

**Committee Name and Date of Committee Meeting**

Cabinet – 15 June 2020

**Report Title**

Operational Delivery of LAC Sufficiency Strategy - New Residential Provision  
Progress Report

**Is this a Key Decision and has it been included on the Forward Plan?**

Yes

**Strategic Director Approving Submission of the Report**

Sally Hodges, Interim Strategic Director of Children and Young People's Services

**Report Author(s)**

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**Ward(s) Affected**

Borough-Wide

**Report Summary**

This report provides a progress update on the in-house children's residential development that was agreed at Cabinet on 17 February 2020 and details the financial implications for progressing to the next stage of development.

This overall development responds directly to Rotherham Children and Young People's Services strategic intention to reduce external residential placements and ensure more Rotherham looked after children and young people are placed within borough close to their family and community networks.

The new provision, along with foster care, third party in-borough block contracts, semi-independent provision and other family-based placements, will provide a mixed economy of arrangements which will effectively meet Rotherham's statutory duties, outlined in the Sufficiency Strategy 2019 - 2022.

The development enables Rotherham to invest in residential provision which will;

- Ensure more children and young people are placed in Rotherham close to their communities, families, friends and schools.

- Deliver improved outcomes for looked after children.
- Develop a service model that encourages step-down to family-based placements.
- Provide a local response to the increasing demand for a range of residential placements.
- Provide greater flexibility and control of provision.
- Reduce placement costs and support the delivery of directorate savings.

The report details the progress made from 17 February 2020. It is important to note the progress is set within context of the COVID pandemic which significantly impacted the internal and external working environment from the beginning of March 2020. Summary of progress is highlighted below

- A Registered Manager and Deputy Manager have been appointed and additional internal Registered Manager capacity has been re-configured to support implementation. Recruitment campaign has been successful and is on track to recruit the required staffing for phase one.
- Two buildings are operationally ready for registration with Ofsted, including the required planning approval.
- Registration of one provision will be submitted mid-May and the second is ready and will be submitted when newly appointed Registered Manager is in place in July.

### **Recommendation**

1. That Cabinet note the progress made.
2. That approval be given to progress to phase two of the implementation plan, which incorporates the acquisition of three properties within the capped budget of £750,000 and the recruitment of the associated staff to register and operationalise the homes.
3. That a further report be presented to Cabinet on the submission of the Ofsted registration for the homes in phase two, and any requests for permission to move to phase three of the plan which will include an update on the financial implications.

### **List of Appendices Included**

Appendix 1 Initial Equalities Screening

### **Background Papers**

Looked After Children's (LAC) Sufficiency Strategy 2019-2021

### **Consideration by any other Council Committee, Scrutiny or Advisory Panel**

Overview and Scrutiny Management Board – 10 June 2020

### **Council Approval Required**

No

### **Exempt from the Press and Public**

No

## **Operational Delivery of LAC Sufficiency Strategy - New Residential Provision Progress Report**

### **1. Background**

- 1.1 The agreed Cabinet Report dated 17 February 2020, outlines Rotherham Children and Young People's Services strategic intention to reduce external residential placements and ensure more Rotherham looked after children and young people are placed within borough close to their family and community networks.
- 1.2 Rotherham is a regional, statistical neighbour and national outlier for the number of looked after children and young people placed in out of area external residential placements.
- 1.3 Rotherham does not have any in-house residential provision, so when a child requires a residential placement this is provided with an external provider. These placements are high cost and predominantly out of borough.
- 1.4 The Cabinet report agreed a proposal to develop a range of in-house residential provision including emergency accommodation for Rotherham looked after children.
- 1.5 This in-house residential development will ensure more children and young people are placed in Rotherham close to their communities, families, friends and schools. It will also provide better outcomes for children and young people through the increased control and flexibility of the provision.
- 1.6 A robust internal monitoring and quality assurance process will be put in place to ensure each new home reaches and maintains a good or outstanding rating from Ofsted. This will be achieved by applying the established Commissioning Quality Assurance Framework which is based on the key lines of enquiry underpinning the Ofsted Inspection guidance. The role of Young inspectors is embedded into the local quality assurance approach.
- 1.7 In addition, all Ofsted registered children's homes are subject to monthly Regulation 44 visits and reports by an independent person, in line with Children's Homes Regulations 2015. Each home will be registered and inspected by Ofsted.
- 1.8 The new residential provision will operate within a context of significantly improved social work practice that was judged by Ofsted to be Good in January 2018.
- 1.9 A project group with a range of task and finish groups has been set up to implement the development project. The project group reports into DLT, SLT and Big Hearts, Big Changes Programme Board on a monthly basis. The project group also reports into Cabinet, Asset Management Board and Capital Programme Board when requested and required.
- 1.10 The Phase One milestones agreed in the Cabinet report are detailed below.

