

<b>DECISION-MAKER:</b>	CABINET COUNCIL		
<b>SUBJECT:</b>	Local Placement Plan – Children’s Residential Care		
<b>DATE OF DECISION:</b>	17 March 2020 18 March 2020		
<b>REPORT OF:</b>	Cabinet Member for Aspiration, Children and Lifelong Learning		
<b><u>CONTACT DETAILS</u></b>			
<b>AUTHOR:</b>	<b>Name:</b>	Rebecca Ayres	Tel: 023 8083 4804
	<b>E-mail:</b>	Rebecca.ayres@southampton.gov.uk	
<b>Director</b>	<b>Name:</b>	Hilary Brooks	Tel: 023 8083 4899
	<b>E-mail:</b>	Hilary.brooks@southampton.gov.uk	
<b>STATEMENT OF CONFIDENTIALITY</b>			
<b>NOT APPLICABLE</b>			
<b>BRIEF SUMMARY</b>			
<p>This report sets out the business case for the local placement plan which has been designed by the Children &amp; Families service. In recent years the council has found that it is unable to make local placements for young people requiring residential placements as sufficient spaces do not exist locally. As the demand for such placements increases the council expects this situation to continue. The Children &amp; Families service propose to develop a number of council managed residential homes for young people to ensure that wherever possible young people can be placed locally.</p>			
<p>This report set out the reasons for the development of the local placement plan, the resources required to implement the plan and the proposed governance arrangements for the residential homes.</p>			
<b>RECOMMENDATIONS:</b>			
Cabinet			
	(i)	To approve the Local Placement Plan business case (appendix 1).	
	(ii)	To delegate authority to Executive Director Children & Families service, following consultation with Cabinet member for Aspiration, Children and Lifelong Learning, to take necessary steps required to implement the proposals in (i) above.	
Council			
	(i)	<p>To approve the financial commitment of £2,311,500 Capital spend and Revenue spend from Children and Families budget as below to deliver the project.</p> <p>FY 20/21 - £686,200  FY 21/22 - £2,476,400  FY 22/23 - £2,880,800</p>	

<b>REASONS FOR REPORT RECOMMENDATIONS</b>	
1.	The Local Placement Plan will support the delivery of the council's outcomes, namely children and young people get a good start in life. Evidence identifies that most young people prefer to live locally and that their outcomes are often higher when local placements can be made. As corporate parents of the young people who may be impacted by these proposals, it is our responsibility to ensure we provide the best possible care for these young people.
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>	
2.	An alternative option to tender for providers to directly manage homes provided by Southampton City Council has been rejected for a number of reasons as stated in Appendix 1, but primarily because it does not provide the council the control over the provision and the increased reputational risks.
3.	An alternative option to do nothing and continue with current and existing contractual arrangements has been rejected for a number of reasons as stated in Appendix 1, but primarily because it does not provide the council with control over the shaping of the local market and educational attainment can sometimes be compromised.
<b>DETAIL (Including consultation carried out)</b>	
4.	The purpose of this report is to set out the business case (Appendix 1) for providing Southampton City Council (SCC) owned and managed children's residential care provision on a medium to long term basis as well as providing emergency/assessment care which may also take place on a planned break basis.
5.	<b>Context</b>
6.	Southampton City Council had seen a significant increase in the numbers of children coming into care over the five years 2010 - 2015. Whilst the number has been steadily reducing through a persistent focus on achieving permanency, the rate (105 per 10,000) is still higher than would be anticipated for a city of Southampton's size and demographic (the average rate for our statistical neighbours being 69 per 10,000). At the time of writing the number of looked after children remains just below 500. A small number of looked after children require residential placements due to their needs. Rigorous oversight continues to ensure the right children are brought into care at the right time. A recent audit of children's entry into care has shown that our decision making was correct.
7.	The city does not have enough residential care provision and what exists is delivered by the independent sector. This means that children who require residential provision are often placed out of area. As at March 2019, the Council had approximately 31 children placed in independent residential accommodation at a total cost of £4.6M, (equating to an approximate average of £148,000 per child). This had increased to 34 children being placed in residential care at 31/1/20 with an acceptance that between 34-40 children will be placed in residential care over the next year  Care packages have been increasing on an annual basis and due to the demand for placements, private providers can refuse placements if additional support fees are not agreed, knowing that the local authority is

