

Appendix 1
Children's Residential Homes
Options Appraisal

Date: February 2023

Key Details

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Version Control

Version	Date	Summary of Change	Author
1.0	12/12/22	First draft	Senior Commissioning Officer
2.0	13/03/23	Input from neighbouring authorities	Senior Commissioning Officer
2.1	13/03/23	Input from strategic housing and finance	Senior Commissioning Officer
3.0	24/03/23	Working draft reviewed by internal stakeholders	Senior Commissioning Officer
4.0	18/04/23	First draft taken to Project Board	Senior Commissioning Officer

PROJECT DESCRIPTION

1.0 To consider the demand for residential provision alongside alternative placement options and to review mechanisms for delivery in order to develop services that both promote outcomes and achieve best value.

In line with the recent needs analysis undertaken during December 2022 it is understood that whilst both the volume of placements made within residential provision and specifically those made out of area has increased since 2019 this does not directly evidence the need for additional provision to be sourced. There may be considerable scope to improve the market share of local provision and to build capacity within family based care whether that be fostering, staying put, shared lives or supported lodging. This options appraisal, seeks to review demand and the likely impact of aligned strategies to improve sufficiency alongside social care activity to both reduce levels of accommodation and support re-unification via early help and edge of care interventions. Such activity is however, limited by data challenges. Consideration is also given to the market and challenges experienced nationally. Options considered include:

1. Do nothing
2. Manage demand for residential provision through market engagement with existing providers –improved utilisation of existing capacity/improved conversion of referrals into placement/ increased volume on offer

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3. Promote increased sufficiency within area through procurement of both new accommodation and care arrangements
4. Promote increased sufficiency within area through procurement of new arrangements for care whilst utilising HCC property
5. Promote increased sufficiency within area through development of in-house offer using existing/leased premises and HCC staff
6. Promote increased sufficiency within region through procurement of new block arrangements for care via collaborative approaches.

Decision sought

2.0 To approve the recommended options to develop a full business case for option 3, 4 and 5 whilst continuing activity described within option 2 and 6 as business as usual in line with the following statements:

- That the demand for residential care will always need to flex in line with the assessed need of children and young people.
- That there will always need to be a residential offer for young people with specific care needs and for whom a family based offer is not in their immediate care plan. This may be from a specialist out of area provider and local placement may not be required.
- That demand for residential placements is likely to reduce as in-house foster carers are recruited and upskilled to manage complex behaviours alongside a wraparound offer from partner agencies. Progress will however, be challenging due to national recruitment issues and increased footprint of IFA.
- That there is an opportunity to utilise local provision more effectively however challenges across price, matching and stability need to be considered. As such risk sharing across authorities and against a larger block may be beneficial.
- That in-house provision may offer improved stability of placement through enhanced control of matching
- In the absence of any testing to date, the impact of proposed market engagement, work to become the referrer of choice and growth in foster care capacity is unknown. Thus, any decision to commit to block or in-house provisions should be managed alongside further analysis of need and access to local provision.

2.0 STRATEGIC CASE

Herefordshire County Plan 2020-24 states:

"We intend to invest in new models of care, housing and accommodation to maximise the levels of personal independence these vulnerable people are able to attain while remaining in their communities. This might include new care homes, care villages, technology or specialist accommodation for vulnerable children and young people."

Our Sufficiency Strategy 2019-2024 states that:

"All children in care should be placed within 20 miles of their home when it is in their best interests to do so."

Herefordshire Improvement Plan for Children and Families 2021 highlights that our role as Corporate Parent is a priority area of focus and promotes the following outcomes:

"Children and young people are central to decision making and planning within the council. They trust that the council has their best interest at heart and will prioritise resources to meet their needs."

"Increased choice of placement to meet the needs of children in our care."

"Matching of placement will be available to ensure needs are met and reduction in short term placements."

Ofsted inspection of Children Services 2022 highlighted a number of concerns around the sufficiency of placements.

The refreshed needs analysis of December 2022 recognised that in order to fully articulate the level of demand and any gaps in provision, a number of remedial actions were required.

Project aims and objectives

2.1

- To understand the demand across a mix of accommodation types that is required to meet the assessed needs of children and young people allowing for timely movement between placement types as appropriate.
- To develop the capacity for the Council to be able to place children 11-18 years in residential care locally (within 20 miles of home) when this is in the child's or young person's best interests to do so.
- To utilise the range of commissioning tools available to promote safe arrangements for children.
- To promote quality and cost effective provision that meets assessed need and promotes improved outcomes for children and young people accommodated (CLA).

Strategic Drivers

2.2 National

Throughout 2022 and 2023 a raft of documents have highlighted the challenges being faced within the residential placement market. The Competition and Markets Authority review highlighted that we are not doing a good enough job of ensuring the right homes are in the right places for children who come into care and that many providers were focused on profit. Prices are rising, staff recruitment is impacting vacancy rates and demand is outstripping availability meaning that children with the most complex needs are struggling to be placed in homes that meet their needs. In response the Government has published Stable Homes, Built on Love: Implementation Strategy and Consultation Children's Social Care Reform 2023 with a range of proposals seeking to rebalance children's social care away from costly crisis intervention to more meaningful and effective help for families stating that "The way we currently plan, commission and provide homes for children in care is not working. This

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means too often children are living far from where they would call home or in the wrong type of home for what they need.”

As such, any commissioning to deliver residential provision needs to be undertaken taking into account the impact of social care practice aimed at building resilience, effective care planning and enhanced capacity for foster care placements.

<http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3>.

Key proposals include

- Deliver a fostering recruitment and retention programme so foster care is available for more children who need it, investing over £27 million over the next two years.
- Introduce a financial oversight regime to increase the transparency of provider finances and reduce risks of sudden market exit.
- Pilot Regional Care Cooperatives (RCCs) to plan, commission and deliver care places ensuring analysis of when children will enter care in the future, where they will come into care and with what needs at scale.
 - Boost the number of the right homes in the right places available for children as a matter of urgency.
 - Financially oversee independent private and voluntary providers of foster homes and children's homes and deliver national support with forecasting, procurement and market shaping to local authorities.
 - Work with local authorities to develop a regional model of planning, commissioning and providing homes for children in care.
 - Working with DLUHC in order to assist local authorities when they are considering planning applications for new homes for children.
 - Continuing with the Children's Home Capital Programme, which has seen £259 million of capital funding invested to increase provision in local authority

2.3 In response, the LGA (2.2.23) stated that the children's social care system is in crisis now and most of the changes signalled in this strategy will not deliver results quickly. Inflation and pressures on council budgets will only compound the difficulties facing services, while the impact of the pandemic and the cost-of-living crisis is increasing children's need for support every day. They highlighted that one of the barriers to developing new children's homes is their perceived role as an “option of last resort”. If we are to ensure that we have the right homes for all children who need to come into care, we must ensure that a range of options is available.

