



Children first

In-house residential service strategy 2019-22

1. Executive summary

This document provides a summary of the recent review of in-house residential services for children and proposes a strategic framework and service model which seek to ensure that outcomes for vulnerable children are maximised and that long-term care costs are minimised.

The Council's existing children's residential estate has three open establishments which all have a 'good' Ofsted rating and three establishments which are not in use; one having been issued with a suspension notice by Ofsted and the other two having been taken out of service by the Council in autumn 2018. Proposals for the three closed homes are prioritised in the first phase (September 2019 to December 2020) of the overall plan for the service, with the three open homes to be focused on in the second phase (July 2020 to July 2021).

This will support the most vulnerable children in the county by keeping them close to home and providing services designed to support both them and their families.

2. Background and context

2.1 The national context

"I agree that they can be the right option for some children, particularly if they are used early, as part of a well thought-through long-term plan, and taking into account children's wishes and needs, or for additional therapeutic support to bring stability to a child's life. We therefore need to ensure that children's homes are of the highest possible standard and deliver the best possible outcomes for the children who call them home"¹

This statement from Edward Timpson MP, Minister of State for Vulnerable Children and Families, forms part of the Government reply to the 'Residential Care in England' independent report by Sir Martin Narey². This report, published in 2016, made many recommendations and West Sussex County Council treats this as the most up to date picture of the current state of children's homes and future planning recommendations.

1

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/579549/Government_response_to_Narey_review.pdf

2

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/534560/Residential-Care-in-England-Sir-Martin-Narey-July-2016.pdf

In the Narey report, a care leaver is quoted as saying;

*"Many believe a family environment is a more suitable placement for a young person to grow up in. That may be the case for lots of young people and children in care, but not for all. Unfortunately, there seems to be a big push for foster care as residential care isn't viewed as an ideal option, more of a last resort if they can't find another suitable placement. That attitude needs to change, residential care homes work for a number of young people for reasons that are probably far too complicated than I can ever fully explain. But I do know that for me and a number of other young people, care homes were the BEST option, not the last resort option and they did some amazing work with us during our time there."*³

Residential homes have an important place in the Children First strategy to better support the most vulnerable children in the county, to secure the best outcomes for them and reduce the financial and social cost that can result from the transition of children into adulthood.

The Department for Education has set out key principles that all children's homes are expected to apply, and to ensure that residential care is a positive choice for children and young people where a children's home is the best placement to meet their individual needs;

- Children in residential child care should be loved, happy, healthy, safe from harm and able to develop, thrive and fulfil their potential,
- Residential child care should value and nurture each child as an individual with talents, strengths and capabilities that can develop over time,
- Residential child care should foster positive relationships, encouraging strong bonds between children and staff in the home on the basis of jointly undertaken activities, shared daily life, domestic and non-domestic routines and established boundaries of acceptable behaviour,
- Residential child care should be ambitious, nurturing children's school learning and out-of-school learning and their ambitions for their future,
- Residential child care should be attentive to children's need, supporting emotional, mental and physical health needs, including repairing earlier damage to self-esteem and encouraging friendships,
- Residential child care should be outward facing, working with the wider system of professionals for each child, and with children's families and communities of origin to sustain links and understand past problems,
- Residential child care should have high expectations of staff as committed members of a team, as decision makers and as activity leaders. In support of this, children's homes should ensure all staff and managers are engaged in on-going learning about their role and the children and families they work with, and

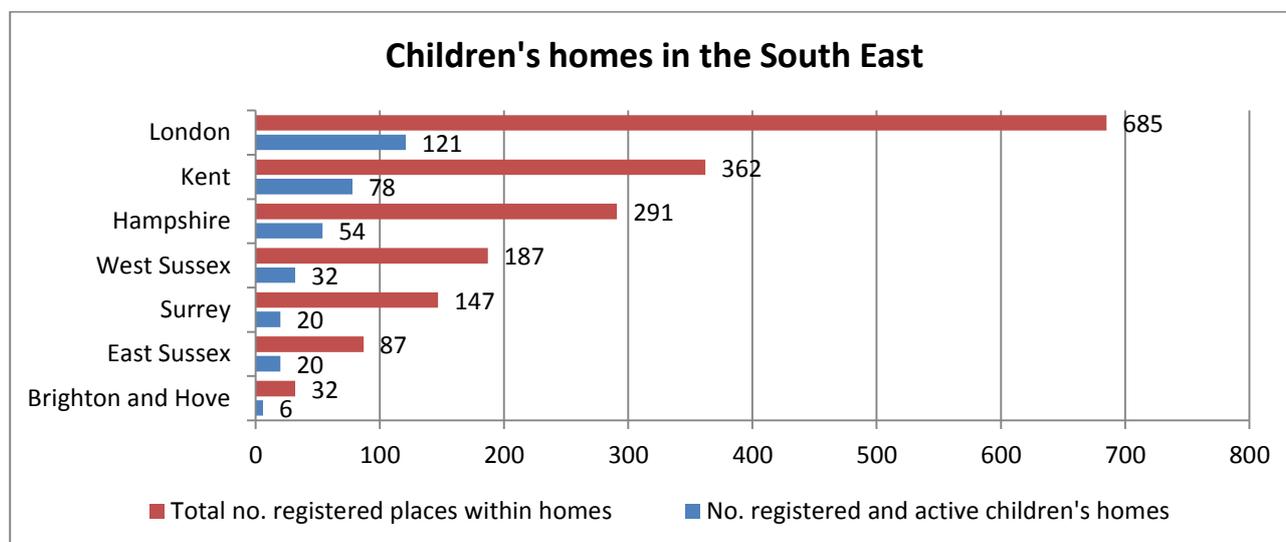
- Residential child care should provide a safe and stimulating environment in high-quality buildings, with spaces that support nurture and allow privacy as well as common spaces and spaces to be active⁴

The challenges faced by the children’s residential care providers are also acknowledged nationally. In a recent report on the sector⁵, the National Audit Office identified several key issues;

- Demand for residential placements and staff has outstripped capacity,
- A high level of variation in provision, with different local authorities paying widely different prices for the same standard of residential care, and
- Increasing cost to local authorities, with the cost of residential care increasing by 22.5% between 2013-14 and 2017-18, whilst the number of children placed in residential care by local authorities increased by 9.2%

2.2 The regional context

The number of registered and active children’s homes and the total number of registered places in these homes is shown below for a range of local authorities in the South East region. West Sussex currently has 32 registered and active children’s homes, including the Council’s own in-house provision.