*Phase One – 4 bed home and 1 bed emergency accommodation*

<b>Milestone</b>	<b>Date (2020)</b>
a. Start to recruitment for a Registered Manager (RM)	March
b. Recruitment campaign to recruit staff	March – May
c. Service ready adaptations and fittings to properties	April – May
d. Ofsted registration process	May - July
e. An update to Cabinet on progress and any further approvals for future phases.	June
f. Assessment centre interviews for staff	Summer
g. Staff training and induction	
h. Services operational	Autumn

**2 Progress**

*Phase One 4 bed home and 1 bed emergency accommodation (5 beds in total)*

**2.1 Workforce**

<b>Milestones</b>	<b>Target</b>	<b>Progress</b>
a. Recruitment of Registered Manager	March	Completed May
b. Recruitment campaign	March – May	Completed April
f. Staff Interviews	Summer	Completed May
g. Staff Induction	Summer	On track for July

**2.2 Narrative**

The roles descriptions were developed and then advertised in April including Deputy Manager, Senior and Practitioner. The recruitment campaign was supported by nationally Community Care and CYP Now and targeted social media advertisement. The current recruitment position as of 5 May 2020 is detailed below:

<b>Role</b>	<b>Interviewed</b>	<b>Required</b>	<b>Recruited</b>	<b>Progress</b>
Manager	3	1	1	In place July
Deputy	10	1	1	In place June
Senior	6	1.5	1.5	On track
Practitioner	14	9	6	Behind target

The recruitment has also incorporated a creation of a bank of flexible staff that can support the service delivery as and when needed.

In order to support the implementation plan, the role of the existing Registered Manager of the Ofsted rating outstanding RMBC Liberty House short break provision, has been extended. This extension covers the registration and management of an additional provision. This dual management role provides RM capacity to register with Ofsted and additional induction support to the newly appointed managers.

### 2.3 **Property**

<b>Milestones</b>	<b>Target</b>	<b>Progress</b>
c. Service ready adaptations and fittings to properties	April May	Completed May
Planning approval	May	Completed April

### 2.4 *Narrative*

Service ready adaptations including fire doors, wiring, locks and fittings including furniture and white goods have been progressed and are on track to be completed within May. This has been completed in a challenging COVID external environment.

The planning approval on both properties has been progressed through the Planning Authority and the confirmation that Ofsted require is in place.

### 2.5 **Service design**

<b>Milestones</b>	<b>Target</b>	<b>Progress</b>
d. Submit Ofsted registration for 2 new provisions	May-July	One submitted May Second planned July

### 2.6 *Narrative*

The following is required to be in place in order to submit an Ofsted registration.

- Furnished buildings in line with statutory and service requirements
- Planning approval
- Policy documentation
- Registered Manager

A registration has not been able to be submitted before May due to the 3 of the 4 elements above not being in place. Liberty House Registered Manager will have submitted the first registration to Ofsted in May.

The second registration is ready and will be submitted when the newly appointed Registered Manager is in place in July

### 2.7 The cost, saving and budgetary implications for the progress of implementation to date are covered by Finance in Section 6.

#### **Phase two**

*Phase Two 2x2 bed homes and 1 bed emergency accommodation (5 beds in total)*

### 2.8 Phase two of the implementation involves the development of 2x2 bed children's homes and 1x1 bed registered emergency accommodation. This part of the development will require the acquisition of 3 properties in order to deliver the required provision.