As such, when considering options for delivery of residential care Herefordshire should balance the cost of delivery alongside potential opportunities to promote improved outcomes for children and young people. A flexible approach towards meeting need is required with sufficient capacity to avoid delay in achieving placement and pathways to transition as required. Analysis of demand needs to be understood in relation to the growth in the number of children accommodated despite admission avoidance programmes and the reduction in foster care placements available both nationally and locally. Opportunities to collaborate regionally will be undertaken in parallel across all options.

2.4 Achieving residential sufficiency correct is important for the following reasons:

1. Local authorities have a general duty to provide accommodation that is within the local authorities' area that meets the needs of the child and allows the child to live

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near their home. Nationally, 56% of all CLA placements were made inside the LA boundary, down from 57% last year and 59% in 2018. Using national figures 22% of children and young people placed in residential settings and 25% of those in residential schools live within the county boundary. Using Herefordshire figures pertaining to distance from home 34 of the 46-recorded placements (74%) were placed more than 20 miles (Dec 22). Given the rural nature of the county and location of provision, this is not unexpected however; it provides a pointer for future commissioning and market engagement.

2. New entrants to care nationally have risen across all age groups other than those aged 1-4 years. Growth in entry to care from the 10-15 year old cohorts represents a significant risk in terms of demand for foster care and likely placement in residential provision. This cohort often experience more lengthy placements and reduced opportunity to return home. Thus consideration needs to be given to early preparation for `living alone`, priority for staying local, staying close arrangements and transition into independent living. Arrangements to keep young people local, minimising disruption to education, training or employment and maintaining contact with family and community is key. Young people aged 16-18 who are not living in family based care often require the level of care and support offered by a registered provider. The assumption should not be that supported accommodation is the correct placement for all 16 year olds.
3. CLA whose first placement in the year was in 'Other residential settings' (including care homes, schools or custody) experienced the highest proportion of instability at 23%, down from 26% last year. They are vulnerable to the effects of a volatile market and threats of movement due to Ofsted oversight (risk of restrictions being imposed or closure) and price management.

2.4 Regional

Currently Herefordshire, alongside all West Midland partner local authorities is struggling to access residential provision that is local, cost effective and of a good standard. The regional hub is experiencing unparalleled requests for uplift in excess of 20% for both new and existing placements, with several providers choosing to exit the frameworks. Some providers are closing beds due to staffing pressures and others are securing placements from other regions who are willing to pay more.

Herefordshire is not perceived as a referrer of choice. Multiple system improvements are taking place to ensure providers have effective points of contact, receive payment on time and that referrals are managed effectively and in a timely manner. This is having some impact but needs to be maintained for long-term impact. Ongoing communication and clear engagement protocols will be key to sustained improvement.

The Hub reports that in 2021 Herefordshire had 21 Ofsted registered providers totalling 116 beds including ASD/LD and of these 12 were framework registered with 58 beds. Ofsted reports that the North West accounted for the highest number of newly registered children's homes 2020/21 (75 homes, 25%), and places (199, 21%). The churn in new registrations (199) and closures (67) within W Midlands indicates the lack of stability for children placed even when well matched. Regional Authorities also report an increase in demand for bespoke packages for children and young people with Learning Disability diagnoses; parent

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and child residential units; same day emergency placements; solo placements for complex cases; and children and young people subject to Deprivation of Liberty Safeguards orders.

- When reviewing residential placement by type across the 14 framework partners residential placement for parent/child have increased by 25%, secure has increased by 108%, unregulated crisis by 94% and other by 156%. Again, this suggests a significant challenge to quality and cost; requiring capacity to source, support matching and quality assurance.
- During 2021-22, 1044 residential placements were made across the West Midlands of which 451 were off framework, 531 were spot and the remaining 62 were internal or block. This represents a total increase of 60 and an increase in spots of 15% against the previous year.

2.5 Local

- The use of residential provision for Herefordshire children when measured by bed nights has increased by 1725 (11%) since 2020/21.
- Using Hub data it is apparent that whilst the average increase in residential placements made across the years 2020 and 2021 was 7% Herefordshire had a growth from 35 to 60, 71%.
- As of Q2 2022-23 47 children and young people from Herefordshire were recorded as being placed within residential children homes provision. Of the 47, 9% are of primary school age, 53% under 16 and 38% are 16+. Of the 16+ cohort, five have a disability that may or may not require special education. The average duration of placement is 5.35 years with the longest being a 16 year old who has been accommodated for 13 years. This young person is 67 miles from home and has been in placement for 43 months.
- The total projected spend 2022-23 across 65 lines of activity is £15,527,412 with an average of £238,883 per year (£4594 per week) per child.
- Of the 65 placements, four are from the CWD team and these are all CNS funded. The total annual projected spend is £1,674,625 with an average of £418,656 per year per child.
- There are 45 different providers being used by Herefordshire across the UK. The providers most frequently used are Cambian (5), Keys (6) and Bryn Melyn, Flourish and Unique (3).

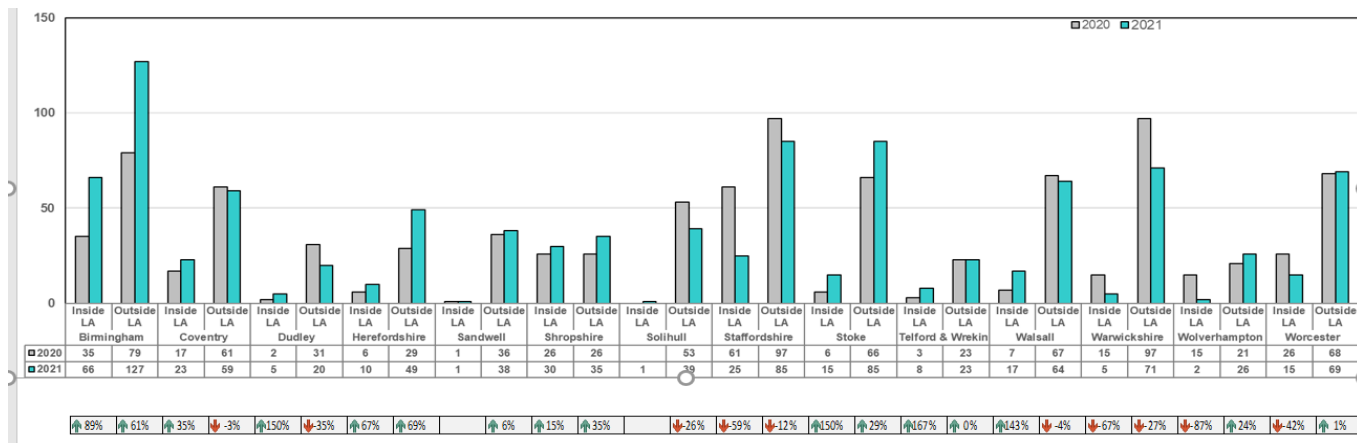
3.0 Location of placement

Analysis undertaken by the regional hub indicates a steady use of out of area residential with only 20% of placements made within county boundaries despite there being significant beds available. Providers evidence a rise in requests for placement from Local Authorities out of region and considerable competition for each bed. Other frameworks are offering higher prices.

