



Residential Children's Homes

SUMMARY

- 1.1 This report outlines the strategy for residential provision in children's homes over the next five years. The Authority is committed to providing its own high quality residential children's homes for looked after children.
- 1.2 The strategy aims to resolve a number of problems with the current properties in relation to their type, size, state of repair and cost. They are outdated, require modernising and are unsustainable.
- 1.3 A phased programme of change will include re-development of the Moorfields site to provide a high quality and homely environment for looked after children in residential care. Future consideration of re-developing other properties will be made over a period of time.

RECOMMENDATION

- 2.1 To approve the phase one proposal, which is the redevelopment of Moorfields Children's home.
- 2.2 To note phase two proposals include further redevelopment of the residential properties.

REASONS FOR RECOMMENDATION

- 3.1 The proposals address the need to improve the current residential provision for Children in Care, and to positively improve outcomes and life chances for looked after children and narrow and eradicate the gap. In progressing this programme, working to safely reduce demand and placing children in stable placements in their local area.



SUPPORTING INFORMATION

- 4.1 Derby, in line with national trends, has historically experienced an increase in the number of children becoming looked after and entering the care system. This increase has had a corresponding impact on resources and the use of high cost placements.
- 4.2 As a result of this, a number of reviews have been undertaken. The paper notes the outcome from the review of Derby City residential provision.
- 4.3 The council currently has five children’s homes excluding specialist provision for children on the autistic spectrum (Shine), each housing between six and fifteen beds, as follows:

Provision	No. of beds available	Current occupation
Moorfields	15 (3 units of 5)	12
Bute Walk	6	4
Coronation Ave	6	6
Cricklewood	6	6
Queensferry Gardens	6	6
Total Local Authority provision/occupation	39	34
Agency Provision – Complex need		6
Agency Provision – Enhanced need		4
Total occupation		44

- 4.4 The homes provide short- and long-term residential care for children and young people from aged 7 – 18 years, with emotional and behavioural difficulties.
- 4.5 When considering placement choice, it is not always practicable to meet the needs of children by placing in a Local Authority home, nor always possible to place them within the local authority area. In some extreme cases, on the grounds of safeguarding, it will be necessary to place a child or young person outside of the Local Authority with an independent agency. Wherever possible all placements will be managed within the Local Authority internal provision.

- 4.6 The review of Derby City residential provision highlighted the following:
- a) Derby makes more use of residential provision and has significantly more internal provision than both comparator authorities and those within the Certificated Institute of Public Finance and Accounting (CIPFA) benchmarking club,
 - b) The amount and availability of internal provision works against other placement choices, such as specialised fostering and can also encourage reactive and emergency admissions of children into care,
 - c) Some of the buildings compare unfavourably with residential provision of other local authorities. There is a general shift to smaller establishments providing a more personalised, less institutionalised service, improving the living environment and working to ensure the best outcomes are achieved for young people,
 - d) From an asset management perspective, the Asset Management Report (2011) and Condition surveys acknowledge that a number of the homes are not fit-for-purpose, are dated, institutionalised and in a poor state of repair, characteristics which are not conducive to the promotion of a family environment,
 - e) Consultation with residential staff in the homes and social workers in the Children in Care teams (November 2011) highlighted the views that the model for internal provision is thought to be outdated and reflects poorly on the role the staff are asked to undertake with the most vulnerable groups, and
 - f) Guided by Ofsted inspections c£700,000 has recently been spent on essential works for the homes but more investment will be required over the next five years, particularly for Bute Walk and Moorfields (see Appendix 2).
- 4.7 In addition to the above challenges, a budget saving of £350,000 has been attributed to children's residential care in year 2014/2015.
- 4.8 Taking the above into account, in order to modernise residential provision the following phased programme of activity is recommended.
- 4.9 Phase one involves redevelopment of the Moorfields site, which is the largest home with fifteen beds and therefore least in line with recommended sizes/type of provision, of which Ofsted have been critical. It also has a significant (and the highest) maintenance budget per bed per annum over the next 5 years.
- 4.10 The proposed redevelopment is for the current provision at Moorfields of fifteen beds to be reconfigured to two homes, each with five beds, resulting in a total of ten beds and reducing the total number of beds on site by five.

