ofsted rating	Changes to care and support for CYP	Cashable savings delivered to date	Return on investment	Timescale	Duration (Months)
North/West Northants	Requires Improvement	71	£7m	5:1	Feb 23 – Dec 24	23
Telford & Wrekin	Outstanding	20	£4.2m	5:1	Dec 23 – Dec 24	12
North East Lincolnshire	Inadequate	33	£2.1m	6:1	Jan 24 – Aug 24	6
Leicester City	Good	24	£2.4m	7:1	Aug 23 – Mar 24	8
Cornwall	Outstanding	9	£2.0m	6:1	May 23 – Apr 24	12
East Sussex	Good	8	£1.5m	3:1	Sept 23 – Feb 24	6
Lincolnshire	Outstanding	45	£5.8m	7:1	Apr 21 - Sept 22	18
Stockton	Requires Improvement	24	£3.7m	8:1	June – Dec 2019	7
Oxfordshire	Good	22	£3.5m	8:1	Jan – Aug 2018	8

This is further supported by evidence from Dorset Council who are currently working with IMPOWER to trial the Valuing Care approach across Children’s Services, focussing on an initial cohort of 106 children and young people in care, as well as working alongside commissioning, brokerage, finance and performance to identify and test new ways of working.

Dorset have been working with IMPOWER since May 2025. They are reporting that if all 36 opportunities (from the cohort of 106) identified in the diagnostic are realised, there will be £4,160,000 of annualised cost reduction (an 8:1 return on investment). This will be delivered from a mix of Reunifications, Special Guardianship Orders, step downs to fostering, Discharge Care Orders, step downs to Semi-supported accommodation and provider conversations.

Dorset report that between May 2025 and December 2025 they had achieved cost avoidance of £800,000 in 8 months, significantly better than their initial forecasts of £316,000 by end of quarter 3.

Delivery Detail – How IMPOWER will work

Objectives

The investment in IMPOWER's support aims to deliver clear, measurable improvements in how BCP manages care placements and costs. The objectives of this engagement are:

• Improve Placement Decisions through a Needs-Led Approach:

- o Use structured assessments to provide a clearer picture of individual needs and how well they are currently being met.
- o Ensure care placements align with the actual needs of children rather than defaulting to higher-cost options.
- o Support step-down transitions from high-cost residential care to more appropriate family-based placements where suitable.

• Strengthen Financial Sustainability & Deliver Cost Savings:

- o Identify cost-saving opportunities through improved placement matching and provider engagement.
- o Reduce reliance on expensive, high-cost placements by reshaping care arrangements.
- o Support BCP in developing a long-term, sustainable commissioning strategy that balances costs and outcomes.

• Improve Strategic Commissioning & Market Engagement:

- o Provide data-driven insights to strengthen commissioning decisions and reshape the local provider market.
- o Equip the council with better tools and methodologies for engaging with care providers in a strengths-based, needs-led manner.
- o Develop a clear, structured framework for tracking and improving placement decisions over time.

• Build Internal Capacity for Sustainable Change:

- o Train and support social workers and commissioning teams in applying the Valuing Care approach.
- o Embed a systematic way of monitoring children's needs and placement costs, ensuring long-term improvements.
- o Enable improved practitioner confidence in practice and decision-making through a consistent approach to capturing, monitoring and responding to need.
- o Develop a self-sustaining model where BCP can continue applying the methodology beyond the consultancy period.

- **Improve Outcomes for Children & Young People:**

- o Ensure children receive the right level of care and support tailored to their individual needs.
- o Support better stability and continuity in placements, reducing unnecessary moves.
- o Improve long-term life outcomes, including emotional well-being, education, and transition to adulthood.

Scope of Work

The engagement will focus on identifying and delivering opportunities to make positive changes to care and support which can improve outcomes and reduce cost across children's social care, including through the use and application of the Valuing Care methodology. The scope of work includes the following key areas:

- **Assessment & Analysis of Current Care Arrangements:**

- o Conduct a structured review of a representative sample of children in care to assess their needs, placements, and costs.
- o Use IMPOWER's Valuing Care tool to evaluate whether current care arrangements are proportionate to each child's needs.
- o Identify gaps, inefficiencies, and areas for realignment in placement decisions.

- **Development of a Needs-Led Placement Strategy:**

- o Establish a systematic approach to linking children's needs with the most appropriate and cost-effective placements.
- o Support step-down transitions for children who could move to family-based or lower-cost settings without compromising their well-being.
- o Develop an evidence-based placement framework to improve future decision-making.

- **Strengthening Commissioning & Market Engagement:**

- o Work with the council's commissioning and brokerage teams to improve provider engagement and contract negotiations.
- o Introduce strengths-based conversations with care providers to ensure placements deliver value for money.
- o Identify and deliver opportunities to change care plans, packages and fees to realign to children and young people's needs.
- o Provide market analysis and forecasting to inform future commissioning strategies.