Herefordshire's use of both in area and out of area residential have increased by circa 67% between 2020 and 2021 with in area placements representing approximately 20% of all placements made.

Placements made outside LA				
Year	Inside LA	% Change	Outside LA	% Change
2020	220		754	
2021	223	↑ 1%	790	↑ 5%

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3.1 Using the Herefordshire out of county placement report published 6.3.23, of the total 133 children placed outside of Herefordshire, 101 had a recorded placement type and of these 34% were placed in residential. It must be noted that for some young people a move from stable placement would not be in their interest and for others the correct placement is within a specialist unit. Thus, placement out of county is not always negative or an example of poor sufficiency.

As of February 2023, Herefordshire are experiencing a challenging market with a pattern towards use of spot placements and high inflationary uplifts

- 3.2 A deep dive review of placements made February/March 2023 confirms interim findings that of the 44 children and young people currently placed within residential homes;
- 1) Some children are placed out of area in appropriate specialist provision
 - 2) 10 children are placed within 20 miles of their family home, of which 5 have a disability. This links to the strong local presence of providers offering LD/ASD offer.
 - 3) Of the remaining 34 children placed out of county most are in the West Midlands, North West or Wales.
 - 4) Five young people could step down into foster care placements if they were available and may have been placed in residential because of the absence of a foster care placement.
 - 5) There are opportunities to move children into local provision if it were available and there is a confidence that through effective care planning placements would be filled appropriately.
 - 6) Small units of three or four beds –modelled with occupancy of three filled places with staffing of two-three staff is the desired model.
 - 7) That most children and young people could be placed locally subject to matching
 - 8) 18 young people are 16 years or older and may thus not want to move into a local provision that requires a further transition at 18.

3.3 Whilst placement patterns will only ever be indicative and will be impacted by the individual needs of children requiring care a significant growth in 2020, 21 and 22 is evident. When determining need for local residential provision consideration should be given to current referrals, potential to place within home based foster care, socio-economic changes and the impact of social care strategies.

Year	2018	2019	2020	2021	2022	2023
Res Placements made	1	4	9	9	13	2

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Using these figures it can be hypothesised that once any children/young people needing an immediate move are supported to do so the number of new placements needed will be small and issues of matching will affect occupancy rates. This presents a risk to provision accessed solely by Herefordshire unless sale of beds were to be considered.

4.0 Cost

Local Authority	2020				2021			
	Inside		Outside		Inside LA		Outside LA	
	No of Placements	Avg Std Wk Fee	No of Placements	Avg Std Wk Fee	No of Placements	Avg Std Wk Fee	No of Placements	Avg Std Wk Fee
Birmingham	35	3829	79	4508	66	3518	127	4798
Coventry	17	3047	61	5190	23	3149	59	5868
Dudley	2	3000	31	3976	5	3656	20	4104
Herefordshire	6	4366	29	5086	10	4153	49	5219
Sandwell	1	3750	36	4575	1	7056	38	5028
Shropshire	26	4395	26	4561	30	4996	35	4979
Solihull			53	5390	1	5100	39	4825
Staffordshire	61	3594	97	4436	25	5013	85	4742
Stoke-on-Trent	6	3956	66	3855	15	3839	85	3864
Telford & Wrekin	3	2961	23	4296	8	3302	23	4451

Review of contract types indicate controlled price management with the exception of internal where increases for 2020-21 totalled 16%; however these did have a lower baseline and this may be reasonable to promote recruitment/retention.

4.1 When comparing weekly costs across the region Herefordshire rates 2020 are high. This does not mean we are getting worse rates, simply that costs in area are higher however further analysis is needed to establish this. However when analysing out of area costs 2020 Herefordshire costs are in the highest quartile suggesting poorer negotiation and/or higher levels of complexity. The position for in area 2021 is slightly improved benchmarked against other Authority experience however, out of area, rates remain high in comparison.

Costs by age group rose by 27% for young people 11-15 years 2020-21 but remained largely stable for other cohorts.

It is proposed that a full review of costs and comparison across type will be undertaken for agreed options as part of the business case. This will utilise data available post ongoing cleanse activity and will therefore provide greater assurance.

5.0 Potential to grow in-house fostering and/or access local IFA

The rationale for desired growth within foster care as described within the 2019 strategy was that many young people placed in residential could and should be living within a family based environment. In-house carers were considered more able to manage complex care needs as they can access enhanced training and discretionary support from the council. In the context of current difficulties with framework arrangements, uplift requests and perceived matching/regulatory challenges the requirement to build quality and cost effective Herefordshire carer capacity is clear. In theory, robust oversight of referrals in and matching alongside effective support should enable those children and young people requiring family based care, in area to be placed.

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5.1 However, in practice this is difficult to achieve and is not a local issue. Nationally, the percentage of children placed in foster care has reduced to 70% and of these 15% are placed with friends and family. There has been a 5% reduction in foster care beds nationally over the last 12 months and a reduction in vacant beds of 23% meaning opportunities to match need and location are reduced. Use of IFA beds has risen and they now account for 45% of all foster care placements in 2022.

5.2 As of October 2022, there has been a net loss of HCC carer households with 6 approvals and 17 resignations however; there has been a recent shift in trajectory away from resignations largely due to enhanced management oversight. The age profile of carers remains a concern alongside capacity to recruit and train.

5.3 Despite this challenging context Herefordshire is actively working to recruit and retain staff and carers. Allowance rates are being reviewed and training is prioritised. It is expected that over the course of the next 12 months gross numbers of local carers and bed nights will be increased offering a realistic alternative for some young people to residential care.

5.4 Analysis of total bed nights available through in house foster care arrangements indicate a projected fall of 6449 (15%) since 2020/21. Analysis of foster care across in-house and IFA indicate a balance of 100 and 95 placements within Q2 2022/23 respectively.

It is therefore reasonable to assume that whilst the necessary growth in home based offers is developed there will be an ongoing need for residential placements. What cannot be known is how long it will take to generate sufficient placements that meet assessed need negating the requirement for residential offer other than for specialist placements. Should Herefordshire develop their own in-house residential offer there may be a risk that over time it is not needed.