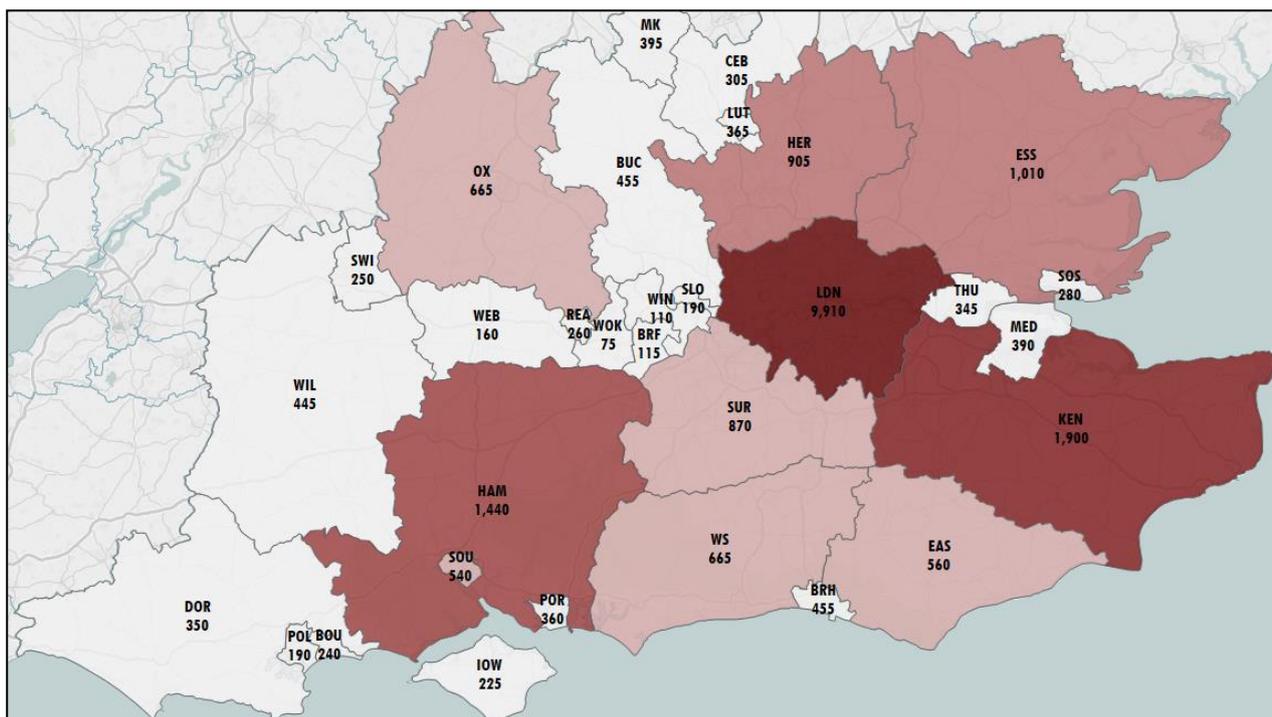
Children’s homes are more densely populated in the London area, becoming more dispersed moving out of London, with clusters of homes in populated areas such as Southampton and Brighton.

In March 2017 analysis was undertaken by the insight and intelligence team on total numbers of children looked after (CLA) in each local authority in the region. This showed that West Sussex was slightly below the average for all local authorities in the

⁴https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/463220/Guide_to_Children's_Home_Standards_inc_quality_standards_Version_1.17_FINAL.pdf, page 6

⁵<https://www.nao.org.uk/wp-content/uploads/2019/01/Pressures-on-Childrens-Social-Care-Summary.pdf>

South East in terms of the total number of CLA it is responsible for. A map of the region with figures for each local authority area is shown below.



There were more than 9,900 CLA in the London boroughs, 1,900 in Kent and 1,440 in Hampshire, whilst in comparison West Sussex had only 665 looked after children (now over 700), compared to the regional average of 788. West Sussex does however have the highest proportion of its CLA in residential homes of any regional local authority, although the volumes in Kent and London are still higher.

2.3 The local context

Although exact locations cannot be made public for obvious reasons, the 32 registered and active children's homes in West Sussex tend to be centred on or within reach of the areas where the child population density is highest (dark blue in the cartogram in Figure 1) and where the rate of referral to children's services is highest (amber and red in the cartogram in Figure 2).

Whilst the existing children's homes are broadly located within the communities where the need appears to be highest, there is still a need for the Council to at times place children in out of county establishments. Many children with the most complex needs who cannot be adequately supported by services in West Sussex are placed with out of county providers in locations as distant as Lincolnshire and Scotland. This negatively impacts upon children's connections with their parents, carers and social work teams.

The majority of placements made to residential children's homes can be broadly split in to three categories, with the latter two most likely to take a child away from their

home and community due to lack of nearby appropriate provision, often entailing the highest cost due to the level of support required;

- Those made to 'mainstream' children's homes (i.e. those that do not normally offer education as an intrinsic part of the core offer),
- Those to specialist providers (e.g. therapeutic providers, homes specialising in support for victims of child sexual exploitation or those offering mental health support within the placement), and
- Those for children with severe and profound disabilities requiring high levels of support (e.g. staffing ratios of 1:1 or 2:1)

All placements started in 2018/19 are shown below, divided in to higher, middle and lower brackets based on the total weekly cost of the placement.

Weekly cost bracket	Total no. placements in each bracket	Of total, no. out of county	Of total, no. to providers not on framework
Low (<£3,000)	9	6 (67%)	5 (56%)
Mid (£3,000 - £5,999)	48	31 (65%)	21 (44%)
High (£6,000+)	17	16 (94%)	12 (71%)
All	74	53 (72%)	38 (51%)

It is evident that for those in the higher weekly cost bracket there is not sufficient provision either in West Sussex or for which the Council has a defined route to service in place. Out of county placements can be at a significant distance from the county, in some cases hundreds of miles, and for those providers used in 2018/19 who were not within an available contractual framework, there was a small minority who were unregistered.

Closer analysis of those children who make up the majority of those placements costing in excess of £6,000 per week show that they fall in to one of two groups;

- Have been a CLA for a number of years with a pattern of multiple placement moves, the typical trajectory being foster care then residential care with the most recent placement being in a solo placement with high levels of staffing (i.e. the more 'complex' cohort), or
- Are coming into care, the first placement being a residential crisis provision due to needs and risks at the time of the placement being requested (i.e. the 'edge of care' cohort)

It is these groups of children which are the most likely to be placed away from home and community due to lack of suitable local provision.

2.4 Background to the in-house service

The Council currently owns 6 children's homes which are spread across the county. This accounts for 28% (52 beds) of the capacity in the local sector as a proportion of the total number of beds. The remaining 135 beds (72%) sit within the private sector.

In June 2018, Seaside children's home, a Council in-house establishment, underwent an Ofsted inspection, with the overall grade given as 'inadequate'. The Council initiated an improvement plan to address the concerns raised during the Ofsted inspection. In the 6 weeks following the inspection, Ofsted re-visited the home and were unsatisfied with the improvements made. Seaside children's home was subsequently issued a suspension of service and was closed.

Arrangements were made for the 4 permanent residents of Seaside to be moved to alternative placements. These moves were supported by social workers and the placement team and took place on Friday 10th August 2018. Ofsted undertook a further inspection on site to ensure all the children were placed with strong transition plans. Staff evidenced a successful transference of documentation and a robust outreach scheme that evidenced good practice and care for the children. Subsequently this resulted in the suspension being lifted by Ofsted, at this time the Council decided that Seaside should remain closed until a full review of the in-house residential service was undertaken.

Following the closure by Ofsted, the senior leadership team undertook quality assurance inspections and found that the services that were operated from Cissbury Lodge and May House were unsuitable. The Council therefore voluntarily closed these establishments, pending the wider review of the service.

