



Title of report: Repurposing of agreed capital funding to secure property from which overnight short breaks and outreach support for disabled children will be delivered

Decision maker: Corporate Director - Children & Young People

Report by:

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Classification

Open

Decision type

Non-key

Wards affected

(All Wards);

Purpose

Capital expenditure totalling £424,000 has previously been approved for purchase of a property 2025/26 from which a registered children home would have been delivered (appendix 1). Review has established that priority use for this funding has changed due to successful care planning approaches and increased options for family-based care. This report seeks approval for the repurposing of agreed capital expenditure to source a building from which a single provider, commissioned through a competitive tender exercise, will deliver a registered overnight and outreach short breaks service within Herefordshire. This will increase local sufficiency in line with Herefordshire's Improvement Plan for Children and Families, and Placement Sufficiency Strategy for Children and Young People.

Recommendation(s)

That:

- a) Existing capital funds totalling £424,000 approved to purchase a building for phase 2 of Children Home development 2025/26 are repurposed in line with assessed need to purchase a building delivering overnight short breaks for children and young people 0-18 with a disability.

Authority to purchase the property be delegated to the Corporate Director, Childrens and Young People, following consultation with the Chief Finance Officer. Alternative options

1. Do nothing. This is not recommended. There continues to be a challenge in securing sufficient provision of both overnight short breaks and home based support for disabled children & young people in Herefordshire. Current options for spot purchasing are failing to secure local, quality and affordable provision for some families. Options to secure commissioned provision have been identified within market engagement and present a viable opportunity to support more families and the council to meet its statutory duties.
2. The council to purchase a property and deliver a registered overnight service as an in house provision from said property. At this stage, this option is not recommended as the council does not have the structures or officer capacity in place to operate registered children's homes.
3. To tender for an accommodation with care provision. This is not recommended as market engagement suggests providers do not have an appetite for this level of risk. Having a council owned property ensures at the end of any contract we can maintain provision either indirectly or via a further procurement.

Key considerations

4. Herefordshire is committed to becoming a Child Friendly County, where all children and young people are supported to thrive and feel included in their communities. Central to this ambition is the application of the Right Help at the Right Time framework, ensuring that children and families receive timely, appropriate support tailored to their individual needs.
5. Short breaks for disabled children are part of Herefordshire's local offer for children and young people with special educational needs and disabilities (SEND) and their families. As each child is unique and their family circumstances vary, a range of support is required to meet the different levels of changing need. For the majority of Herefordshire's children and families, their level of needs can be met within mainstream community services, which are not directly funded by the council's short break budget. However, depending on the nature and complexity of the child's disability, some will have higher level of need requiring additional support.
6. There is a significant market challenge for overnight short breaks across England. Ofsted undertook a one-off, in-depth analysis of statements of purpose for children's homes of all types. It reported that as of 31 March 2020, the majority (64%) of the 167 short break homes in England was Local-Authority run and a third of Local Authorities had no short break only homes within their boundaries. There is currently no residential overnight short breaks availability in Herefordshire, or within easy commutable distance e.g. 30 to 40 minutes.
7. Sourcing local overnight short breaks services for children with disabilities and their families has been a continual challenge. Despite previous extensive market engagement, attempts to stimulate the market to develop local overnight respite provision has not achieved the required outcomes for either the families or the council. This difficulty has increased recently, particularly due to one of the two providers the council has been reliant on for delivering this

service, handed back all five support packages and is not progressing new referrals, due to staffing issues.

8. Collaborative workshops with operational colleagues and the Parent Carer Voice and recent market engagement sessions have led to a shared understanding that the best way to ensure long term resilient provision of service that can meet needs of families flexibly is to work in partnership with a registered provider to deliver a mix of services across overnight short break (respite) and home based services. This will allow the provider to secure sufficient work to recruit and retain local staff in line with individual child level need.
9. Several providers (N=4) have expressed interest in working with Herefordshire if accommodation can be provided. The option of repurposing agreed capital funding is thus deemed essential to allow for successful tender.