6.0 Opportunities to manage the market and become a referrer of choice

Soft market engagement has been undertaken in order to build relationships with providers and to establish feedback about opportunities to work more closely with Herefordshire. A number of provider complaints have been resolved and more vacancies have been offered to Herefordshire as a result. Payment concerns are being addressed and uplifts are managed through regional processes where appropriate. With the development of the new Children quality assurance team, visits have been scheduled to both manage individual concerns and to support providers in building levels of assurance. Protocols for accreditation of spot providers are being developed alongside regional partners. However, in order, to respond positively with providers who may be facing challenges through registration/ inspection and manage relationships it will be necessary to formulate a shared understanding about how we wish to engage in improvement work for those deemed temporarily inadequate and how we move past historic views of providers.

6.1 In January 2023, a review was undertaken of all young people living within a residential care home who were known to have a disability. Care records were reviewed and SW contacted to establish whether a planned move to a new 4-bed registered home within

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Herefordshire could be undertaken. The outcome of this review was that no referrals were considered appropriate and the beds will be filled from other LA.

7.0 Background and Rationale in Project Mandate

In 2019, the Director for Children and Families took the decision to tender an initial contract to reserve two to four local residential beds within-in existing local children's homes; however, the procurement exercise attracted no bidders.

Market engagement occurred with eight providers who operate in the area. Options to Market feedback as to the reasons for not bidding included preferences not to enter into block contracts for those providers already operating in Herefordshire, while those that may have wished to bid for a contract did not have readily available children's homes in the county.

Feedback from providers contacted over the last few months suggest there is an appetite to work in partnership via a block however, confidence should be tempered by the experience of regional partners managing uplifts and recent market engagement carried out elsewhere.

Procurement options include calling off capacity from the framework or an open tender. Options to provide accommodation directly and specify only for care and maintenance or care only appear to be the most likely to attract positive responses. Providers are reporting an interest in developing regional/county wide arrangements where close working relationships negate some of the impact that experience of managing more complex relationships.

There is a strong operational desire to manage a provision in-house both to improve quality, stability and access. Evidence to support the financial viability in terms of both utilisation and unit costing of doing this requires further modelling.

8.0 Scope

In-Scope

Options available to promote local quality and cost effective provision for young people who require registered residential care excluding 52-week educational provision and/or tier 4 care.

8.1 Out of Scope

- Provision for fostering placements.
- Supported accommodation for 16+
- Secure accommodation.
- Residential short breaks and respite for children and young people with disabilities including shared care
- Tier 4

9.0 Benefits

The anticipated benefits of the proposed project are:

- Increased local options improving choice and matching
- Retention of local connection with family/community and access to services within adult social care and housing
- Improved outcomes for children and recognition of the need to maintain trusted relationships
- Increased access to local education and health services avoiding delay in assessment/ support
- Improved engagement with providers mitigating breakdown, complaints and reputational risk
- Improved referral uptake leading to effective care planning with timely step up/down
- Reduced number of placement moves experienced by children and young people

9.1 Cashable benefits

In a previous business case written in 2019 to ascertain the potential for developing block residential provision within Herefordshire it was believed that 9 of the 36 children placed out of area could be moved back and matched. Modelling will be refreshed to use current figures and inform future business cases.

- Using average costs of all residential placements funded it was estimated that 9 beds would cost £2.6m annually
- Using average costs of framework residential placements it was estimated that 9 beds would cost £2m annually
- Using estimates of salary and on costs it was estimated that 9 beds developed as an in- house provision would cost £2.3m.

9.2 Costs across the framework vary according to the size of home and the model of staffing used. As such, it is not possible to state that framework costs are always, lower than spot. In addition, many providers are seeking to exit framework arrangements and are requesting large uplifts to avoid notice being given. Government proposals seek to promote a regional/national approach towards pricing and quality assurance and recommend regional approaches in the interim. The LGA are sceptical about whether this approach will mitigate market challenges and highlight immediate difficulties. Many placements also attract additional costs in terms of staffing, therapy and education. As such, price is rarely stable.

Opportunities to achieve cost avoidance exist within the potential to negotiate strongly, to place locally accessing services that do not require additional funding, and to reduce travel charges and in reducing officer time in travel. Ensuring that young people are supported to move into family based settings/or return home will achieve considerable efficiencies.

Previous assumptions about the potential to move children back to Herefordshire must be moderated, understanding their complex needs and the length of stay may negate the benefits of a move. Any new arrangement needs to have an appropriate model of care. The primary opportunity is to avoid placement in residential if possible and to build local capacity for where such placement is required.

Thus, the primary objective of this project is to improve outcomes for young people and deliver safe arrangements that meet need. Opportunities to avoid additional costs and

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reduce SW time spent in non-direct activities exist however; the core cost of delivery is unlikely to achieve savings. Too many variable factors are involved to accurately project any efficiencies however monitoring will measure impact including unit costs benchmarked against framework and spot arrangements.

9.3 Non-cashable benefits

The key drivers are to ensure children and young people are placed in safe and local placements that meet their needs, ensuring timely transition through to other arrangements as needed.

Ensuring children do not experience drift and remain unnecessarily within residential placements will best serve to promote cost avoidance and ensure that:

- We exercise our Corporate Parenting responsibility.
- More cared for children and young people in Herefordshire can remain close to family, friends, schools and local community, enabling them to maintain positive links.
- Improve contact with trusted individuals.
- Improve partner relationships facilitating placement stability for the child or young person in care
- Improve outcomes for the child or young person in care.
- Reduce Social Worker’s time spent travelling and increased direct work with children and young people.

9.4 Dis-benefits

The current proposal to build engagement and source an additional share of provision from the market will require time and officer engagement. There are no guarantees that such activity will achieve desired aims however parallel planning and engagement with strategic housing whilst considering options for delivery of an in-house provision and undertaking market engagement, can be undertaken. Testing out the impact of this approach will evidence the need, or otherwise for future procurement or service development without causing delay.

The council will need to review processes across social care, housing and finance to improve its reputation and build a more responsive presence within the market.

10.0 Risks

Risk	Mitigation
Herefordshire is unable to improve its reputation and fails to secure local provision when required	Designated capacity to promote market engagement has been identified A programme of market engagement has been started. Systems to manage payments including uplifts are reviewed and fully resourced Key leads for regional engagement are identified.