	<p>unlikely to be able to source another placement. Once a child is in placement it is very difficult, and sometimes impossible, for the local authority to argue against increased support fees which has directly impacted the External Placement Budget in the current financial year. A significant proportion of the children in residential provision are placed more than 50 miles away from Southampton, which is both detrimental to children and young people who subsequently find it harder to maintain networks and stability, as well as presenting a financial and time pressure for the Council.</p>
8.	<p>Southampton City Council has a statutory duty under the Children Act 1989 to ensure there are enough local placements to support children in care remaining as close to their home and community as possible. Children and young people in the care of Southampton City Council require a range of placements to meet their needs. These placements include residential child care used for children and young people who struggle to manage relationships, as well as those who are needing an emergency placement but due to the lack of foster care placements, end up being placed in a residential facility.</p>
9.	<p>The priority for Southampton City Council is to focus on the potential and safety of children, young people and their families by providing effective, value for money services that deliver positive sustained outcomes for them. The Council is committed to listening to children and young people, their families and the wider community to ensure that their experiences as service users is the best it can be, which not only meets their needs but is aspirational in targeted outcomes for all. This can be achieved through a whole service graduated response as follows:</p>
10.	<ul style="list-style-type: none"> <li>• Early Help services providing targeted, timely and effective help and support to the most vulnerable families at the earliest stage, so that concerns do not escalate to an extent where they require higher-level services with more specialist support;</li> <li>• Bringing together services that strengthen families, supporting children on the edge of care to remain at home with support provided through parenting programmes, family support and community involvement and planned breaks as appropriate;</li> <li>• Engaging young people in positive activities, developing positive emotional health and wellbeing and preventing youth crime and anti-social behaviour;</li> <li>• Developing closer links with foster carers to develop pathways for children and young people, who are currently in a residential placement, to step down to foster care where appropriate;</li> <li>• Reducing the number of out-of-area placements made through the provision of local residential children's homes: <ul style="list-style-type: none"> <li>○ to accommodate children &amp; young people who require medium to long term care thereby increasing their chances of maintaining their links with the local area, local community, family and friends, with the option of stepping down into Advanced Foster Care as appropriate;</li> <li>○ to provide a short break provision with accommodation for one emergency placement primarily to be used to support edge of care involvement. This supports short periods of residential</li> </ul> </li> </ul>

	<p>i.e. a number of days while work is undertaken with the family with the express purpose of the children returning home with support.</p> <ul style="list-style-type: none"> <li>○ to support step-down placements by the residential care staff maintaining links with the child/young person which will enhance placement stability and reduce the risk of placement disruptions. Step-down placements must always include a return home as one of the options available.</li> </ul>
11.	<b>Proposals</b>
12.	In line with the report recommendation it is suggested that SCC pursue the option to develop in-house council owned and run residential homes for young people aged 10-18.
13.	Good practice suggests that modern children's homes are based on a model of care which is as close to family life as possible; with a regular staff team skilled in working with children & young people who present with attachment difficulties and other challenges arising from adverse childhood experiences. Due to this it is suggested that SCC follow a similar approach to other Local Authorities who also have their own residential homes which receive either good or outstanding Ofsted Inspections and use a model with sees the development of small 2 bedded units which feel like family homes for the young people.
14.	In total it is suggested that SCC develop five two bedded children's homes and one four bedded crisis intervention centre in Southampton. This would require the purchase and renovation of existing buildings. In total this would provide 14 placements for children and young people. This will not fully meet SCC's current demand but focus on ensuring best interests of children and young people are met in the future. This means we will not change placements of all young people currently placed out of area and it should be noted in some cases, out of areas placements are required for young people. In the future SCC expects to commission both internal and external placements.
15.	<p>It is proposed that the introduction of the homes is undertaken in three phases to ensure attention to detail is given to each home, allowing for induction and embedding of the model of practice which will minimise any delay in registration of the homes by the regulator.</p> <p><b><u>Phase 1 - FY2020-2021</u></b>  Home 1 – medium-long term stay 2 bedded house  Home 2 – Emergency/Crisis unit – 4 beds</p> <p><b><u>Phase 2 - FY2021-2022</u></b>  Home 3 - medium-long term stay 2 bedded house  Home 4 - medium-long term stay 2 bedded house</p> <p><b><u>Phase 3 - FY2021-2022</u></b>  Home 5 - medium-long term stay 2 bedded house  Home 6 - medium-long term stay 2 bedded house</p>

