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Monday, 21 April 2025

Notice of Reports Received following Publication of Agenda.

Performance and Overview Scrutiny Committee

Tuesday, 29th April, 2025 at 10.00 am,
Council Chamber, County Hall, The Rhadyr USK

Attached are reports that the committee will consider as part of the original agenda but were submitted to democratic services following publication of the agenda.

Item No	Item	Pages
5.	Development of Children's Placements To update the committee at the 6-monthly stage.	1 - 8

Paul Matthews
Chief Executive

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SUBJECT: Progress update in the development of children's residential and 16+ supported accommodation placements

MEETING: Performance and Overview Scrutiny Committee

DATE: 29th April 2025

1. **PURPOSE**

- 1.1 This report sets out the progress made in the development of in-house children's residential and 16+ Supported Accommodation placements.
- 1.2 The strategy for developing placements was endorsed by the council on Thursday 18th April 2024. It was agreed that there would be 6-monthly updates provided to Committee, the first of these having been presented on 8th October 2024.

2. **RECOMMENDATIONS**

For Committee to scrutinise the progress made against the objectives of the strategy report presented to council 18th April 2024

3. **KEY ISSUES**

Context

- 3.1 Placement sufficiency for Children Looked After has been an ongoing issue. The number of children Looked After has increased locally, as well as nationally, over the last 10 years and provision has not grown sufficiently to meet this demand. This has resulted in more children residing outside of our county boundaries. Shortages in available placements has meant that we have not always been able to match children's specific needs with the optimal placement for them. There has also been an over-reliance on the private "for profit" market.
- 3.2 Whilst we continue to work in partnership with Registered Social Landlords to support the transition of Children Looked After into supported accommodation post 16 years, this provision is limited, which has resulted in young people becoming 'blocked' in children's placements and not receiving the support required to transition into independence.
- 3.3 There is an unfailing commitment to the recruitment and retention of in-house foster carers; however, the number of Local Authority foster carers has not increased sufficiently to meet our needs. Monmouthshire has a reliance on commissioning "for profit" foster placements for children from independent fostering agencies (IFAs). This is addressed within the Council's fostering strategy and is not an area of focus within this report.
- 3.4 The Health and Social Care Bill which has been laid before the Senedd intends to eliminate profit from the care of children who are looked after. As it currently stands, in April 2026, it will no longer be possible in Wales to register as a 'for-profit' provider, and from April 2030 (extended from 2027) it will be illegal to make new placements for children with a 'for-profit' provider.
- 3.5 The private 'for profit' provider market has become significantly destabilised following the Welsh Government's policy direction and subsequent Bill. The destabilisation of the current market has further decreased the sufficiency of IFA and residential placements, resulting in increased costs of placements and the number of unregulated homes operating, also at increased cost.

Placement Development Strategy

- 3.6 On April 18th, 2024, the council endorsed the Children Services' strategy to respond to the current external context and the challenges associated with the provision of children's placements. The strategy sought to set out the pathway for increasing the availability of in-house residential and supported accommodation placements in a way which was both sustainable; would better meet the needs of Monmouthshire children and young people; and would decrease the Council's dependency on an uncertain provider market.
- 3.7 Predicted numbers of additional placements required to meet demand as at April 2024 were based on current trends and numbers of children looked after. The strategy also took account of the placements that the service had already in the pipeline i.e. 4 bespoke therapeutic placements via two, 2-bed residential children's homes, one in the North of the county and one in the South.
- 3.8 The policy laid out a requirement for the development of:
- Residential Placements – 12 additional placements via standard 3 -4 bed residential homes;
 - Bespoke Therapeutic – 2 additional placements required - via 1 small 2-bed home;
 - Supported Accommodation for 16plus - 20 additional placements required.
- 3.9 In respect of the provision of the care element for residential children's homes in the context of the eliminate agenda, there are essentially 2 service delivery models: - either through an in-house Local Authority residential service; or via a procurement route where the Local Authority tenders for a not-for-profit organisation to provide the care. The preferred approach agreed was to allow for both options to be pursued depending on the individual project. In respect of the Supported Accommodation provision, the preferred route for providing the care, was via a procurement process.
- 3.10 With regard to the accommodation element, the council endorsed proposals to develop in-house residential and 16+ supported accommodation by looking to repurpose existing assets in the first instance. Where re-purposing is not viable, the Council endorsed the acquisition of suitable property or land for the development of residential placements or supported accommodation subject to appropriate business cases and cabinet approval.
- 3.11 The council extended the borrowing headroom of up to £3 million to support direct acquisition of suitable properties subject to agreed business cases, and only in the event that grant money was not available.
- 3.12 Scott Hereford joined the service in August 2024 as the Residential and Resource Service Manager and is now leading on this area of work.