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Data reporting is inaccurate leading to unclear demand analysis	Ongoing work to review recording and improve training Child level review of current children within placements is underway to inform demand
Effective care planning to ensure step up/down is undertaken and vacancies are managed in a planned way.	All children that may move into foster care are identified and focused searches/recruitment is undertaken Providers with vacancies are supported to take Herefordshire children
Existing providers are unable to develop new homes within Herefordshire	Soft market engagement has indicated that several providers wish to work directly with Herefordshire and are open to referrals for existing/future vacancies. Ongoing work to review collaborative approaches across the region
Opportunities to source accommodation for use alongside provider do not materialise	There is potential to source accommodation however capital bid timelines will delay implementation. The requirement to generate `income` may negate access.
Processes to source accommodation via capital funding will build delay into the programme	Engagement of finance colleagues to manage request as Adhoc (full council) request
Capacity to deliver programme management, legal, technical, contract management and procurement support as required is not available	The full business case will articulate the requirement.
Financial affordability and viability	Ongoing work with finance to model costs and efficiencies
current demand for specialist education placements exceeds current capacity and so this places the proposal at some risk	We have a capital investment strategy but developing education provision in a short timescale is not realistic prospect, a new school build even were capital available, is 5 years to opening. There is an active review of sufficiency and capital investment for specialist educational provision, which will consider some creative solutions with a faster delivery potential, but the cohort you are considering needs detailing to him and our reality needs to be taken into account.

11.0 Constraints and Dependencies

This project depends on the:

- Appetite of Council and Members to support this project.

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- Availability of suitable houses and the local property market via lease by Herefordshire or a successful provider.
- Planning permissions if required.
- Involvement of partners agencies
- Experience and expertise to undertake required procurement and/or delivery
- Capital programme timescales

SEND feedback

We think it's a great idea and one I have been advocating for years, but needs to be considered systemically. Our current demand for specialist education placements exceeds current capacity and so this places the proposal at some risk.

- Our major concern is that we have more youngsters than placements for youngsters for whom the preference is specialist education placement- for example our SEMH special school is full to its safe limit (primary and secondary) this means that we are having to look at independent schools outside the local area. We have a capital investment strategy but developing education provision in a short timescale is not realistic prospect, a new school build even were capital available , is 5 years to opening. Please ensure that you are liaising with Les Knight who is leading on sufficiency and capital investment for specialist educational provision. He is looking at some creative solutions with a faster delivery potential, but the cohort you are considering needs detailing to him and our reality needs to be taken into account. We have no capacity in the PRU for children without an EHCP. We sometimes ask the special school and PRU in Worcester but they are also full with no spaces
- In the event that we have to look at independent education (and that is getting harder to find) , we are unlikely to have a local option- travel and fees will be higher cost than current educational placements for the cohort you have in mind, we are already in deficit position with high needs funding , additional pressures will need to be sighted by the DLT
- From a commissioning point of view, please note that If we did grow capacity in our schools we would not be able to 'reserve' them for Herefordshire CLA returning and any other local authority placing a child in Herefordshire or willing to transport a child to Herefordshire could take those spaces, this means early planning is essential –at least a year, not months.
- Please establish a clear process for early discussion and planning for youngsters with EHCP– this will need to include an early annual review, a formal consultation process and amendment of the EHCP – even if smooth which has the caveat above- this is a process that in itself will take a number of months. It will be important to be clear which LA maintains the youngster's EHCP
- In the event that the EHCP is maintained by another LA -we would request that the VS Education would ideally act as the liaison between the existing school the SEN Teams in both authorities and the receiving school to ensure a transition

12.0 Stakeholders

- Our cared for children and young people/ care experienced individuals
- Children in Care Council
- Local residents/community
- Local Ward Members
- Strategic housing
- Education
- Planning
- Commissioning
- Finance
- Procurement
- Partners – Police, CAMHS, Schools, CCG
- Children services
- All Officers and Councillor as Corporate Parents
- Legal
- Communication and engagement

ECONOMIC CASE

13.0 This project has been undertaken in order to develop local sufficiency for residential provision alongside other complementary arrangements. Residential care is an essential element within the raft of provision type required to meet the needs of our children.

Herefordshire seeks to understand the most effective mechanism for delivery of services. A collaborative approach towards reviewing care plans and building processes that support referral, matching and placement will be undertaken for approved options via full business case analysis. Only, at this point will it be possible to fully ascertain whether additional provision is required under block, through in-house delivery or an alternative model.

Undertaking the extensive work plan within fostering and avoidance of residential placements will generate cost efficiencies. Undertaking market engagement is expected to be cost neutral or to provide limited savings; however for the young people placed this is essential in meeting our responsibilities as corporate parent.

In light of the current challenges, articulated by Ofsted, and those faced by regional collaborative networks it is probable that sufficient progress will not be made by improving systems alone. Thus, the necessity of developing a local block arrangement via procurement of care or development of an in-house service will likely be evidenced.

14.0 Critical success factors

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- Accurate data to inform modelling
- Review of needs and projected demand to inform specification
- Designated point of contact for market engagement and positive response
- System wide oversight of arrangements i.e. for payment and quality assurance
- Finance support to model costs and savings generated across options
- Engagement across the system including strategic housing to scope opportunities and progress in timely manner

15.0 Options

1. Do nothing
2. Manage demand for residential provision through market engagement with existing providers –improved utilisation of existing capacity/improved conversion of referrals into placement/ increased volume on offer
3. Promote increased sufficiency within area through procurement of **both** new accommodation and care arrangements and maintenance/management- a Herefordshire specific tender. This may be replicated as future phased development.
4. Promote increased sufficiency within area through procurement of new arrangements for care, maintenance/management whilst utilising HCC property. This may be replicated as future phased development.
5. Promote increased sufficiency within area through development of in-house offer using existing/leased premises and HCC staff and maintenance/management.
6. Develop regional block approaches for care and/ or accommodation/ maintenance/ management

Option 1 – Do nothing	
Cost	No cost although spend will continue in line with market costs
Benefits	None
Deliverability	Doing nothing is achievable but will affect quality, spend and reputation requiring extensive future mitigating activity to negate impact.
Pros	None
Cons	Current analysis indicates that HCC struggle to access local, quality, registered provision for young people with EBD needs. Access to provision through the framework appears proportionally lower than our counterparts other than Birmingham meaning that we use more spot providers and are at risk of uplift challenge, variable quality and are required to manage contract and quality assurance in isolation. 75% of residential placements made Jan 20-Dec 21 were out of county and in excess of 20 miles from home. Reputational risks continue that negate take up of referrals. Despite a strategic goal to improve sufficiency of local in-house foster care placements there has been no growth 2022-23 and targets are for stability rather than growth 2023-24. Maintaining the current approach towards sourcing residential placements as needed is therefore not recommended. A raft of measures are required to enable us to become a referrer of choice and to build a mixed economy of provision.