- 4.11 Proposals are being drawn and explored whereby the new homes are built alongside the existing development. This would negate the need to re-house and disrupt existing young people who could move directly into the new homes.
- 4.12 Current issues with the site that are being investigated include:
- The site being on a high flood risk area which may restrict the design of the new development, and
 - An Education Block currently located on the Moorfields site which may require rehousing.
- 4.13 £2m capital has been secured from the capital programme to improve Children's Homes from 2013-2016, and would be used for this purpose. A feasibility study is currently being undertaken.
- 4.14 As the new Moorfields home will house fewer residents than current, the number of young people housed in the existing provision will be gradually reduced up until December 2013. This will be achieved by managing admissions such that alternative placements should be sought rather than residential. This is in line with the Looked After and Adopted Children and Young People Strategy to house young people with families rather than internal residential provision.
- 4.15 Reducing from twelve occupied beds to ten would allow Moorfields to reduce from three to two operational units, realising a budget saving of circa £356,000 from March 2014 onwards. This comprises:
- 1) A reduction in staffing by one third and
 - 2) A reduction in non-staffing costs by one sixth (due to fewer young people).
- 4.16 For the reduction in capacity to be successful there is an assumption that the numbers of children entering residential provision will fall, and that other placement budgets are sufficient to deal with the number of children they have. If these numbers increase or other budgets are insufficient, there is a risk that young people will need to be housed in costlier agency residential provision (£2,900 per week) rather than LA provision (£2,100 per week). For seven children (the maximum reduction in numbers at Moorfields) the *additional* cost would be £291,000 pa.
- 4.17 Derby has a number of strategies and interventions in place to reduce the numbers of children in care and residential provision. These are: the Looked After and Adopted Children and Young People strategy, a range of early intervention strategies designed to prevent the need for children coming into care (Keeping Families Together, Family Group Conferencing, the Multi-Systemic Therapy team), the Fostering review, active recruitment of foster carers, revised Panel processes, the creation of a single point of decision making with regard to children being received into LA care and a shift in operational practise, culture and behaviour around decision making and the initiation of care proceedings. There would be a move from the use of residential placements to alternative specialist fostering placements, with an increase in the use of foster carers.

- 4.18 These strategies need to be successful in reducing the number of children in care in order for the Local Authority to be successful at modernising residential provision. The use of the Multi-systemic Therapy (MST) team and other evidence based interventions to reduce demand for residential provision will be developed. The MST team is now in place and will be engaged in providing intensive work with young people aged 11 to 17 year olds on the verge of entering the care system. This aims to reduce the likelihood of them becoming Looked after Children and entering residential homes. With the increased recruitment of foster carers, this will create capacity amongst the current provision within the residential homes capacity. This capacity will remain whilst the new provision is developed in order that there is a safe and manageable reduction in the capacity of the Local Authority children home provision. The implementation of a time limited social worker team focused upon progressing the safe discharges of children in care will also contribute to the strategy as outlined above.
- 4.19 Phase two of Children's Homes redevelopment will further consider the remaining estate and type/extent of provision in line with the principles outlined. Further capital funding of £2.6m has been identified for this.

OTHER OPTIONS CONSIDERED

- 5.1 To maintain the existing children's home property portfolio and respond to capital and maintenance requirements as an ongoing budget pressure.
- 5.2 Closure of children's homes to realise the budget saving.

This report has been approved by the following officers:

Legal officer	Janie Berry, Director of Legal & Democratic Services
Financial officer	Alison Parkin, Head of Children & Young People Finance
Human Resources officer	Liz Moore, HR Business Partner, Children & Young People
Estates/Property officer	Not Applicable
Service Director(s)	Mark Barratt, Service Director, Specialist Services, Children & Young People
Other(s)	Not Applicable

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Background papers:	None
List of appendices:	Appendix 1 – Implications Appendix 2 – Premises Maintenance Costs