3. Methodology and analysis

3.1 Approach

As a starting point for the review of the in-house service, a set of principles was established to guide the work to develop a strategy, derived from the Council's West Sussex Plan and other supporting children's services strategies;

- Focus on children's strengths and potential,
- Put children at the heart of decision-making,
- Provide services based on inclusivity,
- Increase families' connections to their community,
- Keep children in their community when safe and appropriate,
- Be involved in and at the heart of communities,
- Work with parents and carers to develop services,
- Develop exemplars of services,
- Support educational needs,
- Ensure that children are prepared for independence,
- Share best practice,

- An evidence-based practice model,
- Provide a flexible and quick response,
- An increase in short-stay outcomes-focused services,
- Explore new technologies,
- A highly skilled and specialised multi-disciplinary staff team,
- A commercial approach to selling training and provision,
- Registration of services in a timely and safe manner,
- Partnership building to deliver better outcomes for children,
- Evidence successes and the value of the service, and
- Deliver support in the right place and at the right time

The following sources were looked at in order to better understand the demand for services within West Sussex, how similar services are developing in comparable local authorities and whether there was learning available from other best practice models;

- Case studies of children who have been supported through the in-house residential service, in order to understand the impact at an individual level,
- Analysis on population trends provided by the Council's Insight and Intelligence Team,
- Children's services data on placements, such as the 'day in question' report (DiQ),
- Data on capacity and type of provision within the Council's statistical nearest neighbour local authorities, and
- Relevant local and national research

3.2 Case studies

Case studies of three children who had previously accessed services at one of the Council units to be closed in 2018 have been compiled with the aim of better understanding, alongside the issues that led to closure, the impact that the in-house service can have at an individual level and any improvements that could be made.

Since closure, the three children's families suffered breakdown and these children, who had previously received a shared care package, were subsequently placed out of county in full time placements (the case studies are available in full within Appendix 3).

This illustrates how vital a flexible in-house service can be in securing care and support that is close to home for children with complex needs. In this instance, for 3 it meant the difference between being supported along with their families to thrive within their home environment and being placed away from home and moving in to full time care.

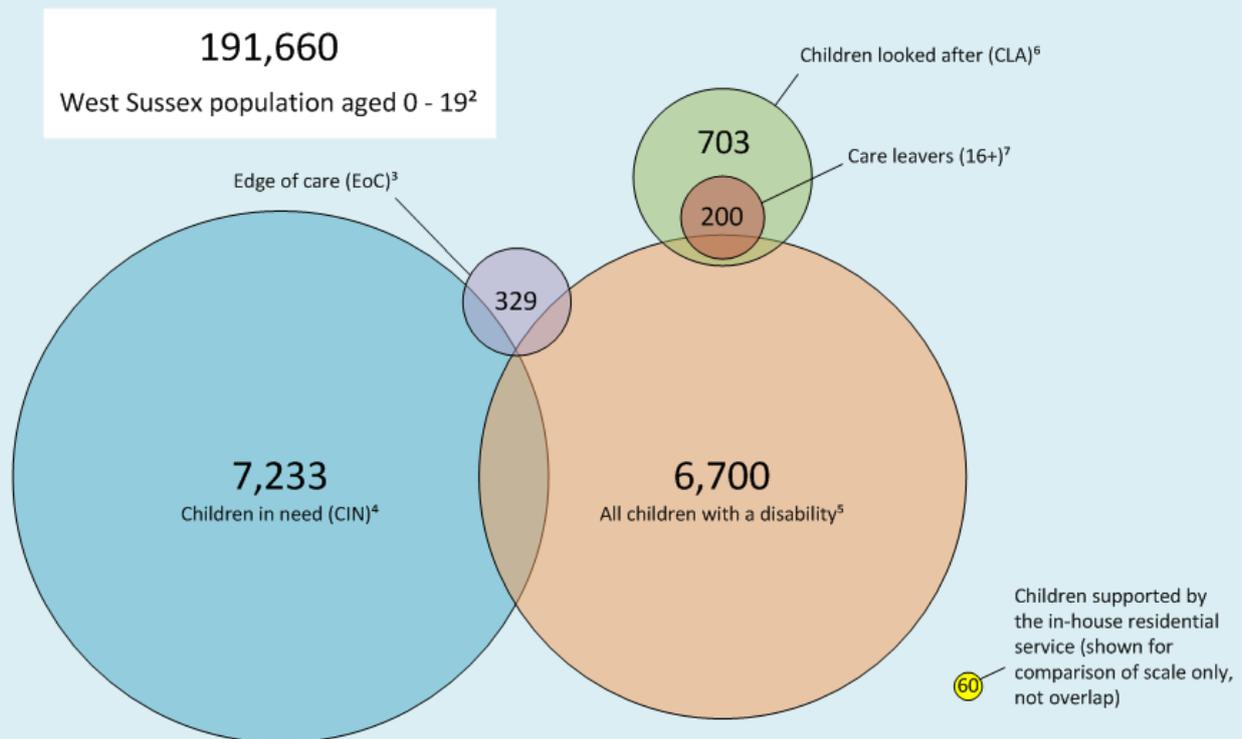
3.3 Population trends

Those children supported by the in-house residential service can come from a number of different cohorts;

- CLA – a child is looked after by a local authority if a court has granted a care order to place a child in care, or a council's children's services department has cared for the child for more than 24 hours; CLA make up the majority of those supported by the in-house service,
- Children in need (CIN) – children who have been assessed by a council as having eligible needs which entail the provision of appropriate support to enable the family to safeguard and promote the child's welfare; CIN can be supported by the in-house service if they are receiving a level of short breaks that would not make them CLA,
- All children with a disability – may be either CLA or CIN and are supported by specialist homes, both in-house and external, for children with disabilities,
- The 'edge of care' – those children at risk of entering the care system, and
- Care leavers – all CLA who are aged 16 and above and should therefore have entered the process of planning for transition to adulthood

All of these groups are shown in the Venn diagram below in order to compare cohort sizes (this is a snapshot in time as of 31st March 2018). An estimation of the number of children supported by the in-house service at any one time (prior to the closure of 3 of the homes) is also shown for comparison.