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Observations	There is currently a lack of confidence in existing systems and processes. Soft market engagement indicates potential to build improved relationships and access local, quality, cost effective provision. The brokerage function delivered by the Home Finding Team has potential to build stronger and more consistent approaches towards negotiation, providing commercial acumen to the process. Points of contact will improve communication and support active referral management.
Recommendation	This is not the preferred option

Option 2 – Manage demand for residential provision through market engagement with existing providers, improved utilisation of existing capacity, improved conversion of referrals into placement and increased market share	
Cost	<p>It is reasonable to hypothesise that through effective working with providers costs associated with notice; retainer and additional support may be reduced via negotiation and/or active review and shared risk management approaches. Providers have indicated a willingness to work with Herefordshire and have appreciated the approach taken towards recognition of challenges and mitigation of provider concerns to include timely payment and improved communication. Ongoing data cleanse and partnership working with finance is promoting a more accurate projection of spend and cost avoidance.</p> <p>Analysis shows that the current market is challenged by inflationary uplifts, staffing retention and demand. Thus, providers are able to charge high unit costs and cherry pick between referrals. Regional approaches toward framework management are attempting to control such rises and build improved access.</p>
Benefits	<p>Effective care planning and phased placement into known vacancies will reduce officer time spent sourcing options.</p> <p>Phased step down and supported placement in foster care or with birth family will avoid drift.</p> <p>This allows social care to use residential only as needed and to flex use in line with growth of foster care capacity without financial risk.</p> <p>Using the sufficiency available within area across 21 Ofsted regulated providers (116 beds) allows matching to be undertaken and a flexible response to need at any given time to be achieved. HCC currently access 20 beds from 8 providers, which indicates significant potential for improved access.</p>
Deliverability	<p>Recent communication indicates an appetite from providers to engage positively however historic response has been poor. Engagement with social care colleagues indicates positive approach to this work</p> <p>Joint working with the Children QA team is promoting interest from providers who see a shared vision of improvement and resilience from HCC.</p> <p>There is a lack of confidence from Children social care colleagues in some local providers and some historic concerns.</p> <p>Challenges remain in relation to payment systems, recording and uplift management. If these are resolved proactively there is potential</p>

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	to build incremental growth in access to local arrangements whilst foster care capacity is achieved although in isolation this is unlikely to mitigate risks in the short term.
Pros	<ol style="list-style-type: none"> 1. The provider market has the skills and experience to deliver quality provision 2. Providers are keen to work with us 3. Improvements in our systems will promote communication and staff well-being 4. Improved choice will benefit children and keep them local where safe to do so 5. Improved access to framework providers will support contract and quality assurance.
Cons	<ol style="list-style-type: none"> 1. The current market is challenging and traditional approaches e.g. framework are being declined by some providers in order to achieve greater independence and financial gain 2. It is impossible to test impact without trying however parallel planning alongside development of procured options and/or in – house delivery can be undertaken avoiding drift or delay.
Observations	<p>Whilst the work proposed is necessary and will undoubtedly support the development of sufficiency there are risks in terms of deliverability to include prioritisation of staff time in light of other priorities and work to embed agreed processes. Measuring impact in the short term will be problematic given the lack of an agreed benchmark.</p> <p>The impact of effective utilisation of current arrangements via a fully staffed Home Finding Team and revised commercial brokerage function are not yet evidenced as such this should be progressed in parallel with chosen options.</p>
Recommendation	Progress as business as usual alongside fully worked up business case for options 3, 4 and 5.

<p>Option 3 – Promote increased sufficiency within area through procurement of both accommodation and care arrangements together with maintenance and management</p>	
Cost	<p>Procurement capacity Co-production and engagement costs Risk of voids if block undertaken</p>
Benefits	<p>The council would have full control of how the service was developed and delivered via specification The council would manage referrals into the service and support conversations around matching, managing risk and avoid placement of non-Herefordshire children. However, the provider would have the potential to veto subject to certain conditions i.e. safeguarding risk. Risks associated with sourcing property, maintenance and management would be shared</p>
Deliverability	<p>The Council could run procurement that delivers agreed capacity in area as required to meet assessed need. Despite previous failed attempts at procurement, providers are indicating an appetite to work with HCC although price sensitivity may be challenged. Clarity of specification, purpose and interface will require engagement with key stakeholders. Initial market testing suggests that the requirement to have access to property may generate less interest however; we also understand that providers have mothballed provision due to staffing</p>

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	<p>issues and they may be interested in re-opening beds /complete homes under contractual arrangements. One provider (off framework) has an empty 4-bed home (no staff or registered manager) in Herefordshire and may be interested in bidding for a block.</p> <p>Initial conversation around routes to market indicate opportunities to call off framework or tender. With some providers leaving the framework, open tender would potentially generate more interest. (Thresholds are likely to exceed £500,000 over the contract length negating options for direct award)</p>
Pros	<p>Opportunities may exist to develop improved outcomes for young people including local placement, family time and access to local services</p> <p>Opportunities may exist to procure services and achieve cost avoidance.</p> <p>Timescales for delivery may be quicker than using a capital bid model –approximately 15 months to registration from decision point.</p> <p>All of the advantages of option 2 apply</p>
Cons	<p>Current activity to identify demand has not yet concluded and opportunities to develop foster care capacity have not been exhausted although growth is not expected in house during 2023-24. Thus, the volume and type of provision required longer term cannot be evidenced.</p> <p>Void payments will be chargeable.</p> <p>Should the contract end or be terminated the provider would retain the property and staffing, potentially requiring children to be moved from their home.</p>
Observations	<p>Market engagement can begin in order to scope out preferred methods and opportunities. The appetite from providers is likely to be lower than options where accommodation is sourced by HCC and costs will be higher to mitigate risk of purchase and associated activity.</p>
Recommendation	<p>This is not the preferred option however timescales/complexities in getting capital funding makes this viable in terms of timescale and deliverability and therefore should progress to business case</p>

<p>Option 4 Promote increased sufficiency within area through procurement of new arrangements for care and maintenance only whilst utilising HCC property</p>	
Cost	<p>Costs will be payable even if beds not utilised.</p> <p>Price increase and uplift requests will be managed locally and volatility in the market can be mitigated.</p> <p>Modelling undertaken for a previous business case 2021 can be used as an indicative position to consider the potential of this approach as an option. This analysis indicated that over 2020/21 within a 3 bed home the average weekly cost of an EBD bed through the framework was £3,547, the average cost of a bed sourced by HCC across framework and spot (non-specific as to size or registration type) was £5,558 and the projected cost of in-house provision was £5,396.</p>

