

**COUNCIL
9 NOVEMBER 2017****REPORT OF CABINET – MATTERS WHICH REQUIRE A
DECISION BY COUNCIL**

**(a) Additions to the Capital Programme - Phase 3 of the
development of in-house Post-16 Supported Living
Accommodation and residential facilities within Children's Services****Recommendation**

- 1. The Cabinet recommends that Council approves the addition of £4.1 million to the Capital Programme for Phase 3 of the development of in-house Post-16 Supported Living Accommodation and residential facilities within Children's Services to be funded by revenue savings from the projects.**

Background

2. The development of in-house services is a key part of the Children's Social Care Financial Recovery Plan in response to the increasing financial demand which is being placed on the Children's Services Placement Budget. The investment will support significant cost avoidance opportunities from 2018/19 onwards based on the need to source properties, develop them to meet the specific needs of the children and young people and recruit additional staff.

3. Summarised in the table below are a series of investments that are proposed to support the Financial Recovery Plan in Children's Services. Each area of investment is supported by way of a short explanation below this table. Following advice from Place Partnership, our property advisors, the estimated capital requirement includes an element for contingency due to fluctuating market prices and the difference in property values in different parts of the county.

Table 1: Summary of Children's Services Investment Proposals

Capital Investment £m	£	To facilitate development of
Supported Living Phase 3 including complex needs	1.9	16 supported living placements including 4 placements for young people with complex needs
Residential Care	2.8	Purchase of Old Hollow or replacement facility, renovation of Downsell Road, development of Green Hill Lodge, purchase of 3 residential homes including one for children with disabilities
TOTAL	4.7	
Previously approved capital allocation	0.6	To fund additional 4-bed complex needs supported living unit
Net increase to capital programme	4.1	To be financed through Revenue Savings

4. The cost of capital investment, and therefore the increase requested in the Capital Programme will be funded by a revenue contribution from the savings achieved by the projects and therefore there are no net additional revenue implications of the proposal to increase the Capital Programme by £4.1 million. The overall cost avoidance relating to the total £4.7million investment is £1.8 million which gives a payback period of less than 3 years.

Supported Living – Phase 3

5. In September 2016, Cabinet approved the further development of eleven in-house supported living units for young people bringing the internal capacity to 28 alongside the 4 places already being available for children with complex needs at Cheltenham Road, Evesham and 2 units at Downsell Road, Redditch.

6. A business case and needs assessment has been completed which recommends the extension and development of this programme of work. Phase 3 includes the addition of a further 12 in-house 24/7 supported living facilities in 2018/19 for young people aged 17 as a step towards independent living whilst being supported by outreach workers. This provision will also allow capacity for young people to remain in the internal provision as care leavers, should their individual circumstances mean that they are not ready to transition to living in their own tenancy at 18. The County Council is working with housing providers within the county as well as sourcing properties to purchase to identify suitable premises for these young people.

7. The anticipated cost avoidance after taking into account the need to recruit additional outreach support workers is £0.7 million per year. This investment will allow young people to be based in a community which meets their education, vocation or social needs. The staff will be employed by the County Council and will work with the young people to ready them for independence, giving them CV writing and interview

skills, employment and housing advice as well as support with budgeting and living independently

Supported Living – Complex Needs

9. As part of the September 2016 Cabinet report a further 4-bed complex needs unit similar to Cheltenham Road, Evesham was also approved, with a capital requirement of £0.6 million. This purchase has not been progressed due to the inability to source a suitable property and the needs assessment led business case has demonstrated that this is no longer deemed appropriate due to the complexities of matching four young people to live together. Therefore it is requested that the previously approved capital allocation is re-directed to provide 4 separate 2-bedded properties in order to support individual young people with complex needs in a property with 24/7 support. This model has been used as part of the existing in-house supported living accommodation and has proved beneficial for the young people. The cost avoidance identified for the original scheme was £0.5m and this revised scheme demonstrates similar figures.

RESIDENTIAL FACILITIES

Purchase of new internal children's home for children with disabilities

10. The County Council currently operates Vale Lodge, Evesham and Green Hill Lodge (Meadow Bank), Worcester, as 4 bedded residential units for children with disabilities, and the needs analysis has identified the requirement to provide additional in-house beds. The request is to create an additional 8 beds across two units. One would be a new purchase and the recommendation for the other is to convert the second unit at Green Hill Lodge (Apple Gate) from a mainstream children's home into one for children with disabilities. This will allow transfer of skills and resources across the two units and consistency of management and support.

11. A number of young people who recently entered care could not be accommodated in the internal units due to capacity issues and they were placed in agency residential at a significantly higher unit cost and the County Council is finding it very difficult to source good quality placements for our most vulnerable children. The cost avoidance from this project based on the difference in the cost of accommodating children in external placements is £0.4 million in a full year.

Purchase of additional residential accommodation for children with emotional and behavioural difficulties

12. As it is planned to reduce capacity for children with emotional and behavioural difficulties at Green Hill Lodge, and based on the increasing number of children requiring residential care, the purchase of 2 further in-house units for children with emotional and behavioural difficulties is requested. This would increase the number of in-house beds by 4, to 25, and generate cost avoidance in the region of £0.2 million in a full year from the use of external placements.

13. As with children with disabilities, a number of children who recently entered care could not be accommodated in the internal homes due to capacity issues and they were placed in agency residential at a significantly higher unit cost with the majority of these being outside the county. Further benefits are that the children will be placed in Worcestershire, close to their communities and families and the time and associated costs of social work visits and contact by family would be reduced.

Downsell Road, Redditch - Emergency Response Unit and Supported Living Flats

14. The debt repayment cost for the essential renovation and repairs required to ensure Downsell Road is fit for purpose is c.£16k per annum. This is equivalent to 1 week's agency residential charges for the young people accommodated in the unit. Not investing in this renovation could mean that the home loses its Ofsted rating and the County Council will be required to source alternative accommodation for the children and young people accommodated there.

15. As at the end of August, the unit was at full occupancy with 2 young people in the supported living flats and 5 young people aged 13 -15 accommodated within the residential unit.

Old Hollow Residential Home, Malvern

16. The County Council currently leases this property, but it does not meet our requirement for the number of beds needed. Since it makes more financial sense to own a facility rather than continuing to lease the property we need to look at options to purchase one that does provide sufficient beds. This could be a replacement to Old Hollow which either provides the extra space or can be extended to do so, or explore the purchase and extension of the existing property subject to satisfactory negotiations and affordability compared to other property options on the market. Council is therefore asked to add the capital cost of such an acquisition to the Capital programme, leaving flexibility as to where the capital asset is situated.

Mr S E Geraghty
Chairman

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Background Papers

In the opinion of the proper officer (in this case the Head of Legal and Democratic Services) the following are the background papers relating to the subject matter of this report:

Agenda and background papers for the meetings of the Cabinet held on 28 September 2017.