

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

MEETING: Performance and Overview Scrutiny Committee

DATE: 8th October 2024

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 and it was agreed that there would be a 6-monthly update provided to Committee.

2. RECOMMENDATIONS

For Performance & Overview 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 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 developed 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.

Progress April-Sept 24

- 3.12 Children Services has appointed to a new post of Residential and Resource Service Manager to support the development of residential and supported accommodation. Mr Scott Hereford joined the service in August 2024. Scott has previous experience of working within a Gwent Local Authority in the acquisition of appropriate properties, development of care homes, working with the Regional Partnership Board regarding grant applications, recruitment of staff, the registration of care homes with CIW and acting in the role of Responsible Individual. This post is grant funded until March 2025 when it will be absorbed into core costs.

Residential Developments

- 3.13 **Property 1 in Caldicot** (Business Case Agreed by Cabinet – 22nd May 2024)
The aim of this project is to develop a **16+ Supported Accommodation** for up to 5 young people. The Service is scheduled to commence in Nov/Dec 24 which is in-keeping with the target date put forward in the Business Case. The development has progressed well. All finishes have now been agreed and internal plastering and painting has started. The front of the property is being prepared for renovation and to accommodate staff parking to avoid congestion in the area. The

rear garden and fencing are being renovated and the air source heat pump is installed. Preparation work has also been completed for the installation of a sprinkler system.

- 3.14 The scope of works is scheduled to finish week commencing 30/09/24. There is the possibility that the time scales for total completion may slip to the 11/10/24, this is being closely monitored by the project team.
- 3.15 The procurement process for the “not for profit” service provider concluded positively on the 17/09/24. It remains in the procurement process for notification, and introductory meetings have been set up in order to commence the recruitment of staff in readiness for opening November – December 2024. Young people currently in for profit care have been identified and transition support has commenced via the social work teams.
- 3.16 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 on 07/05/24 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 is waiting on approval but is likely to be approved and has been profiled into the Regional Partnership Board’s Capital Programme for this year (funding is retrospective). Accessing prudential borrowing was factored into the Business Case to cover the costs of the refurbishment on an interim basis. The project is currently well within budget.
- 3.17 A neighbour engagement event was held where 14 households were invited to meet the Children Services and local councillors. The event was attended by 1 household but during the renovation process neighbours have engaged contractors and members of the project team. At this time there have been no neighbour concerns raised and a further invitation will be made to neighbours when the property is completed.
- 3.18 **Property in Monmouth (Business Case Agreed by Cabinet 6th March 2024)**
The aim of this project is to develop a **registered children’s home for up to 4 children aged under 16 years**. The expected service commencement date is April 25, which is 6 months beyond the date put forward within the business case.
- 3.19 The property purchase was completed according to schedule (end March 2024). Delays arose because of lack of capacity within internal services to provide technical support over the summer period. To mitigate further delays, Caerphilly Council’s Technical Services, a team that has experience in supporting development of residential provision, were engaged to scope works and create plans for the property’s redevelopment. These arrangements took some time to be agreed and put in place. A number of exploratory works on the property, such as asbestos surveys and cavity wall inspections, fire suppression systems and solar panel installation have been undertaken. The full plans, Bill of Quantities and Schedule of Works are due by the end of September 2024 allowing for the tendering process for contractors to commence in October 2024.
- 3.20 The model of care and recruitment process for an internal staff team has commenced with job descriptions being drawn up. The recruitment of the Residential Manager is scheduled to start in December 2024. The timescales for stepping up a residential workforce are tight, and there remains a slight risk of further slippage against the new target date, depending on the response to the recruitment campaign. We are working closely with HR colleagues and the Workforce Development Team to help with this.
- 3.21 Slippage against the timelines on this project has meant that children’s progression planning is delayed, with a consequence for in-year savings against placement costs for identified children. Depending on individual care plans, children will either remain longer in their current placements or an alternative plan will be formulated. Other progression plans are being implemented to make-good the required in-year savings.
- 3.22 A HCF grant of £1,175,000 overall was approved by the Regional Partnership. This included £795,000 for the acquisition, plus fees at £72,500 and £7,500 for legal costs from the 2023/24 capital programme and has since been received. The remainder, £300,00 for the refurbishment

and fittings, is programmed into the capital programme for 24/25. The terms of the grant are that the property must be used for its stated purpose for 10 years to avoid claw-back.