Residential and Supported Accommodation Developments

- 3.13 **Property 1 in Caldicot, 16+ Supported Accommodation for up to 5 young people** (Business Case Agreed by Cabinet – 22nd May 2024).
- 3.14 Following the update in October 2024, the planned refurbishment works were completed on the 15th November 2024. The home has been sympathetically designed and furnished to create a homely environment for the young people. Whilst not required to be Registered with Care Inspectorate Wales, the accommodation meets regulation standards. The refurbishment works procured by the normal council arrangements and as per the conditions of the Housing with Care Fund (HCF) grant.
- 3.15 The procurement process for the support element was completed and a service provider appointed on the 17th of September 2024.

- 3.16 An Open Day was carried out on the 31st of October 2024, where Children's Services teams, local councillors from Caldicot, the Cabinet member for Health and Social Care, and local neighbours were invited to explore the home and to explain the ethos and purpose of the service.
- 3.17 The service commenced November 24th in keeping with the target opening date originally identified. Following opening 4 young people moved into the home over a 6-week transition period.
- 3.18 All 4 young people have settled in well and are working towards achieving their goals, which includes the following:
- Budgeting/managing their finances
 - Food shopping and cooking skills
 - Independently travelling
 - Housekeeping
 - Sourcing seeking college and employment opportunities
 - Positive decision making
- 3.19 Oversight of the new service contract is undertaken monthly with the management group comprising of Children's Services Managers and Managers from the provider organisation. The monthly meetings review the young people's placements with the aim to collectively resolve any issues / challenges that may arise.
- 3.20 A Referral Panel is established, which has proven to be the most effective way for reviewing and discussing the suitability for a potential placement at the home. Within this forum the panel consider the care planning of the Social Work teams and the short, mid, and long-term outcomes for the young people. This supports the joint working of all parties and agencies to work together to support the young person to achieve their goals and aspirations.
- 3.21 The formal contract monitoring process has commenced with Children Services, the provider and Children's Services Commissioning Officer.
- 3.22 The property was an existing Council asset, so no funding was required to support an acquisition. A Housing with Care Fund Grant (HCF) application was submitted in April 2024 for £300,000 to cover the costs of the refurbishment. This comprised £220,000 for build costs, £30,000 for fees and £50,000 for furnishings and fittings. The grant application was successful, and the project was delivered within its allocated budget. The revenue costs of the project are being met through core budget as per the business case (i.e. the existing costs of care packages were transferred to the new project as the young people moved in). The expected savings identified in the business case were realised and contributed to the service's savings mandate 24/25.
- 3.23 **Property in Monmouth, a registered children's home for up to 4 children aged under 16 years,** (Business Case Agreed by Cabinet 6th March 2024).
- 3.24 Property Element
This project is being delivered via a property acquisition which was completed in March 2024. Following acquisition, there was a delay in securing the correct level of technical support to underpin the tender for the works. The tender process was undertaken and a contractor appointed in October 2024, with the design and technical scrutiny and the mechanical and electrical elements approved on the 26th November 2024. Refurbishment works then commenced on 28th January 2025.
- 3.25 Since the commencement of the works, there have been areas of structural works that have required further investigation and surveys to be undertaken. Remedial work has led to further delays in the overall project being completed. The latest proposed date for the works to be completed is the 30th June 2025, although the service is pressing for this to be brought forward.
- 3.26 A project group is in place comprising Senior Managers from Children Services, Estates Department Project Manager and the contractors, which meets bi-weekly to monitor the progress and to consider the issues as they arise to minimise further delays.

Recruitment of work force.

- 3.27 A staffing structure and model of care were agreed via the Health and Social Care Directorate Management Team on 18th of December 2024. The Home Manager and Assistant Manager were subsequently appointed in March 2025 and are now in role. The recruitment of the 9 Residential Childcare Workers and 2 Night care workers began in March and is about to complete. The induction and training programme for staff has been devised and there are plans in place to implement team training in May 2025. This will provide the workforce with the skills and knowledge in readiness to welcome our first young person to the home.
- 3.28 In October 2024 we reported that we had applied for a grant to support the development of the workforce. This was not successful. We were subsequently successful in securing training support through Social Care Wales.