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	<p>Framework costs for 2022/23 indicate a range of £3,200-8,800 per week for an EBD bed with an average of £4,652 per week.</p> <p>It is recommended however that this modelling be revised in light of current challenges faced by the market where we are experiencing significant uplift requests 10-50%, providers leaving frameworks in favour of spot delivery and challenges in accessing local, quality provision.</p> <p>Costs associated with purchase, planning, refurbishment, maintenance and repayment of capital monies need to be factored in</p>
Benefits	<p>Sole use of provision Control of location/size/standards Likely to appeal to providers – ensuring competitive tender /call off Local provision will reduce officer time and associated travel costs for SW/family Promote access to local school and health services including CAMHS promoting outcomes including management of EHCP HCC are not committed to continue post contract if demand changes in light of fostering numbers/edge of care success If provider changes the home will remain with TUPE staff maintaining consistency for children placed</p>
Deliverability	<p>Initial conversations with colleagues from strategic housing services indicate that sourcing property/properties locally is viable. This will provide a level of consistency and control over location, quality of provision and accessibility not previously experienced.</p> <p>Initial soft market engagement indicates an interest in such partnership working between care providers and HCC. Provision of accommodation is seen as a bonus.</p> <p>However, current expectations for capital costs to be repayable over 40 years through income generation rather than spend avoidance is problematic. Young people under 18 are ineligible for any benefits and therefore no income can be derived from this provision. Current capital requests are currently facing significant scrutiny in this regard.</p> <p>Current processes to bid for capital will require a request to be submitted July 2223 for allocation from February 2024 although an option to apply for a bespoke award via full council circa August 2023 is available. Assuming council approval, 6m for purchase, further 6m for selection of contractor and refurbishment and then registration with Ofsted the earliest date for placement will be autumn 2024.</p> <p>Key to delivery and successful implementation will be engagement in the development of specification, management of procurement and ongoing contract oversight. Current challenges within Children Social Care may require prioritisation of other activity.</p> <p>There is currently significant appetite within social care to deliver an in-house offer and this is believed by them to be the most viable option to deliver local, quality and cost effective provision</p>

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Pros	<p>Most providers have access to maintenance arrangements/contracts and this could be built into any specification.</p> <p>Quality assurance Financial control Recruitment will be managed by the provider Engagement with strategic housing is in place Finance support re capital bids is in place</p>
Cons	<p>Potential increased unit cost Potential challenge for recruitment Potential underutilisation Complicated capital process and risks re T&C for agreement Extended timescales for implementation Final say re matching and placement sits with provider</p>
Observations	<p>Revised modelling in line with recent challenges to market management at a regional level should be undertaken to give a more accurate cost/benefit projection.</p> <p>There is an appetite to run this service in-house however; other priorities may mean that this could be delayed.</p> <p>Opportunities to develop a local collaborative approach towards residential capacity are not fully explored.</p>
Recommendation	Progression to business case alongside options 2 and 5

<p>Option 5- Promote increased sufficiency within area through development of in-house offer whilst utilising HCC property</p>											
Cost	<p>Costs will be payable even if beds not utilised. Price increase and uplift requests will be managed locally and volatility in the market can be mitigated. Modelling undertaken for a previous business case 2021 can be used as an indicative position to consider the potential of this approach as an option. See option 4 for detail</p> <p>Updated analysis of actual costs in light of the market, recruitment challenges and increased demand and economic challenges will be undertaken within the business case if this option is approved.</p> <p>Modelling of expected in house provision minus accommodation purchase costs using an average staffing model of 1:1 based on 2021 costs.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Size of home</th> <th style="text-align: center;">Total annual</th> <th style="text-align: center;">Total staffing</th> <th style="text-align: center;">Annual bed price</th> <th style="text-align: center;">Weekly bed price</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">3</td> <td style="text-align: center;">£841,795</td> <td style="text-align: center;">£705,203</td> <td style="text-align: center;">£280,598</td> <td style="text-align: center;">£5,396.12</td> </tr> </tbody> </table>	Size of home	Total annual	Total staffing	Annual bed price	Weekly bed price	3	£841,795	£705,203	£280,598	£5,396.12
Size of home	Total annual	Total staffing	Annual bed price	Weekly bed price							
3	£841,795	£705,203	£280,598	£5,396.12							
Benefits	<p>Herefordshire will control use, matching and referral ensuring most effective use of capacity and will manage in flex required in occupancy. Issue of notice will be reduced, improving stability. Retainer costs will be negated through effective care planning. HCC will manage quality assurance to include training and safer recruitment.</p>										

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	<p>Opportunities to engage key stakeholders such as CAMHS and the virtual school will be enhanced</p> <p>Staff time taken to travel out of area will be reduced ensuring more staff time is undertaken working directly with children, young people and their families.</p> <p>Family time will be enhanced and connectivity with home network/localities will be enhanced.</p>
Deliverability	<p>All of the points made in option 4 apply to option 5 re access to capital</p> <p>Feedback from Warwickshire highlights (option **) the need for extensive support to deliver a new residential offer and mitigate risks. HCC will need to commit to a full review of costs and capacity across service areas required to deliver an in house provision.</p>
Pros	<ol style="list-style-type: none"> 1. Risk of notice will be mitigated promoting stability and outcomes. 2. Retainer costs will be negated. 3. Un-registered provision will be avoided – Herefordshire can manage risk through additional offer as required 4. Capacity can be flexed to meet need/matching 5. This will buffer HCC from experiencing the challenging market for residential provision as clearly articulated in recent research and government consultation. 6. This will provide consistent care and improve opportunities to plan and support transition locally
Cons	<ol style="list-style-type: none"> 1. High staff turnover within the council and the registered residential sector, may affect the council's ability to operate and sustain a service. 2. Demand is unclear and such an arrangement would risk void rates in the short, medium and long term. 3. Numbers of young people requiring residential at any point are low and matching may be difficult 4. Initial modelling (20/21) indicates higher costs than could be sourced from the framework/spot providers. Indirect costs associated with implementation and delivery will need to be modelled. 5. Maintenance would need to be prioritised to maintain standards for registration and a mechanism for sourcing established. Options are being considered within the wider estate. 6. Current mechanisms for capital bids (see option 4) would cause delay and applications may face challenge 7. Current reputational issues will need to be factored in to the risk log with mitigations in place to secure recruitment of skilled staff and effective oversight.
Observations	<p>Option 5 requires capital to buy/ rent property.</p> <p>All of the comments for option 4 apply</p>
Recommendation	<p>Progression to business case alongside options 2 and 4 subject to the strategic capacity within Childrens services to fully engage in the specification, delivery, implementation and management of the provision.</p>

Option 6- Develop increased sufficiency within area through development of block arrangements with partner local authorities