Key considerations

10. If the recommendations made within this report are agreed, then a full analysis of demand and spend will be undertaken to inform the subsequent tender. Annual costs for delivery of service will be modelled to not exceed current revenue spend. Efficiencies should not be expected 2025/26 or 26/27 but may be realised after that point.
11. Analysis of current demand is challenging as some children are accessing an alternative service in lieu of overnight short breaks which may be sufficient, may delay accommodation or may be insufficient and exacerbate timescales for accommodation. Co-dependencies to include recruitment of foster carers/personal assistants and availability of community-based offers will influence the demand for overnight short breaks. As such the numbers will increase/decrease over time. Offering an in reach offer to families alongside overnight short breaks will provide flexibility, better value and improve business resilience.
12. The cost for overnight short breaks ranges from £450 to £1250 per night, including care and accommodation. Staffing ratio and requirement for clinical oversight vastly impact costs. A model that offers a range of skills, training and competency is likely to deliver the most cost effective and operationally useful service. Currently Herefordshire fund considerable travel for children to provision and or to school from their short break. This would be significantly reduced if the provision was in county and core home/school transport could be amended in a planned way. This will inform any future specification and tender requirement.
13. Current thinking indicates that a property offering in the region 700 bed nights per year will allow:
 - 11 children identified as needing 391 ONSB but receiving an alternative offer to receive planned care
 - 4 children identified as needing 84 nights of ONSB and currently receiving direct payments as an alternative to receive planned care
 - Potential return home from 52/ week or reduction to 39 week care -this is at yet unspecified and cannot be guaranteed
 - Timely support for children to avoid breakdown at points of crisis

Community impact

14. The short breaks offer is designed in accordance with Herefordshire Local Area Co-production Charter. The charter has been produced with Parent Carer Voice (Herefordshire), NHS Herefordshire and Worcestershire, Wye Valley NHS Trust and the council. The aim is for all

children and young people, inclusive of those with special educational needs and disabilities (SEND), is to have the best start in life. We want all children and young people to be happy, prepared for adulthood and able to achieve their goals, and for families to feel supported, confident, resilient and connected to their communities.

15. Repurposing the capital funds will support to deliver local overnight and outreach short breaks service. This will significantly reduce travel time to access respite; some parents incur over two two-hour round trips for their child to access overnight respite. It will also increase opportunity for children to access respite during the week, therefore enabling them to continue to attend school.

Environmental Impact

16. The environmental impact of this proposal will be considered when purchasing the property and through the service specification and will include appropriate requirements on the contractor/delivery partner to minimise waste, reduce energy and carbon emissions and to consider opportunities to enhance biodiversity. This will be managed and reported through the ongoing contract management.
17. Purchasing a property will have a minimal environmental impact as it is already built. Through the refurbishment, improvements to the energy efficiency of the properties will be made wherever possible.
18. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

Equality duty

19. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.
20. Due to the scope of this decision and/or its potential impact on certain protected characteristics, an Equality Impact Assessment (EIA) is attached as an appendix to this report.

Resource implications

21. Due to lack of local provision for overnight short breaks the council has identified alternative services to meet assessed need, including direct payments and/ or commissioning additional daytime support. The cost for such services ranges from £14.31 per hour for direct payments through to £58 per hour for the most expensive commissioned activity. However, in many cases these services are merely mitigating the risk of accommodation and failing to deliver the support needed. Some children also have a level of medical complexity that requires CQC registered provision and may be joint funded with Integrated Care Board (ICB). As such it is impossible to fully model the impact of moving from one service offer to another.
22. The market is currently volatile with providers refusing complex referrals, requesting large uplifts or giving notice on contracts. As such spot purchasing is proving to be expensive and challenging to manage.