Registration and Matching

- 3.29 The children's home will be required to register under Care Inspectorate Wales (CIW). A registration application was submitted to CIW was submitted on 9th April 2025, alongside the application to register Service Manager Scott Hereford as Responsible Individual for the home.
- 3.30 Care planning meetings have been ongoing with the Social Worker teams to match 4 children currently in "For Profit" out of county residential placements. Transition planning has begun for these children with careful consideration of the potential for a change in service opening date.
- 3.31 An initial neighbourhood engagement event was held on the 06/06/24 where over 30 residents attended to speak with the project team, the Cabinet Member and the local ward Councillor. Since then, the team has continued to issue newsletters and has held 2 further in person meetings with direct neighbours.

Project Costs

- 3.32 The cost of the acquisition together with the Land Transaction Fee and other associated costs totalling £875,000 were met via a successful HCF capital grant. An additional £300,000 is allocated to the costs of the refurbishment. Currently the costs of the remedial structural works that are required is being assessed so that a Notification of Event application can be made for any additional costs incurred. If this is not successful, these costs will be borne by Children's Services.
- 3.33 The expected service commencement date is now set for end of June / early July 2025, which is 9 months beyond the original date put forward within the business case. The main factors for slippage against the original timelines include:- delay in securing initial technical support; contractor delay in commencing the works; unexpected additional works required. The delay will have an impact on the in-year savings programme and on the care planning for individual children; however, both elements are now factored into overall service and placement planning.
- 3.34 **Property 2 in Caldicot, a registered residential children's home for 4 children** in partnership with Pobl Housing Association, using an existing Pobl property. (Business Case Agreed by Cabinet 17th July 2024.)
- 3.35 Since the update in October 2024, a feasibility assessment has been undertaken by Pobl which confirmed the commitment to develop the property into a 4 bedded residential home for children in partnership with Monmouthshire. Architectural designs/plans for the development and layout for the home have been agreed and signed off. The tender process for the refurbishment works is currently being developed by Pobl with the aim to appoint an approved contractor in July 2025. Pobl have also had confirmation that the scheme was granted a certificate of lawfulness and that a full change of use planning application is not required.
- 3.36 Pobl Management have met with the Regional Partnership Board to discuss the outcome of the feasibility assessment and are preparing to submit an IRCF (Integrated Regional Capital Fund) grant application by the end of April 2025. Capital costs will fall to Pobl who will then lease the property to the service. Provision was made within the business case to accommodate the cost of the lease.

- 3.37 Target completion date was originally proposed as August 2025; however, it is clear that this is not feasible and a target completion date is now set for the Dec 2025. Whilst we are working closely with Pobl and exerting influence around our desire to expedite completion, the timelines are for Pobl to determine. As we move closer to completion a neighbourhood engagement event will be arranged.
- 3.38 It is anticipated that the service delivery model will be through an in-house residential workforce, which will be recruited to in due course alongside an application to register under Care Inspectorate Wales.
- 3.39 **Property in Abergavenny, 16+ Supported Accommodation for up to 5 care experienced young people** (business case agreed by cabinet in 22nd January 2025).
- 3.40 The business case to acquire a property in Abergavenny, to provide a supported accommodation provision for 5 Monmouthshire care experienced young people aged 16-2, was approved by Cabinet in January 2025. The provision will mirror the supported accommodation scheme in Caldicot achieving good outcomes for children looked after and those young people preparing to leave care.
- 3.41 The purchase of the property was completed on the 20th March 2025 with total costs of £763,075. The property was purchased using 100% HCF Grant funding. A further HCF grant application has provisionally been approved by Welsh Government to cover the refurbishment works (estimated £540,000). Notification of whether the grant application is approved will be received once full refurbishment costs have been identified.
- 3.42 The next steps for the project are to establish project plans and drawing up Bill of Quantities and Schedule of Works so that tender documentation can be prepared for framework contractors. It is intended that the service delivery model will be via a third party provider, as is the case in the Caldicot scheme. The target date to conclude the tender process and appoint a service provider is November 2025.
- 3.43 An indicative date for the commencement of the service has been identified for Jan 2026
- 3.44 **Therapeutic Children's Home Abergavenny**
This property continues to be leased from Monmouthshire Housing Association in order to provide a rurally located Registered Care Home for up to 2 children with complex (therapeutic) needs. The care and support element is currently through a private provider. The home currently provides a placement for 1 child. In January 2025 minor building work was completed to allow for the placement of a 2nd child and the matching process has commenced.
- 3.45 **Therapeutic Children's Care Home, South**
This property currently provides 1 placement (managed by ABuHB). The expectation is that the property will become available within the next 3 – 6 months. A review of the property is scheduled for May 2025 via Children's Services and the Estates Team so that consideration can be given as to what changes will be required to develop a 2-bed bespoke children's home.