West Sussex children – Venn diagram of cohorts shown to scale¹



¹ All estimates made as a snapshot in time at 31st March 2018

² ONS 2016 population projections

³ All children entering care from home, family, kinship or adoption in 2017/18

⁴ Characteristics of CIN report, 2017-18

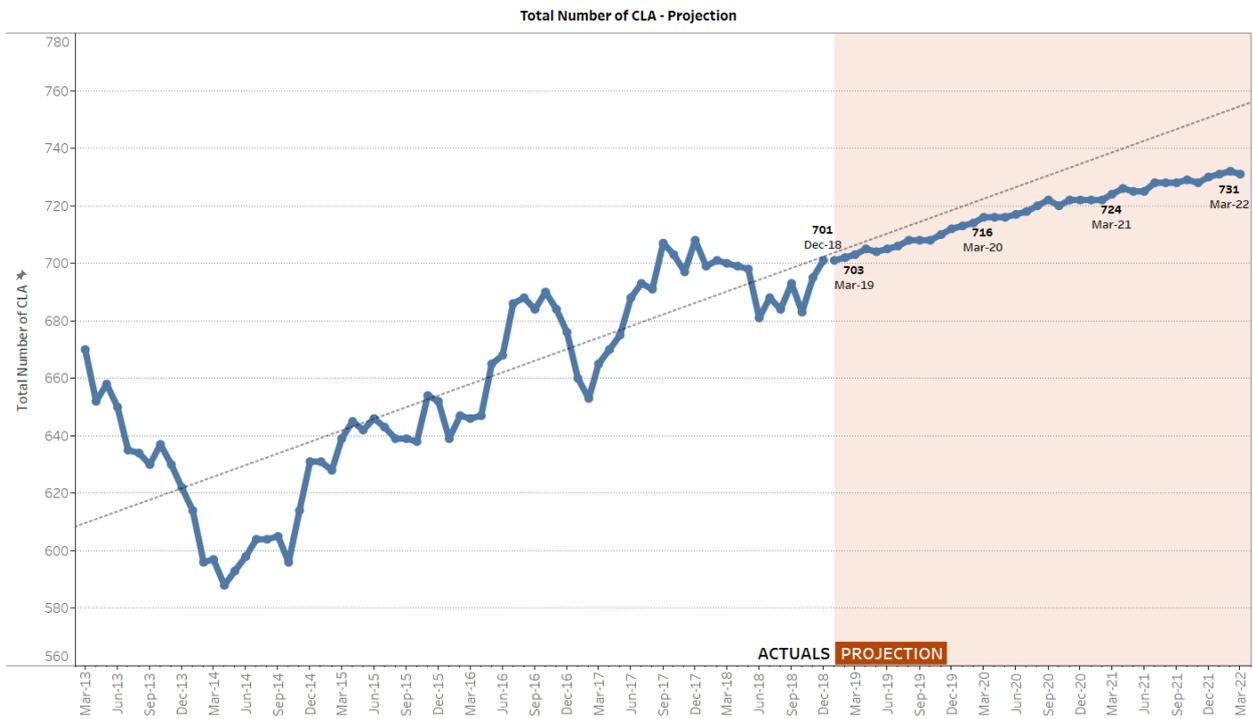
⁵ Comprehensive needs assessment of life pathway for people with disabilities, West Sussex County Council – May 2016

^{6 7} Placements team records, 2017-18

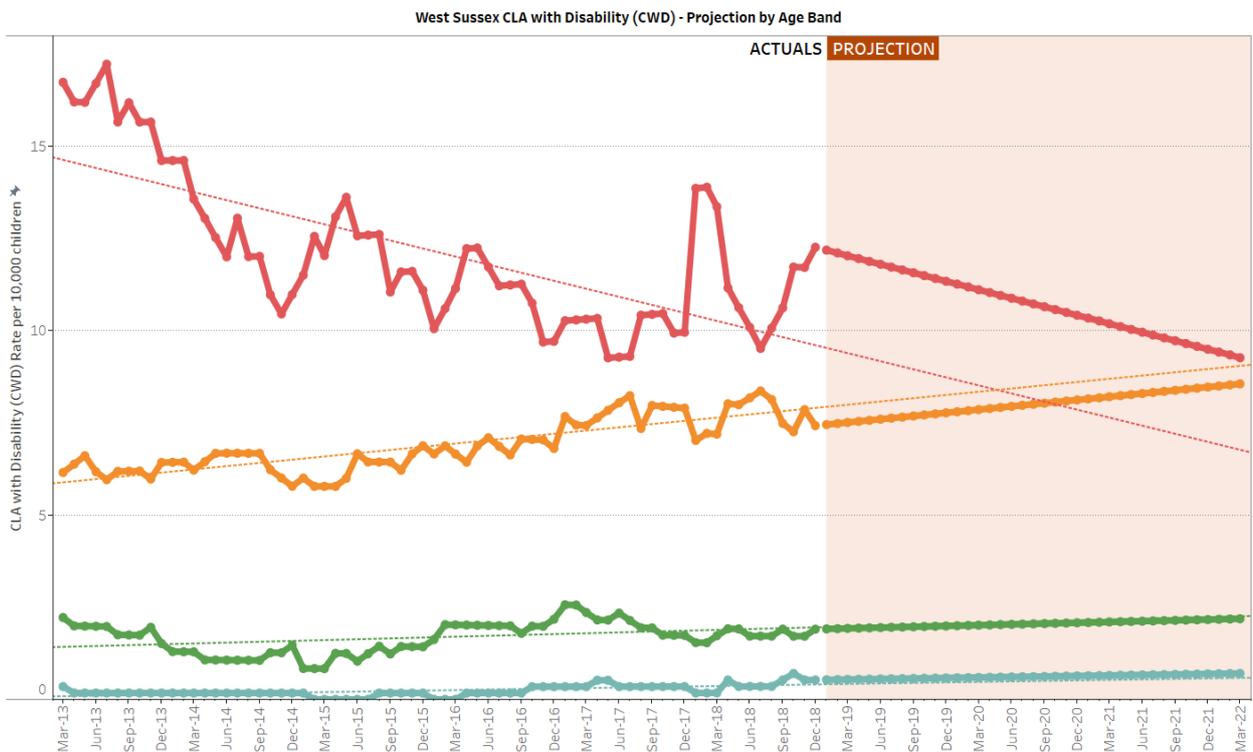
The child population of West Sussex has been growing and is projected to continue growing, at between 0.4% and 1.2% per year, every year until 2024. This equates to between 1,000 and 2,000 additional children living in county each year.

This means that even if the rate of CLA per 10,000 children in the population were to remain static, then the number of CLA in West Sussex would grow along with the child population. Over 10 years, this would amount to an additional 49 CLA, of which 28 would be expected within the first 3 years to 2021.

Combining the projections for population growth with the projections for changes in the rate of CLA per 10,000 children (including unaccompanied asylum seeking children and children with a disability) provides an overall projection for the total number of CLA, which is project to increase from the current figure of 684 at the end of August 2018, by between 10-13 CLA per year, to a total of 722 CLA by March 2022.