23. The cost for residential overnight short breaks ranges from £750 to £1300 per night, including care and accommodation.
24. Officer capacity will be required to purchase the property and conveyancing.
25. The capital funding is requested to purchase the building and undertake any refurbishment. Additional grant funding has been requested to support refurbishment
26. Ongoing running costs will be secured through revenue budgets. Whilst cost efficiencies are possible none should be assumed for 2025/26 and 2026/27. The final financial implications will only be evident when the property is fully accessible and the tender to deliver a registered overnight and outreach short breaks service is completed.
27. The tables below are to support setting out the financial implications of the decision.

Current conversations indicate the potential to source additional funding through underspend of committed funds (DFG) in 2025/26 and to allocate funding for adaptation work 2026/27. However, prior to finding a specific property and understanding the need for work it is not possible to confirm exact funding available. Indicative figures are being reviewed.

Revenue budgets will be used to fund delivery of service and a cost neutral position is anticipated in year one. Subsequent years may allow for cost avoidance however this should not be assumed and no budget reduction planned.

Revenue or Capital cost of project (indicate R or C)	2025/26	2026/27	2027/28	Future Years	Total
Capital to purchase property	£424,000	£000	£000	£000	£424,000
TOTAL	£424,000	£000	£000	£000	£424,000

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2025/26	2026/27	2027/28	Future Years	Total
Capital	£424,000	£000	£000	£000	£424,000
TOTAL					

Legal implications

This section is to be completed in its entirety by the legal services team.

28. The Council has statutory duties under the Children Act 1989 and the Breaks for Carers of Disabled Children Regulations 2011, to provide sufficient and appropriate short breaks for disabled children and their families. The regulations require local authorities to provide services designed to assist individuals who provide care for disabled children to continue to do so, or to do so more effectively, by giving them breaks from caring.

29. Schedule 2 (section 6) of the Children's Act 1989 states the local authority has a duty to provide services that minimise the effect of a child's disabilities, give children an opportunity to live ordinary lives, and provide support to those people who care for a disabled/additional needs child/children by enabling them to have breaks from their caring role.
30. Section 507B of the Education Act 1996 require local authorities to ensure disabled young people aged 13 up to 25 have access to sufficient educational and recreational leisure-time activities which are for the improvement of their wellbeing. The current short breaks offer supports disabled children up to their 18th birthday, when their support services transfer to the council's Adult Social Care.

Risk management

31. If the repurposing of the capital fund is not approved options to commission provision under block are limited. Market engagement has clarified providers are less motivated to bid if they need to provide the accommodation alongside care. Previous tender with this all in one approach has not been successful and a partnership approach is deemed most likely to result in a compliant bid.
32. Without a successful commissioned approach, the council will remain vulnerable to sourcing support via spot purchasing, increasing financial risk and limiting the potential for robust quality assurance.
33. Failure to secure overnight short breaks for all children who are assessed as needing them will place the council at risk of legal challenge for not meeting its statutory duties. Furthermore, not fully meeting a child's assessed need can increase risk of their family reaching crisis and could be a contributing factor for the child not being able to remain within their family home. A tender can specify the skills and remit required to ensure the provider can meet the full range of need. Sourcing and refurbishing a property will provide oversight of adaptation.
34. There is a risk that the capital funds will not be sufficient to purchase a suitable property. However, initial searches conducted on various property sites (June 2025) has identified at least two bungalows that Commissioners and Children with Disabilities would consider suitable.
35. Regular budget control meetings give assurance on the robustness of budget control and monitoring, highlight key risks and identify any mitigation to reduce the impact of pressures on the council's overall position.

Consultees

36. The proposal has been co-produced with Herefordshire Parent Carer Voice.
37. Wider consultation will be undertaken as part of the procurement for delivering a registered overnight breaks and outreach service from the property.

Appendices

Appendix 1 - Capital bid report.

Background papers

None

Report Reviewers Used for appraising this report:

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Please include a glossary of terms, abbreviations and acronyms used in this report.