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Cost	Shared activity and costs across commissioning and market engagement, procurement, planning, and refurbishment, and recruitment, legal and technical advice.
Benefits	<p>Shared risks Choice of lead authority to maximise most efficient system Increased pool for matching Experience of other authorities</p>
Deliverability	<p>Ongoing conversation suggests an appetite for joint working tempered with some caution about the current market and appetite of providers to engage in block arrangements.</p> <p>Current concern raised by HCC Children services as to level of control available in block arrangements, voids and matching.</p> <p><u>Case study 1</u> within appendix A indicates that within Warwickshire a mixed model across in house and procurement is currently being developed. Future activity likely to prioritise in-house provision. Review of their progress provides considerable learning.</p> <p>Overall, the feedback is to take time modelling what is needed in terms of location, property, staffing and ensure there is a strong programme team to deliver across all service areas, avoiding cutting corners. Financial modelling should include all in direct costs and savings should not be assumed. Avoidance of unregistered placements and high cost bespoke solo/DoLS will however, deliver improved financial and child specific outcomes. Engagement with Ofsted will negate issues down the line i.e. size of office. A two to three year implementation plan is likely.</p> <p><u>Case study 2</u>: Prior to 2020, Dudley and Staffordshire worked up a contract for a block-booking contract including going as far as market engagement, creating a pricing structure and a spec. Covid and lockdown then happened and it was deferred. Further conversation happened and 2 other authorities showed interest early 2022 but again strategic visions did not align. There is currently an appetite to reconsider options for joint procurement and documents are ready for review however, concern remain as to whether a block will appeal to providers with the market so weighted towards providers currently.</p> <p>Previous market engagement undertaken by Staffordshire 2021, given that they have the highest number of residential beds based within their LA boundaries across the whole of England, did not produce significant results.</p> <p><u>Case study 3</u>: Worcestershire have moved away from in-house children's homes, they just have the short breaks homes now for CWD and there doesn't seem to be an appetite to change this. WCF have expanded their own supported accommodation provision</p>

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Pros	The opportunity to collaborate and deliver a larger number of beds, sharing access across a bigger pool of children should improve usage. Financial risks will be shared Capacity to deliver will be increased
Cons	Homes will not all be within Herefordshire Use will need to be negotiated across authorities Strategic vision will need to align and there will need to be political agreement
Observations	Attempts to go forward collaboratively have been tried before but not progressed. The market is currently volatile and there may be limited appetite for block arrangements but this has not been evidenced 2023. Recent government consultation proposes that regional approaches towards market management should be promoted as the most effective mechanism to manage cost and quality.
Recommendation	It is recommended that HCC continue to engage neighbouring authorities and explore options however, option 3, 4 and 5 are likely to offer more realistic delivery within timescales.

16.0 The preferred option/s

The recommendation of this options appraisal is that whilst ongoing provider engagement alongside service development (option 2) should be promoted and regional dialogue (option 6) should be ongoing the most viable options to deliver increased local registered, residential provision will be options 3,4 and 5.

Should potential problems associated with capital bids be negated then options 4 and 5 should be progressed with consideration of the timescales attached.

However, if a capital bid cannot be achieved without repayment clauses ad/or timescales for delivery are considered unreasonably long then option 3 remains the only viable route to achieving desired outcomes.

A full business should consider the viability of option 3, 4 and 5.

Appendix –Case study Warwickshire

- Analysis 2018 indicated that they faced challenges accessing local available provision with only 10% of placements being made in area thus facing similar access challenges to Herefordshire. Demand for LD/ASD placements going down and MH going up. Many big national players are located in county. Framework perceived as having less relevance as providers operate nationally and do not need contracts.
- There was a strong appetite for a mixed model of procured and in-house provision.
- Ofsted support was available for 3m via consultant.

Procured arrangements

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- 2018 undertook market engagement for three lots across with 34 EOI that eventually generated two bids (Lot 1x1) (Lot 2 x1) (Lot 3 x0). Established two arrangements through tender in 2019. Lot 1 = 4 beds EBD under block and Lot 2 with one provider offering preferential access and rate.
- At point of procurement in 2019 they had 33 children in residential-

Lot 1 has capped rates but has had to uplift annually. Expect significant increase if renewed in 2024. Occupancy good other than one period.

Warwickshire are likely to extend contract duration but not capacity from four despite residential rates growing by 100% because most need is for higher-level complexity/MH and matching is problematic. They expect significant rise in costs.

Lot 2 – has capped rates. Not working well as provider declines referrals and is unable to meet need. Provider cannot recruit. Provider has recently left the framework and is operating as spot outside of Lot 2.

Feedback:

- The original specifications and modelling were effective, the market has changed and there is no appetite from Lot 2 provider to engage. Lots of effort for little benefit
- Need arrangements that are more flexible across cohorts and location. Current procurement is for care providers who can operate across settings to include family home or residential care home. Unclear as to number of providers who can **operate as registered providers**
- Primary challenge is working with Ofsted and registration and accessing priority application

Delivery of in house arrangements

- Capital bid for 5 Lots –process started 2021
- Lot 1 residential for younger children –step down to FC or home –open March 23.
- Lot 2 14+ due Sept 23
- Lot 3 MH – due 12m
- Lot 4 LD –due 12m

Feedback:

- Primary driver of in-house option to control cost and quality and to respond to unplanned endings, avoiding unregistered placements. Significant levels of engagement at all levels

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- Historic reputational issues affected how communication with public was managed. Need to mitigate concerns re competency to deliver. Legal opinion sourced as part of decision to go in-house or via long arm arrangements. Query potential for tax breaks.
- Delivery in-house is risky as they will have same problems of recruitment, registration and matching but procurement is also felt to be risky as may not generate interest and it is a providers market.
- Delivery in-house is not a quick win and should be phased to manage demands across the system
- Key risk is not having sufficient support across finance, programme management, housing, legal, HR and Comms to manage complexity of work
- Councillor support critical to manage community engagement/concerns/planning. Always use own properties if possible as neighbours are used to council activity
- DfE bid for capital failed to progress due to lack of programme oversight and clear plan
- Current progress only available because they used existing property assets and capital bids for refurbishment were prioritised. Pay back arrangements modelled on 7 years but new lots will be 10 years.
- Purchase and refurbishment costs have risen since initial business case so recommend some discretion being built in to early business case. Social value considered as key feature of activity and mitigates financial concerns.
- Registered Manager appointed well in advance- full staff team in place 8m prior to opening. Need to cost in these costs although staff utilised elsewhere i.e. assessment/contact/family support in interim. Careful grading of roles required to deliver effective recruitment
- Careful objective analysis of experience/capacity to deliver in-house and mitigate reputational/financial risks is needed.
- All properties suitable for four young people but costed at 75% occupancy to allow for matching.
- Maintenance work is done via existing providers (property framework)
- QA support to develop effective baseline for registration is crucial