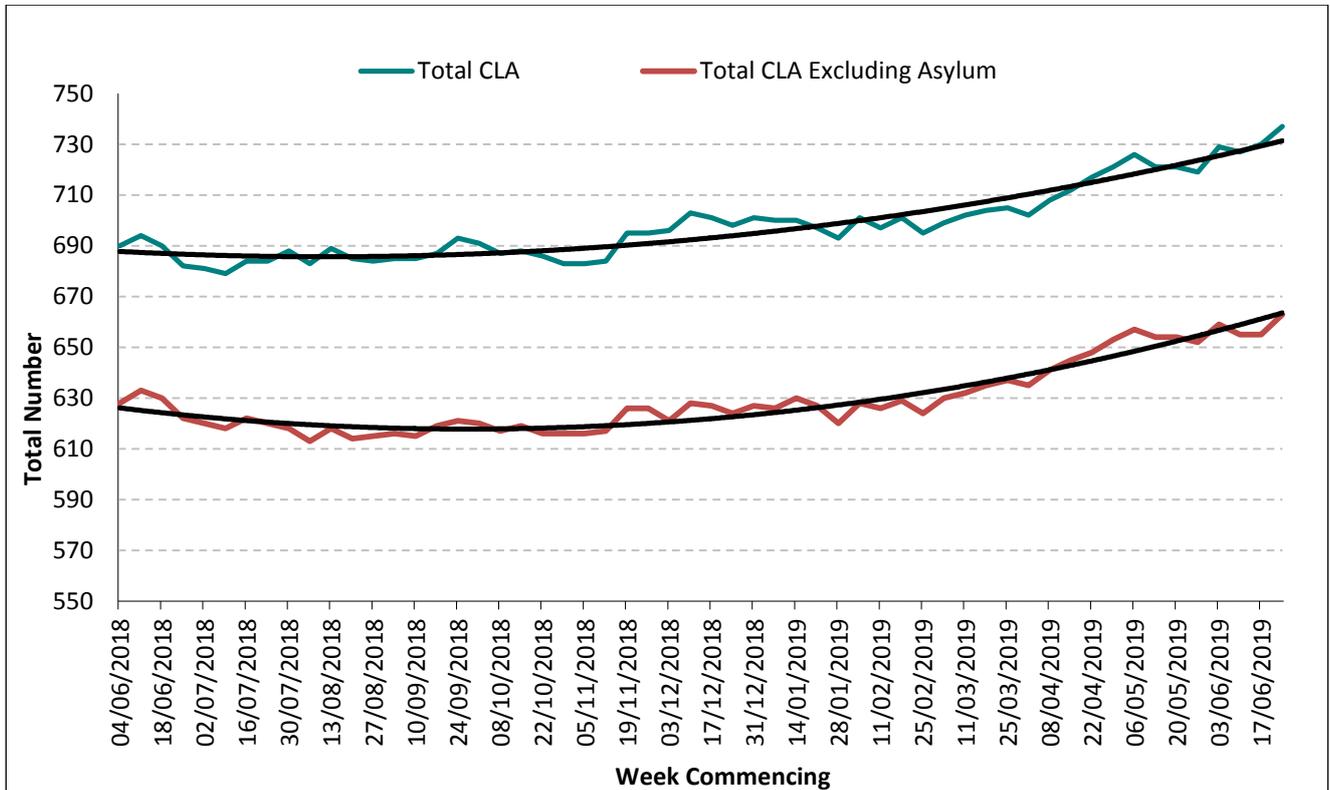
A similar upward trend is also seen when excluding unaccompanied asylum seeking children (UASC) and children with a disability (CWD) from the figures above. Looking specifically at CWD, the chart below shows the rates per 10,000 of the population broken down by age band.



Although this does not take in to account overall population growth, it is evident that it indicates a growth within the 11-15 age group over the next few years for CWD.

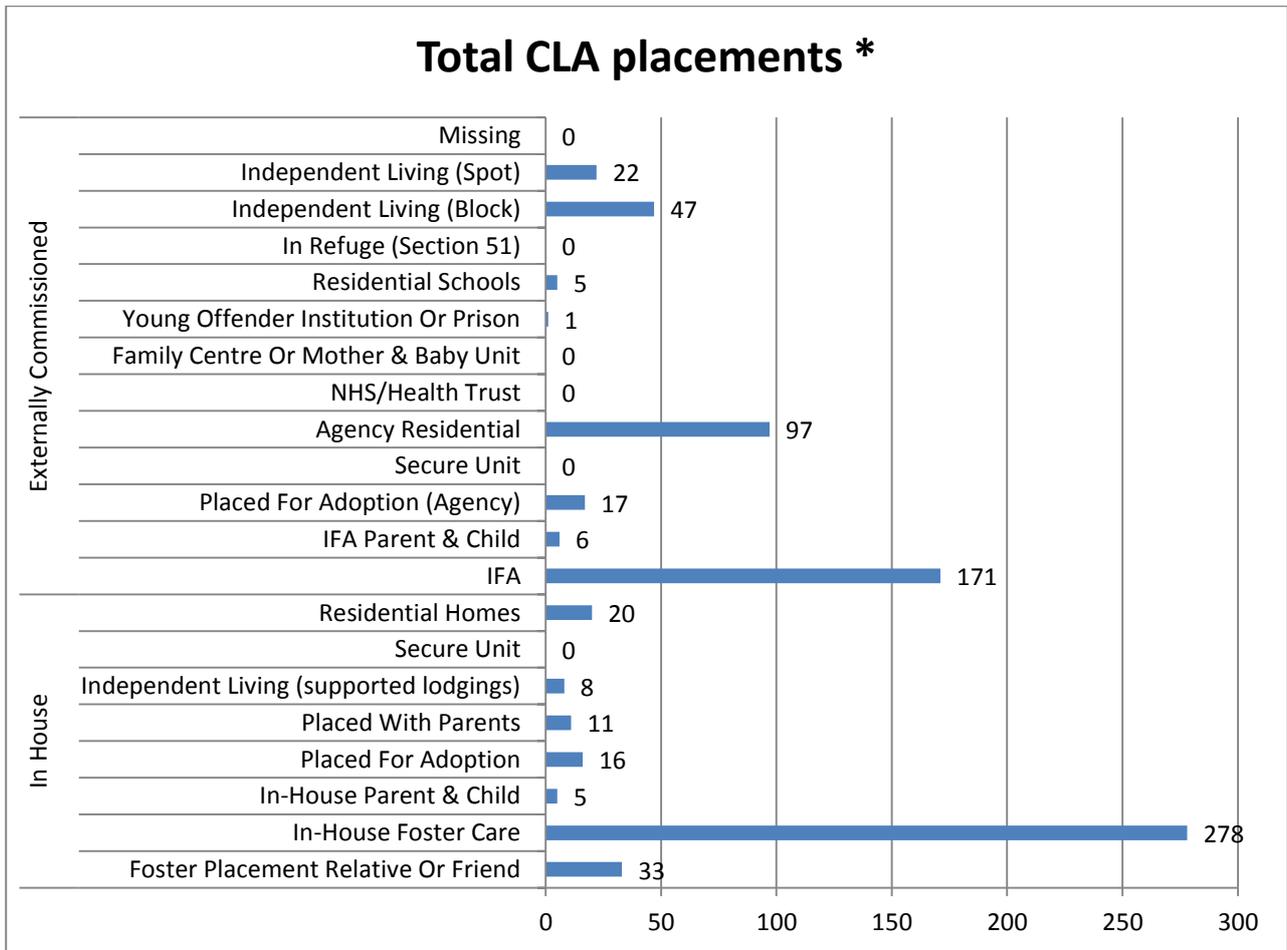
3.4 Service data

The 'day in question' (DiQ) report that is issued weekly by the children's services placements team provides an up to date snap shot of the number of CLA and their types of placement. The chart below gives the overall figures for CLA since June 2018, showing a steady increase in the total number of CLA, both including and excluding UASC.



In June 2019, there were 737 CLA in placements, these included but were not limited to foster care, agency children's homes, in house children's homes and residential schools.

The chart below shows of those 737 CLA, the split between different types of placement. The majority of children were placed with foster care, specifically in-house foster care. There are currently 117 children placed in children's homes, both in and out of county. Of these there are 20 placed in the in house children's service, taking in to account the fact that only 3 are currently operational. Those homes offering short breaks may also support more children in addition to this who do not qualify as CLA and are therefore not counted below.