Ongoing Property Searches and Predicted Demand

- 3.46 Children Services have continued to search for appropriate properties for one further Pre-16 residential children's home, particularly in the North of the Local Authority area. It has been challenging to locate a suitable 4/5-bedroom property in the North due to factors such as cost, condition of the building, registration requirements and community facilities. Children Services continue to review the demand of placements against the work undertaken by the service in line with their Reduction of Children Looked After Strategy and Placement Commissioning Strategy.
- 3.47 The number of children looked after is continuing to show a gradual decline; however, due to the demand and complexity of presenting issues there is a need to continue to plan ahead to ensure that we have sufficient appropriate and available placements for our looked after population. Children Services continue to plan for each child and a "horizon" list is kept to identify children who

may need, at some point, to be accommodated. Predicting demand, however, remains a challenging and dynamic process, complicated by uncertainty within the care market nationwide

4. **WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING)**

Implementation of the placement development strategy is having a positive impact on children with care experience and young people leaving care. The strategy is providing opportunities to develop placements that allows for the repatriation or retention of our young people with their communities with huge benefits for their social and cultural identity. Economic benefits include the development of a residential childcare workforce providing quality, well paid jobs for local people. The children will be engaging in the community, accessing groups, entertainment venues and amenities which will further enhance and support the local economy. The development of the properties to an aspirational EPC rating A will not only improve the internal and external fabric of the Council's assets, but also reinforce our commitment to reducing our carbon footprint, making our homes, sustainable homes for the future.

The projects are being informed by consultation with and involvement of Care Experienced Young People and with community engagement where appropriate. Care experienced young people have been members of the selection panel for the Residential Service Manager post and also in the procurement process for a not for profit supporting living provider.

5. **OPTION APPRAISAL**

N/A

6. **EVALUATION CRITERIA**

6.1 Currently there are 3 main projects under development with 1 further project having been successfully completed.

6.2 **Summary or progress against the placement strategy**

Home	Care	Placements	Model	Target Operational Go Live Date
Standard Residential Children's Home (pre-16 years) 12 places required				
Monmouth	Residential	4	LA Owned, Care Delivered by LA	Target June 2025 (slipped by 9 months)
Caldicot Property 2	Residential	4	RSL owned, Care Delivered by LA	Target Dec 2025 (slipped by 4 months)
4 more placements required. One further property to be sourced, ideally in the North of the county				

16+ Supported Accommodation originally 20 places required (reduced to 15 due to subsequent increase in UASC provision)				
Caldicot Property 1	16+ supported accommodation	5	LA Owned and 3 rd sector delivery	Completed Nov 24

Abergavenny	16+ supported accommodation	5	LA Owned and 3rd sector delivery	Target Jan 2026
5 more placements potentially required				

Therapeutic Residential Children's Homes 6 places required				
Existing provision (South)	Therapeutic Residential	Currently 1 Potentially 2	LA Owned Can be developed into a 2-bed provision	No target completion date identified
Existing provision (North)	Therapeutic Residential	Currently 1 Potentially 2	RSL owned and 3rd sector delivery	Target for 2 nd placement Jun 2025
2 more placements potentially required				

7. RESOURCE IMPLICATIONS

7.1 Resource implications for the current schemes have been addressed above.

7.2 In terms of funding to support our future objectives we will continue to pursue grant options for the acquisition and refurbishing of any properties. Future business cases will set out the financial arrangements for individual projects with modelling based on either scenario, either with or without grant money, with a proposed mechanism for funding should grant money not be available.

7.3 The impact on savings mandates for the service in light of project slippage is being monitored, alongside of ongoing care planning and placement development for individual children.

8. REASONS

8.1 This report is being brought into Committee to provide members with assurance that the policy objectives are being pursued and that value for money is being achieved for the Council in terms of property acquisition and use of Council assets.

9. CONSULTEES

Children Service Leadership Team

Nick Keyes, Head of Estates

Councillor Ian Chandler, Cabinet Member for Social Care, Safeguarding and Accessible Health Services.

10. BACKGROUND Papers

Developing Children's Residential and 16+ Supported Accommodation Placements Report

18th April 2024

Development of Children's Placement Policy 8th October 2024

11. AUTHOR

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