	Further detail provided in paragraph 26 regarding financial and staffing implications.
16.	<b>Governance</b>
17.	Full details regarding the governance proposals are shown in Appendix 1 but in summary the following will be put in place.
18.	<p><u>Independent Inquiry into Child Sexual Exploitation 1997-2013</u></p> <p>The Council will need to assure itself that re-introducing residential care provides good care for young people, particularly in light of recent cases which have highlighted the potential for child sexual exploitation, with the Rotherham Inquiry being uppermost in decision makers minds. The Independent Inquiry into Child Sexual Exploitation 1997-2013 will be used to ensure lessons learnt from the enquiry are acted upon at SCC.</p>
19.	<p><u>Ofsted</u></p> <p>As the proposed homes will be Ofsted regulated services Ofsted's Regulatory Team Manager for the South East has been consulted on the proposals. This engagement with Ofsted will continue informally during planning stages but also more formally when registration documents are submitted.</p> <p>Once operational the home will also be subject to regular inspections, these will be reported on appropriately within SCC to a variety of committees including Corporate Parenting Board.</p>
20.	<p><u>Visits by an Independent Person</u></p> <p>In line with Ofsted regulations an Independent Person will be appointed to carry out monthly visits to each home to undertake a rigorous and impartial assessment of the home's arrangements for safeguarding and promoting the welfare of the children in the home's care. Their reports will be shared appropriately within the council.</p>
21.	<p><u>Internal Governance</u></p> <p>As corporate parents, councillors and appropriate officers have more understanding of criminal exploitation of children and young people and have access to training to raise awareness of the needs of Looked After Children and CSE. All placements made with independent fostering agencies or residential homes have to be agreed and signed off by the Service Lead, Children's Services. There is active involvement with the Children in Care Council where their care experiences and the quality of support they receive is regularly presented to the Corporate Parenting Board.</p> <p>The Service Manager (Residential Care) will report to Children's Services Leadership Team (CSLT) chaired by Service Lead for Children's Services. The Service Manager will receive monthly supervision and regular appraisals. The Service Lead will also undertake announced and unannounced visits to the children's homes.</p>
22.	<b>Benefits</b>
23.	Full details regarding the benefits of the proposals are shown in Appendix 1 but in summary the following will be experienced.

24.	<p><u>Benefits for Children</u></p> <p>The majority of benefits for children relate to the fact that increased local placements within Southampton mean young people can remain within or close to their community, are more likely to be able to attend the same school, can continue with hobbies, talents and interests, have more meaningful and engaging time with their birth families, relatives and friends which could result in a return home or a placement with a friend or family carer.</p> <p>Young people can also expect better relationships with staff they work with (e.g. social workers) when distance of placement is removed as a potential barrier.</p> <p>Evidence also suggested the further away from home a child is placed the higher the likelihood of them trying to return home and experience a period where they are missing from their placement. When they are missing, they are exposed to greater risks; local placements should mean fewer missing episodes and reduced risks for the individual.</p>
25.	<p><u>Benefits for Southampton City Council</u></p> <p>All looked after children should receive visits during their placements, these visit often take place on 6 monthly intervals but more frequently in newer placements. This means staff involved within placements visits, looked after child reviews and health checks will be required to spend less time travelling, creating two benefits for SCC, reduced travel costs and less travel time.</p> <p>The implementation of an in-house residential service will reduce the External Placements Budget as well as having a direct impact on the staffing budget by reducing overnight and other associated costs.</p>
<b>RESOURCE IMPLICATIONS</b>	
<u>Capital/Revenue</u>	
26.	<p>There are both capital and revenue implications for this proposal. A more detail breakdown in shown in Appendix 1. Costs stated below have been compared to current costs of external placements and have identified reduced costs.</p> <p>A summary of costs by phase is as follows:</p> <p><u>Phase 1 (1 two bed unit and 1 four bed unit) 2020-2021</u></p> <p>Capital Costs – 981,500 Revenue Costs – 686,200(part year costs)</p> <p>Thereafter, annual running costs these 2 unit is £1013,000</p> <p><u>Phase 2 (2 two bed units) – 2021-2022</u></p> <p>Capital Costs – 665,000 Revenue Costs – 1,051,700</p> <p>Thereafter, annual running costs for these 2 units is £827,600</p> <p><u>Phase 3 (2 two bed units) – 2021-2022</u></p>