- 3.23 A further grant application of £45,000 has been made to the Integrated Rebalancing Capital Fund (IRCF) to support the costs of the Caerphilly Technical Team. If this is not successful these costs will be borne by Children's Services.
- 3.24 We have submitted a grant application seeking Regional Integration Funds for £112,966 to support the implementation of the scheme, which will be our first residential children's home using an in-house residential workforce for the service delivery. Grant funding would enable us to recruit, train and prepare a newly established staff team to ensure the smooth and efficient operational implementation of the home. Notification of the grant applications is due in late November, and indications are positive that it will be approved. This was an opportunistic grant application for unallocated funds; the time it takes to establish the workforce prior to opening was factored into the original business case.
- 3.25 A 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. The event allowed neighbours and residents to ask questions, tour the property and have any concerns responded to. Subsequently, a newsletter has gone out to residents to keep them updated and they have a point of contact should they have any future questions of concern.
- 3.26 **Property 2 in Caldicot (Business Case Agreed by Cabinet 17th July 2024.)**
The aim of the project is to develop a **registered residential children's home for 4 children** in partnership with Pobl Housing Association, using an existing Pobl property. The proposed completion date is August 25 which is in-keeping with the target put forward in the business case. A Project Team is established between Pobl and Children Services to consider initial plans and the registration requirements under the regulations. Pobl have appointed Quatro Architecture consultants in order to support the feasibility assessment on developing the property. Over the next few weeks Pobl will be reviewing the Environmental Assessment tender returns with procurement, planning to have an Environmental Assessment for the scheme by week commencing 14/10/24. Quatro are also planning to have some drafted plans for our viewing by then. Once agreed Pobl are estimating that the build programme will be 18 weeks. There are some minor risks identified with regard to change of use planning and a proposed extension to the car park. It is anticipated that the service delivery model will be through an in-house residential workforce.
- 3.27 Pobl and Children's Services are meeting with the Regional Partnership Board to discuss the outcome of the feasibility assessment and to develop a grant application to finance the modernisation and refurbishment work that will be required. The Regional Partnership Board is keen to support partnership proposals and favours applications from RSLs.
- 3.28 Final clarity on both the capital and revenue costs (such as the cost of the lease) associated with this scheme are yet to be determined. Capital costs will fall to the RSL, and provision was made within the business case to accommodate the cost of the lease.
- 3.29 Once the plans are more developed a neighbourhood engagement event will be arranged.

Ongoing Property Searches

- 3.30 Children Services have explored other potential Monmouthshire assets including agricultural properties. Unfortunately, to date no other existing assets have been identified that would meet the specifications required for registration purposes without significant building development, the financial criteria for grant applications or accord with Children Services timescales.
- 3.31 Children Services continue to search for appropriate properties for one further residential children's home, and one further post 16 supported accommodation provision, particularly in the

North of the borough. It has been challenging to locate a suitable 4/5 bedroom property in the North of the borough due to the factors such as cost, condition of the building, registration requirements and community facilities.

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

The development of a panel of care experience young people is being developed to support their participation and inclusion in property and service development. Currently governance for this panel is being considered. 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 projects under development and clear timescales which accord with care planning for children. Further opportunities are being explored.

6.2 There was a spike in the number of children becoming looked after in Quarter 1 of 2024; however, most of these young people were maintained with family settings or in-house foster care. Children's 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 challenge because of the uncertainty in the care market nationwide and how providers will ultimately respond to the new Bill. Demand is also affected by potential movements / placement changes within our current looked after population, some of which cannot always be predicted.

6.3 Summary

Home	Care	Placements	Model	Operational
Monmouth	Standard Residential (age 8-16)	4	LA Owned Delivered by LA	April 25
Caldicot	16+ supported accommodation	5	LA Owned and 3 rd sector delivery	Nov-Dec 24

Pipeline

Home	Care	Capacity	Model	Operational
Caldicot	Standard Residential (age 8-16)	4	RSL Owned Delivery tbc LA preferred	Aug/Sep 25

Further Placements Desired in line with the original strategy

Home	Care	Capacity	Model	Operational
Emergency / Therapeutic	Therapeutic Residential	2	LA Owned Delivery tbc	2025/26

	Pre 16			
Residential	Standard (8-16)	4	LA Owned Delivery tbc	2025/26
Supported Accommodation	Supported and UASC 16+	15	LA Owned Delivery tbc	2025/26

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 development of 'not-for-profit' placements for children remains a high priority for Government and for the Regional Partnership Board. It is understood that the Integrated Regional Capital Fund has been under-utilised to date. It is anticipated that shortly, there will be a relaxing of the application process to support increased capital applications from this fund. This may allow for future applications to be made against this fund.

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

11. AUTHOR

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