- 2.9 A property specification has been developed by CYPS to outline the criteria for selecting appropriate properties. This includes access to public transport, amenities and schools, number of living spaces, bedrooms, bathrooms, outdoor space and security.
- 2.10 A cost benefit analysis on the different acquisition routes i.e. new build, re-appropriation of existing Council buildings or purchase off open market has been completed with colleagues from Housing and Regeneration and Environment.
- 2.11 The preferred acquisition route is to buy from the open market. This option enables the purchase of a property that meets the specification with minimum adaptation requirements, based in a local community and in an identified part of Borough.
- 2.12 The capital budget identified for phase two is £750,000. This budget is capped and any expenditure over this amount will require additional Cabinet approval.
- 2.13 Phase two will require the recruitment of 13.6FTE staff across the two 2 bed homes and the equivalent of 6.72FTE to operationalise the emergency accommodation. This staffing numbers were part of the budgets agreed in the February Cabinet Report. Recent recruitment progress would suggest with the same recruitment budget and time allocated these numbers should be achievable.
- 2.14 Proposed milestones are detailed below. These have been agreed by Finance and profiled into budgets:

<b>Milestone</b>	<b>Date (2020)</b>
• Agreement by Cabinet	June
• Property identification	May – July
• Purchase and planning process /	July - Sept
• Service ready adaptations and fittings to properties	Sept – Oct
• Ofsted registration process	Sept – Nov
• Recruitment campaign	September
• Assessment centre interviews	October
• Staff training and induction	January 2021
• Services operational	March 2021

- 2.15 The cost, saving and budgetary implications for the implementation of phase two is covered by Finance in section 6.

### **Phase three**

#### *Phase Three - 2x4 bed homes (8 beds in total)*

- 2.16 Phase three will involve the acquisition, registration and operationalisation of two 4-bed residential homes. This will provide an additional 8 beds for Rotherham children and young people.

Permission to progress to phase three will be requested to Cabinet following the registration of homes in phase two. The request to Cabinet will incorporate the financial implications to the implementation of phase three.

### **3. Options considered and recommended proposal**

#### **3.1 Option One:** Further develop phase one before any agreement is made to progress to phase two.

This is not the recommended option.

If no agreement is obtained to progress to phase two, this will impact on the planned outcomes for children and the agreed savings target projected to be achieved in 21/22 through this development.

Any delay in agreement will also impact on the overall implementation plan of ensuring more children and young people are placed in Rotherham and the projected savings. The process of acquisition is likely to be protracted and so this part of the process needs to start as soon as possible in order to mitigate potential delays caused by the current COVID environment.

#### **3.2 Option Two:** Agreement to progress to phase two.

Option two is the recommended option.

This option will enable the implementation plan to progress and remain on track to deliver the planned outcomes for children and young people and the agreed savings.

The overall implementation plan will ensure more children and young people are placed in Rotherham, close to their communities, families, friends and schools. It will enable a local in-house response, alongside partners to the increasing demand for residential provision and deliver better outcomes for children and young people.

### **4. Consultation on proposal**

4.1 Engagement has taken place throughout implementation with CYPS Commissioning, Procurement, Housing, R&E, Adult Services, Fostering and LAC and consultation with children and young people.

4.2 A plan has been put in place, with guidance from Voice, Influence and Participation Lead, for the consultation and engagement of looked after children in the development and implementation of the proposal.

4.3 It is recognised that it is critically important that looked after children are effectively engaged and are able to inform and influence both the plans and implementation.

4.4 A communication plan is in place, which covers all key stakeholders including members of the public.

### **5. Timetable and Accountability for Implementing this Decision**

5.1 A project lead has been recruited to lead implementation of the in-house residential development. A project group has been set up with representation from

Asset Management, Housing, HR, Commissioning, LAC, Therapeutic Service, Finance, Communications and Performance.

## **6. Financial and Procurement Advice and Implications**

### **6.1 Phase 1 - 1 x 4 bed residential and 1 emergency home**

Through recruitment now taking place ahead of schedule for phase 1 this will enable the homes to open earlier and generate additional cost savings.

6.2 In the original plan £83,000 set up costs were agreed for phase one for the 4 bed residential and 1 bed emergency relating to the recruitment, payment and training of employees for one month prior to the homes becoming operational.

6.3 The budgeted savings for the 4 bed residential homes in 2020/21 is £35,000, however current milestone estimates are that the home will open earlier (September) generating additional savings of £74,000.

6.4 The emergency bed would see an additional estimated cost reduction of £66,000 on current spend if again operational by September.

6.5 Any slippage in the timeline for the residential and emergency homes becoming operational due to Ofsted approval, or reduced staff requirement due to children moving into the new homes would enable staff to be redirected to support emergency placements, avoiding the need for agency staff.

### **6.6 Phase 2 - 2 x 2 bed residential and 1 emergency home**

Set up costs of £94,000 have been allocated in the budget and are required in 2020/21 for recruitment, payment and training of staff, prior to the homes becoming operational.