	<p>Capital costs – 665,000</p> <p>Revenue Costs – 411,700 (part year costs)</p> <p>Thereafter, annual running costs for these 2 units is £827,600</p> <p>Additional cross unit staffing revenue costs: £212,600</p> <p>Total Capital Investment requires - £2,311,500</p> <p>Revenue costs FY 20/21 - £686,200</p> <p>Revenue costs FY21/22 - £2,476,400</p> <p>Revenue costs FY 22/23 - £2,880,800</p>
<b><u>Property/Other</u></b>	
27.	This proposal will see SCC purchase 6 new properties with Southampton boundaries. These will comprise of 5 properties which will contain 2 placements and 1 property which will contain 4 placements.
28.	Some initial checks have been completed to see if SCC already has suitable properties which are available however none have been identified at this stage which explains why this proposal seeks to gain new properties. Details regarding financial implications for building related costs can be found in Appendix 1.
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
29.	SCC has a statutory duty under the Children Act 1989 to ensure there are enough local placements to support children in care remaining as close to their home and community as possible.
30.	The proposals are designed to meet local authorities statutory duties as outlined in the relevant children’s legislation and the proposals go further to align SCC with other highly performing local authorities, according to Ofsted standards.
31	The Council has the power to acquire property by agreement from which to deliver services required for the discharge of its functions under s.120 Local Government Act 1972 subject to the duty to exercise best value in the acquisition terms.
<b><u>Other Legal Implications:</u></b>	
32.	The proposals have been fully assessed in accordance with the Council’s statutory duties under the Equality Act 2010, including the Public Sector Equality Duty. A detailed Equality and Safety Impact Assessment with mitigation and remediation measures is included with this report and will be reviewed and updated throughout the engagement activities as proposals are implemented in accordance with the Business Plan. .
33.	In accordance with Ofsted regulations the proposed homes will be regulated according to the Care Standards Act 2000. This Act ensures staffing, policy, placements and allocations decisions are made in alignment with statutory duties.

<b>RISK MANAGEMENT IMPLICATIONS</b>	
34.	<p>More details on risk management are shown in Appendix 1. If this project is approved, it will follow the council standard risk management approach within projects.</p> <p>The most significant risks at this stage of the project are:</p> <ul style="list-style-type: none"> <li>- Funding approval – this is being mitigated by a full business case having been developed to justify decision.</li> <li>- Placement matching leading to home not being fully occupied – this is mitigated by only having 2 bed units and focusing on outcomes for young people.</li> <li>- Community resistance – this is mitigated by having dedicated resources already identified to work with key stakeholder to ensure concerns are alleviated.</li> <li>- Ofsted registration – this is mitigated by continued engagement with Ofsted which has already begun.</li> <li>- Reputational risks – this is mitigated by a robust management and governance structure being agreed before proposals implemented alongside a rigorous approach to recruitment</li> </ul>
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
35.	The recommendations in this paper support the delivery of the council's goals of 'Greener, Fairer and Healthier'. They also contribute to the Children & Young People Strategy (2017-2020). The proposals specifically support the council's goal that 'children get a good start in life'.
<b>KEY DECISION?</b>	Yes
<b>WARDS/COMMUNITIES AFFECTED:</b>	ALL
<u>SUPPORTING DOCUMENTATION</u>	
<b>Appendices</b>	
1.	Appendix 1 – Business Case
2.	Appendix 2 - ESIA
<b>Documents In Members' Rooms</b>	
1.	None
<b>Equality Impact Assessment</b>	
<b>Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.</b>	<b>Yes</b>
<b>Data Protection Impact Assessment</b>	
<b>Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.</b>	<b>Yes – DPIA will be completed at appropriate project stage.</b>
<b>Other Background Documents</b>	



**Other Background documents available for inspection at:**

<b>Title of Background Paper(s)</b>	<b>Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)</b>
1.	None