IMPLICATIONS

Financial and Value for Money

- 1.1 The cost of maintaining the current portfolio of homes over a five and ten year period has been assessed. Annual maintenance per annum has been estimated to be £185,000 with additional priority 1 repairs of £337,000 and priority 2 and 3 repairs at an additional £570,000. Significant investment is required to maintain the current stock as it is.
- 1.2 £2m has been allocated within the capital programme over 2013-2016 to redevelop Children's homes which would be used to redevelop Moorfields. Another £2.8m has been requested for 2014 onwards to enable phase two, further redevelopment of the remaining homes, to take place.
- 1.3 It is evident from the current repairs and maintenance backlog that capital investment is required. The current levels of beds and the configuration of the homes are not appropriate for a modern residential provision that appropriately meets the needs of the children in them.
- 1.4 The risk, however, is that by reducing internal capacity the costs are merely transferred at a high rate to that provided by other agencies at a high cost. The reduction in internal provision has to be planned and has to be part of a wider strategy to look at alternative more appropriate provision for children and young people. A key part of this strategy is the success of the other early interventions and commissioned services to support children and their families.
- 1.5 Savings of £350,000 will be delivered by the reconfiguration of Moorfields through reductions in staffing by bringing the provision onto one site and the costs associated with reducing the occupancy of the home.
- 1.6 It is envisaged at this stage that the remodelling of the provision can be done without any additional recurrent costs; should this assumption change as the project moves forward then a further review of the configuration and viability needs to be considered as no budget provision is available for these costs.

Legal

- 2.1 There will be a full consultation process which will include: young people and their families, the Children In Care Council, staff working at the home, the local community, voluntary groups, community policing, health and education partners, and those working in early intervention services with young people in care.

- 2.2 Consideration will be given to providing the young people affected with independent advocates to support them during the consultation process. During the modernisation and redevelopment of the Residential Homes, the Council will ensure the National Minimum Standards as to the quality of care afforded to young people in residential care will continue to be met. Ofsted requirements and DfES Guidance in terms of the on-going registration and inspection of these Residential Homes will be required to be met.
- 2.3 Assuming normal placement turnover and the continued reduction of demand, the closure of one unit can be achieved during 2013 without disruption to young people. The reconfiguration of a residential home would require notification to Ofsted.

Personnel

- 3.1 Staffing will be reduced at Moorfields (to cover two rather than three units in the short term) by not filling vacant posts and making best use of available staff across all sites.
- 3.2 If it is necessary to consider further proposals to reduce staffing levels, such proposals will be managed in line with employment legislation and the Council's consultation, restructuring and redundancy guidance. As part of the proposed plan of work, there will be a consultation period of six to eight weeks factored in with staff and young people.

Equalities Impact

- 4.1 An Equalities Impact Assessment will be undertaken.

Health and Safety

- 5.1 The risk of building machinery close to vulnerable young people will be considered.

Environmental Sustainability

- 6.1 The options have been considered as part of the ...

Property and Asset Management

- 7.1 A number of surveys have been undertaken, concluding that in order to provide good care facilities for the young people in residential care the Council's residential properties will require considerable maintenance, betterment and over time redeveloping/replacing.

Risk Management

- 8.1 The reduction of the number of people into care and into internal residential provision is dependent on the range of early intervention strategies outlined in paragraph 4.22 that will be closely monitored in terms of outcomes.

Corporate objectives and priorities for change

- 9.1 Being safe and feeling safe.

Appendix 2: Premises Maintenance Costs

Children's Home	Annual Maintenance (Recommended)		Priority 1 repairs	Priority 2 and 3 repairs	Total Over 5 years	Total Over 10 years*	No. of beds	Maintenance cost per bed p.a. over 5 yrs	Maintenance cost per bed p.a. over 10 yrs
	Per annum	Over 5 years							
Bute Walk	£30,000	£150,000	£38,000	£127,000	£315,000	£725,000	6	£10,500	£12,100
Moorfields	£50,000	£250,000	£272,000	£319,000	£841,000	£1,373,000	15	£11,200	£9,200
Cricklewood	£15,000	£75,000	£13,310	£24,384	£112,694	£209,097	6	£3,800	£3,500
Coronation Avenue	£15,000	£75,000	£8,201	£61,285	£144,488	£280,859	6	£4,800	£4,700
Queensferry Gardens	£15,000	£75,000	£6,333	£38,844	£120,177	£224,612	6	£4,000	£3,700

*includes priority 4 repairs, structural repairs, improvement to standard of materials (betterment)