6.7 The annual budget requirement for the 2 homes is £725,000 and £252,000 for the emergency home. In line with current milestones the total budget requirement from April 2021/22 would be £977k.

6.8 The projected budget savings of operating 4 places at 85% occupancy is £146,000 and a cost reduction of £114,000 for the emergency bed for the full year based on them being operational by 1 April 2021. Any delay in the timeline would impact on the projected savings. Of the saving, £248,000 relates to general fund budgets and £12k DSG funding.

### **6.9 Summary for Phase 1 and Phase 2**

Potential additional savings of £140,000 could be achieved from phase one becoming operational earlier.

6.10 Set up cost of £177,000 have been allocated in the 2020/21 budget for recruitment, payment and training of staff for phases 1& 2 this is subject to recruitment 1 month prior to the homes becoming operational.

- 6.11 2021/22 would see 5 homes operational at an annual cost of £1.9million with capacity for 8 residential and 2 emergency placements.
- 6.12 The overall 2021/22 estimated annual saving for these phases will realise £334,000 from in-house residential and £227,000 emergency care, generating an overall annual cost saving of £561,000.

### 6.13 **Capital**

There is a £2million capital allocation to deliver the in-house residential homes. Phase 1 is estimates to cost £120,000 linked to adaptations, fixtures, fittings and equipment to make ready the first two properties.

- 6.14 Phase 2 has £750,000 earmarked to fund purchase and refurbish the two, 2 bed properties and for works to the council property enable it to be used as the additional emergency bed.
- 6.15 There are no direct procurement implications associated with the recommendations detailed in this report

## 7. **Legal Advice and Implications**

- 7.1 Sections 22A to 22D of the Children Act 1989 make provision for the accommodation and maintenance of a looked after child. They provide the framework within which decisions about the most appropriate way to accommodate and maintain the child must be considered. The duties and powers of local authorities to provide accommodation under sections 20 and 21 of the 1989 Act are not affected by these provisions.
- 7.2 Where accommodation is provided and there is an element of care being given, the provision must be registered and therefore regulated by Ofsted; this is irrespective of the length of the provision provided.
- 7.3 Section 63 of the Children Act 1989 states that 'no child shall be cared for and provided with accommodation in unregistered children's homes.' Where an unregistered children's care home provides care and accommodation to a child, the person carrying on the home commits an offence. It will be necessary for any provision to be registered.
- 7.4 For clarity, there is provision in law to place a child in an unregulated placement; this is usually where a child (aged over 16) needs support to live independently rather than needing full time care.
- 7.5 In order to reduce the risks of any legal challenge, the Council needs to ensure that it fully complies with all relevant legislation and properly consults in relation to any proposals set out in this report.

## **8. Human Resources Advice and Implications**

- 8.1 Whilst the initial first stage of recruitment proved unsuccessful; the following recruitment campaign has proved successful for all posts. HR processes now need to be implemented to ensure that appointment dates can be offered, and the candidate can give notice to their current employer to ensure there are no delays. Training then will need to be scheduled accordingly.

## **9. Implications for Children and Young People and Vulnerable Adults**

- 9.1 Implications to vulnerable children and young people are covered within the report.

## **10. Equalities and Human Rights Advice and Implications**

- 10.1 Equality Impact Assessment has been completed.

## **11. Implications for Ward Priorities**

- 11.1 Ward Councillors will be briefed and consulted as part of the implementation process.

## **12. Implications for Partners**

- 12.1 Education, Police and Health partners will be significantly involved in the implementation process and will contribute to the effective delivery of the proposal

## **13. Risks**

- 13.1 This report relates to two key corporate risks for the Council – the risk of safeguarding failure and the risk of inspection failure in Children’s Services.
- 13.2 The proposal will help improve support for some of the most vulnerable young children and young people in the borough. In addition this work should reduce the risk of inspection failure in children’s homes and help to improve the overall rating for services for looked after children.
- 13.3 Key operational risks include the risk of not be able to recruit the required qualified and experienced staff, timeliness of Ofsted registration and ability to identify and acquire properties that meet the specification. All these risks if realised could cause delay to the overall implementation timescales.

#### 14. Accountable Officers

Sally Hodges, Interim Strategic Director of Children's Services

Approvals obtained on behalf of Statutory Officers: -

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Sharon Kemp	01/06/20
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	27/05/20
Head of Legal Services (Monitoring Officer)	Bal Nahal	27/05/20

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