*Includes disability and asylum placements

Of the 117 children that are placed in children’s homes, this can be further broken down by identifying those children with a disability. Of the 47 children with a disability that are in children’s homes, 34% are placed within in-house provision. For the remaining 70 children, this figure is only 6%.

Overall, it is evident that West Sussex is facing increasing demand in terms of the numbers of CLA. Whilst significantly higher numbers of CLA are placed in foster care, agency residential and independent living placements, it is clear that having sufficient local in-house provision is a significant factor for those children with a disability and/or with complex needs in being supported to remain with or near their families.

3.5 Regional neighbours and their approach

The approach of two of the Council’s regional neighbours has been analysed, both of whom are currently going through a similar review of in-house residential provision.

3.5.1 East Sussex

East Sussex has a similar size mix to West Sussex in terms of in-house and external market residential care. However, they have a smaller in-house capacity at just 12 beds; these are spread across 5 homes, 3 accommodating CLA and 2 caring for

children with a disability. This follows a small 'group' home model, with no more than 2 or 3 children in each home.

They tend to use their in-house provision for more complex children with higher levels of need. Ofsted have recognised during a recent inspection that, whilst there is sufficient provision within the external market for children with 'mid-level' needs, the market is less likely to accept children who present a higher risk or have more complex needs.

East Sussex have a large and successful fostering market, which also includes care and support available to children within their own homes, enabling them to remain with their families and carers and potentially delaying or preventing long-term residential care. The majority of CLA placements by East Sussex are made through independent fostering agencies, with a smaller proportion accessing their own in house residential services (28 children at the time of writing). Their review has a focus on keeping children away from residential care wherever this is possible and appropriate.

East Sussex places a large emphasis, from age 15 onwards, on skills for independence. However, there is real pressure in securing regulated provision for older children (14-16) which includes accommodation with a focus on transitioning to adulthood.

They have negotiated a framework specification with their external market, which includes a discounted rate for a second child from the same family.

They have recently run a public consultation on the proposed changes within their in-house estate, focussing on the following areas;

- Viability studies and stock condition surveys,
- Increasing in- house fostering,
- Increasing care and support in the home, and
- More effective community support/outreach

3.5.2 Surrey

Surrey is currently part way through a recommissioning and review of their in-house service offer. They operate a similar size estate to West Sussex, with 8 homes across their geographical area. 2 of these accommodate children with a disability and the other children who are CLA.

One home has recently been closed temporarily under similar circumstances to Cissbury Lodge. 2 of the remaining 7 are to be sold, as they are large, expansive, historic buildings that are worth more for the capital receipt to invest in new in-house services than they are cost-effective to run.

One of their homes is registered for 9 children but they never run with more than 6, and moving forward have made the decision to not have services with more than 6 children in. They currently run at an approximate 80% occupancy, out of choice, in order to best manage the service. One service has two beds and is jointly funded by health and social care, supporting children with highly complex mental and physical health issues. They are also considering changing the use of one or more homes to specialise in parent/child and family placement.

Surrey believes that every residential placement should be a 'therapeutic placement' and that those additional services which meet physical health needs are separately commissioned activities. Their review will make a move towards more specialised beds to accommodate the most complex children and retain them within the county wherever possible.

3.6 Statistical nearest neighbours

The Council's statistical neighbours provide additional insight in to the varying type of placements that could be appropriate for the county. West Sussex is on a par with its statistical neighbours in terms of the number of externally commissioned beds. However, West Sussex is second in terms of the proportion of the total capacity of residential children's beds that are provided in-house, with a total of 52 beds within the in-house service, coming second only to Hampshire which has 88.

The majority of statistical neighbours have minimal or no beds that are owned and operated by the council. For example, Bath and North East Somerset solely externally commission all their beds. The detailed breakdown of this can be found in the supporting documents section.

3.7 Examples of good practice

Two visits were undertaken of homes in Brighton and Hove rated "outstanding" by Ofsted in order to enable the Council to explore best practice and to have an opportunity to observe other providers.

3.7.1 Drove Road

Drove Road is children's home with the same registration as Cissbury Lodge. They offer short breaks, shared care and residential placements for up to 9 young people with severe learning disabilities. Although they have 9 bedrooms, they never usually accommodate more than 6-7 at any one time, with 3 of these being permanent residents.

The home is split into 3 separate units;

- A main unit accommodating up to 5 young people (usually 3-4 young people at a time). The young people have learning disabilities with challenging behaviour but can mix with other young people. The unit has a

sensory room, soft play area, lounge, garden and a kitchen where the young people can take part in food preparation. They have a chef who cooks the main meals for all 3 units,

- A second residential unit for 2 young people both of whom live there permanently and have a core staff group which remains the same, offering consistency for the young people. Bedrooms have been personalised and the behaviour of these young people has improved significantly whilst at the home, and
- A third unit for one young person with very challenging behaviour and who cannot mix with others. The unit is very bare due to the risk of damage by the young person, who is required to have a constantly changing staff group as it has proved too demanding for staff to work with this young person for prolonged periods of time

All 3 units have their own entrance, vehicle and laundry room. There are several bathrooms and the lay out of the building is well thought out as it allows the young people to spend time together but also has areas where they can spend time if they prefer to be alone.

3.7.2 Tudor House

Tudor House offers accommodation for young people with learning disabilities and has 5 bedrooms but usually operates with 3-4 young people at a time. The home is impressive and very home-like, with a beautiful garden, a kitchen lounge, playroom, sensory room and play house in the garden. Tudor House does offer care for children with complex health needs, but will only have 1 young person with complex health needs at any given time. Tudor house only offers short breaks and shared care packages.

3.8 What does this tell us?

The Council is looking to create models within its in-house service that offer flexibility to adjust provision based on need and demand and to enable a responsive service to better support our children and young people. The following conclusions can be drawn from the evidence that has been reviewed in sections 2 and 3 of this document;

- West Sussex is experiencing an increase in demand on its children's residential homes, both in-house and external, in line with what is being experienced nationally,
- It is nationally accepted that keeping children close to their homes and communities when it is appropriate and safe to do so can result in better outcomes for these children and their families and also in decreased costs for local authorities,
- There appears to be a lack of provision in the county for children on the edge of care and for those with particularly complex needs,
- For children with a disability, there is an increase in the size of the 11-15 age group,

- Although some local authorities rely entirely on the external market for provision of children's residential services, some, including several within the Council's own group of statistical nearest neighbours, rely significantly on in-house provision, in particular for cohorts of children that are difficult to place in the external market due to their level of type of need,
- There is a recognition that relying too heavily on the external market can lead to a large variation in the price paid for care of a similar quality, and
- There are some good examples nationally of services such as short breaks and community outreach work being used to support a wider cohort than the more 'traditional' offer of long-term residential placements, with the added benefit that long-term care can be delayed or entirely avoided

3.9 Strategic framework

The following 4 key objectives have been drawn from the analysis undertaken within this review, forming a strategic framework for the service;

- Use in-house services to support the most vulnerable and complex children, whilst also providing an offer to children who are on the 'edge of care',
- Seek to maximise outcomes for children by keeping them in or near to their homes and communities whenever this is appropriate and safe,
- Provide a flexible service that is able to respond effectively to the wide range and high level of need in the most complex cohort of children, and
- Make the best use of resources through utilising innovative service models to move away from 'traditional' high-cost long-term placements towards a more comprehensive service that 'wraps around' the child, including short breaks and outreach work in communities

3.10 Options to deliver the strategy

The following six options were considered to implement the strategy;

- Do nothing – i.e. make no change to the existing services other than what is required from Ofsted's perspective in order to reopen,
- Maintain the existing capacity and identify ways in which the service could specialise in order to better meet need,
- Maintain the existing capacity in-house whilst also seeking to increase capacity through a joint venture with an external provider or providers,
- Deliver all in-house services via a joint venture
- Grow the current in-house capacity, and
- Outsource all requirement for children's residential services

These six options were assessed against their ability to deliver the strategic framework.