- **Training & Capacity Building for Council Teams:**

- o Train social workers, commissioners, and finance teams on applying the Valuing Care methodology.
- o Develop a sustainable model where BCP can continue assessing care needs effectively beyond the period of support.
- o Establish ongoing tracking mechanisms to monitor the impact of care placement decisions.

- **Financial Impact Modelling & Cost Reduction Plan:**

- o Provide financial analysis of current spending on placements and potential cost-saving opportunities.
- o Model different scenarios to predict the impact of revised placement strategies.
- o Develop a detailed implementation roadmap for delivering cost savings while maintaining high-quality care.

- **Reporting & Strategic Recommendations:**

- o Deliver a comprehensive report outlining findings, recommendations, and a roadmap for sustained improvements.
- o Present a clear action plan for embedding a needs-led approach within BCP's Social Care services.
- o Ensure all recommendations align with statutory requirements and best practices in social care.

The outline scope and proposed timescales are indicative and subject to a full proposal document to be shared by IMPOWER.

Benefits & Value Proposition

The investment in IMPOWER's Valuing Care methodology will aim to deliver both financial and service improvements, ensuring that children receive the right level of care while reducing unnecessary expenditure. The key benefits of this approach are:

- **Financial Benefits & Cost Savings:**

- o Reduction in high-cost placements: By ensuring that children are placed according to their actual needs, BCP can reduce reliance on expensive residential placements.

- o Optimised commissioning and provider negotiations: Strengths-based engagement with care providers will help secure better value for money, changes to care packages which reduce cost, and more flexible care arrangements.
- o Projected return on investment (ROI): Based on IMPOWER's work with other councils, the expected ROI is typically 4:1 or higher, meaning for every £1 invested, councils achieve at least £4 in cost reductions.
- o More sustainable budget management: By embedding a structured, needs-led approach, the council can avoid future financial pressures and reactive spending on placements.

• **Improved Placement Decision-Making:**

- o More appropriate, needs-led care arrangements: Ensuring children receive the right level of support without unnecessary escalation to high-cost settings.
- o Better placement stability: Reducing the number of placement breakdowns by aligning support with needs from the outset.
- o More effective use of in-house fostering provision: Identifying where foster care can better meet children's needs, reducing reliance on external residential placements.

• **Strengthened Commissioning & Market Shaping:**

- o Better engagement with providers: Ensuring that placement decisions are based on collaborative, needs-led conversations, rather than simply accepting high-cost offers.
- o More effective strategic commissioning: Providing clear, data-driven insights to inform market shaping and future service planning.
- o A long-term framework for managing placements: Ensuring that the approach remains aligned with BCP's systems beyond the consultancy period.

• **Capacity Building & Workforce Development:**

- o Training for social workers, commissioners, and finance teams: Equipping internal staff with the skills to apply the Valuing Care methodology independently.
- o Developing a structured approach for ongoing assessment: Enabling BCP to continue making data-driven placement decisions after the project concludes.
- o Embedding a culture of financial and care accountability: Helping staff understand the direct link between placement decisions, financial sustainability, and long-term outcomes.

• **Improved Outcomes for Children & Families:**

- o Ensuring children receive care that truly meets their needs: Preventing unnecessary escalations to restrictive or costly placements.
- o Greater placement stability and continuity: Reducing placement moves and ensuring children feel more settled and supported.

- o Long-term improvements in well-being, education, and life opportunities: Ensuring children receive the right support for their development, education, and transition to adulthood.

Timescales & Delivery Plan

The proposed engagement with IMPOWER will run for six months, from March 2026 to end of August 2026. The delivery will be structured around key phases to ensure rapid impact and sustained improvements:

Phase 1: Mobilisation & Data Gathering (Month 1)

- o Establish project governance, including Steering Group and Core Team.
- o Identify target cohort of children for review.
- o Gather baseline placement and financial data.

Phase 2: Needs Analysis & Initial Findings (Months 2-3)

- o Complete Valuing Care assessments for identified children.
- o Identify misaligned placements and potential step-down opportunities.
- o Train social workers, commissioners, and finance teams in methodology.

Phase 3: Implementation & Provider Engagement (Months 3-5)

- o Begin provider negotiations to optimise placements.
- o Implement strengths-based conversations to align support with children's needs.
- o Support commissioning team in reshaping placement strategy.

Phase 4: Final Review & Embedding Sustainable Change (Months 5-6)

- o Deliver final impact analysis and financial modelling.
- o Establish ongoing tracking framework for continued savings and better placement decisions.
- o Provide a final report with strategic recommendations for BCP.
- o A Steering Group will meet every month to oversee progress and resolve key issues.

As stated above, this outline scope and proposed timescales are indicative and subject to a full proposal document from IMPOWER.