No.	Option	Assessment against strategic framework, incl. overall RAG
1	No change	In effect, this would mean making no changes to the service and reopening the closed establishments as they were, with the bare minimum of work in order to achieve registration. Given the underlying issues that led to closure (e.g. culture) and the recommendations of the Ofsted inspection, doing nothing would not be a viable option.
2	Maintain capacity and specialise	This would enable the Council to focus the resources it directly controls on supporting those children in the most complex situations, and who are the most difficult to place in the external market and therefore the most likely to be placed away from home, to stay in their communities.
3	Maintain capacity and increase through joint venture	This option retains some of the benefits of option 2 but with the risks attached to option 4. There is also the possibility that readying the market for such an offer could be prohibitive.
4	Joint venture	This option would create issues over control and responsiveness in the in-house stock, both to meet future changes in demand and also to allow room for innovation. There is also the potential to incur a higher cost as a result of having less flexibility to place children with complex needs.
5	Grow in-house capacity	This shares the same benefits as option 2, and whilst this option is not discounted, it will require further work on long-term demand to evidence if it is needed.
6	Outsource all	There is a level of risk in this option in maximising the Council's reliance on the external market and creating a greater exposure to provider failure. A lack of direct control would also make it more difficult to ensure the maintenance of a quality service. Work to compare unit costs of the models proposed in the review to comparable services in the external market also indicate that this would be more expensive than in-house provision (only 1 of the 6 establishments came out as significantly more expensive to run in-house due to changes in its capacity, an issue which will be solved in phase two of the capital works when the establishment is extended).

The recommended option is option two. Maintaining in-house capacity and specialising would allow the Council to;

- Focus on supporting children with the most complex needs,
- Innovate with models that keep children from becoming children looked after (CLA) or going into longer term residential services,
- Retain control of its stock, which would support the shaping of the market,
- Better utilise the existing estate and buildings,
- Retain flexibility to accommodate the highest costing children whilst also offering new, innovative models,
- Retain control and therefore respond more quickly to meet a changing demand in the market if required, and

- Maintain a level of insulation from the impact of any provider failure in the external market

4. Current position – the ‘as is’

4.1 Existing delivery models

The Council’s in-house children’s residential service consists of 6 homes across the county. The current models within the homes are set out in the table below; these include the staffing position and their annual revenue budget.

Name of home	Type of service current or previous	Bed nos.	Staff allocated FTE	Staff currently employed FTE	Partners	Status/ Last Ofsted rating	Annual revenue budget
Cissbury Lodge	LD and PMLD respite and residential care	16	72.35	58.29	Nurse CAMHS OT	Closed Rated good in Sep 2017	£2,291,600
May House	Early help and intensive care for LD	3	32.5	18.0	CAMHS Education OT	Closed Rated good in Aug 2017	£754,900
Seaside	Full time residential home for CLA	6	28.5	15.23	CAMHS	Closed Rated inadequate in Jun 2018	£780,200
Orchard House	LD home full time and respite care	16	87.62	73.62	CAMHS Education	Open Rated good in Jan 2019	£2,336,900
High Trees	LD home full time and respite care	4	26.55	26.55	CAMHS	Open Rated good in Oct 2018	£806,700
Teasel Close	Full time residential home for CLA	5	21.51	18.51	CAMHS	Open Rated good in Nov 2018	£783,200
Total	-	50	269.03	210.02	-	-	£7,753,500

The total budget allocated to the children’s homes is £7,753,500 and the service employs over 200 people. The children’s homes partner with external agencies to provide additional services and support to children that are staying at the home. The

staffing structure for the homes is made up of multiple different role types and grades, without consistency across the homes.

4.2 Issues with the service

Over the years the homes have adapted and responded to need on a local level and there are occasions of this working successfully, such as High Trees. However, there is evidence of where this has had a detrimental impact on the homes and staff, such as in May House.

The significant issues that were identified as part of the residential review were;

- Lack of gatekeeping resulting in inappropriate placements, including emergency placements, which destabilise the homes,
- Inconsistency of policies and practice,
- Lack of focused staff supervision,
- Disparity of cultures amongst the staff groups, and
- Inappropriate conditions in the homes with a general lack of investment in the buildings and infrastructure

5. Future position – the ‘to be’

In line with the option to maintain capacity and based on the demand and need analysis that has been undertaken, those in-house establishments that are open and currently rated ‘good’ by Ofsted will not change significantly in terms of their delivery model.

Based on identified demand, the need for specific service types and the existing resource where services could be best delivered, the following models have been identified to deliver the strategy within the closed establishments in the in-house service;

- A home to support children and young people with learning disabilities and challenging behaviours, offering a short break service to prevent longer term residential care. Additionally, a unit will be designated to remain flexible in order to adapt to changing needs. This may provide emergency, long stay or complex health needs placements. Cissbury Lodge has been identified as a site that would be best suited to provide this service based on its historical provision to children with a similar range of needs,
- An ‘edge of care’ home to support children and young people who are at risk of entering the care system. The aim of this home is to work with children and young people to return home, go to a supported placement or prepare for independence. There is also the requirement for training flats to develop skills for independent living. Seaside children’s home, where such flats already exist, has been identified as a suitable location to provide this service, and

- An assessment unit where children and young people will be in placement for up to 28 days to enable appropriate assessments for children with complex and high risk needs. The children will be assessed, triaged and the service will work closely with them and partner agencies to meet their ongoing needs. Due to the high risk behaviours of these children, a small home would be best suited for this. May House has therefore been identified to deliver this service

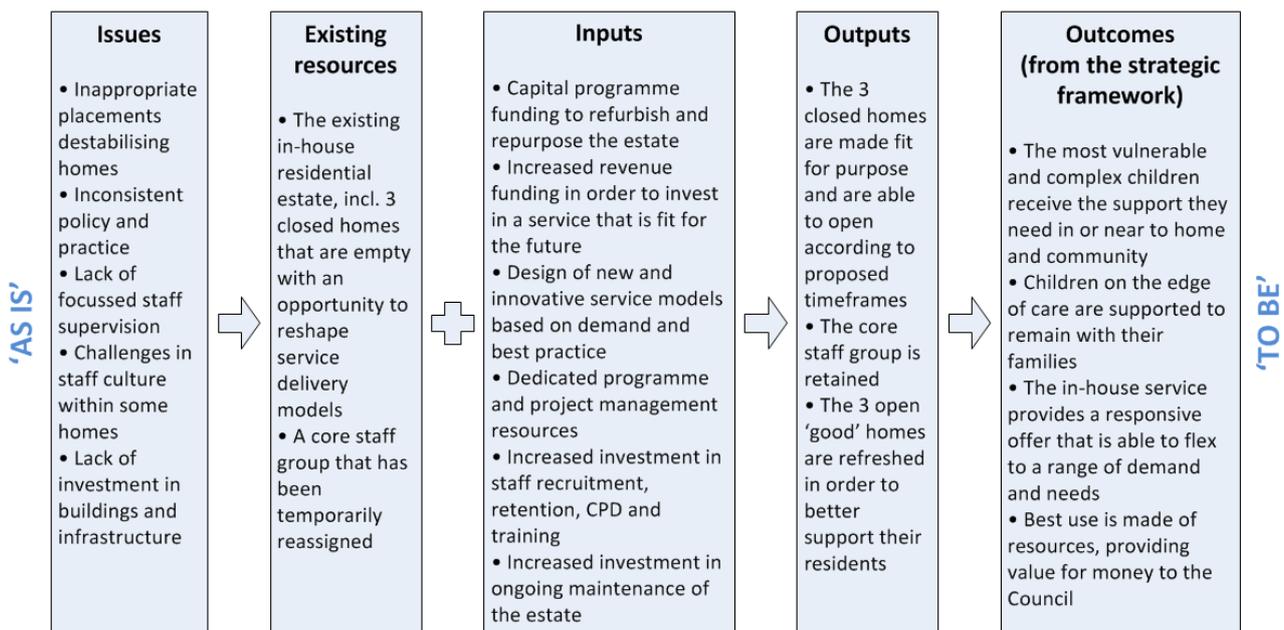
The proposed models for each home are summarised in the table below.

Type	Beds	Age Range	Existing Service
Edge of care/ independence training unit (supporting 16-25 agenda)	4 edge of care 2 pathway to independence	12+	Seaside
28-day assessment unit – CLA	3	12+	May House
Learning disability/complex health needs/ challenging behaviours	4 flexible spaces 6 learning disability, short breaks Community outreach service	11+	Cissbury Lodge
Children looked after	5	12+	Teasel Close
Learning disability/challenging behaviour	7 (short breaks) 7 (long-stay) 2 (autism)	11+	Orchard House
Learning disability	5 (long-stay/short breaks mix)	11+	High Trees
Total	45	-	-

6. Implementation of the programme

6.1 Logic model

The issues, existing resources, inputs, outputs and outcomes required of the service in order to move from the current to the future position are summarised below.



6.2 Hearing the voice of the child

The views of children and their families will be at the heart of what the residential service delivers. Through implementing the strategy, the service will better enable children in the care of the Council to thrive in a positive and supportive environment and to feel empowered to influence decisions on their care. What children have to say about the difference the residential service makes to them will continue to be heard and will inform the future development of the service, in particular through the Children in Care Council and the regular meetings that residential members of staff have with most difficult to reach young people in their care.

6.3 Programme timeline

The implementation of the programme has been split into 2 phases; these have been set out in the table below (an overview of the whole programme timeline is provided in Appendix 1).

Phase	Homes	Priorities	Period
Phase 1	Cissbury Lodge May House Seaside	The reopening of those homes that are currently closed in order to remove the current requirement to place children who could be supported at these establishments away from home and at higher cost.	September 2019 to December 2020
Phase 2	Orchard House Teasel Close High Trees	The refurbishment and refresh of those homes that are currently open and rated 'good' by Ofsted.	July 2020 to July 2021

6.4 Staffing

To enable the Council to deliver the outcomes set out in the strategic framework; staffing models have been designed for each home to ensure the operation of a safe and high quality service. The staffing models have been designed specifically for each home and the level and type of need that they will cater for, bearing in mind the lessons learned from the suspension of Seaside around ensuring sufficient and consistent levels of staffing in relation the level of occupancy.

Consistent continued professional development will be offered, with a training pathway developed for all staff teams to confirm basic skills and develop enhanced skills to work in the proposed new model. This new training pathway consists of;

- An updated residential training pathway following extensive partnership work with the Learning and Development team, which sets out training requirements, expectations and logs individual attendance,
- Monitoring the completion and effectiveness of training in supervision;
- Reflection on impact of training on a 'your learning' document,
- Registered managers maintaining an overview of individual establishment training matrices on a monthly basis,
- All senior staff undertaking observations of residential staff to ensure that learning is being put into practice and any areas for improvement to be addressed via the performance management framework where needed,
- Improvement of record keeping around attendance, ensuring management oversight,
- Ensure only the management team undertake supervision,
- New training course to create effective supervision,
- Specific practice guidance on supervision in children's homes that sits alongside the corporate supervision policy for children's social care, and
- Ofsted updated via each establishment's statement of purpose on staffing qualifications and experience (Ofsted have had the training pathway shared with them and this has received very positive feedback)

It was recognised that there were gaps in the skill set of staff. One suggestion to counter this was to have designated in-house champions. Each home will have a champion who will be trained in a specialist area. They would then be able to offer expertise within their own home and also go across the residential estate and offer in house training. Some of the areas of specialism would be child sexual exploitation, 'team teach' and focused areas of disability.

Recruitment for children's homes has traditionally been considered a challenge, with a high level of reliance on agency staff and a high level of vacancies in the service. The following approach has been developed to support the recruitment and retention of high-quality members of staff;

- A dedicated website for all vacancies within the children's homes,

- Benchmarking with other local authorities and providers, with salaries advertised with all relevant enhancements,
- A professional development pathway,
- An attractive benefits package,
- Innovative models within the children’s homes to attract talent,
- High-quality supervision with protected time for each staff member,
- Increased visibility and access to management,
- Dedicated time for teams to meet and share best practice, and
- Improved working environments in the homes

6.5 Financial implications

The estimated revenue and capital costs for the work required to all establishments is show below.

Home	Feasibility cost (revenue) £000	Capital cost (building works + fees) £000	Estimated opening
Phase one			
Seaside	125	1,650	Mid to late 2020
Cissbury Lodge	50	3,300	Late 2020
May House	125	825	Mid to late 2020
Phase one total	300	5,775	-
Phase two			
Teasel Close	40	902	Open
High Trees	40	957	Open
Orchard House	60	3,168	Open
Phase two total	140	5,027	-
Grand total	440	10,802	-

Viability studies for the estate were undertaken in December 2018. Further feasibility work and site visits have also been conducted at all phase one establishments since then. This indicates that the total requirement for capital investment will be £10.8m.

A strategic outline case for phase one was approved with feasibility work in train at the 3 establishments in this phase. Further business cases will be submitted over the coming months to secure the circa £5.8m of capital funding required for all phase one establishments in accordance with capital programme governance.

The review of staffing models, which will ensure that roles are consistent and suited to the proposed service, will result in an increase in the revenue cost. At the core of this will be changes already underway to improve training for staff and the CPD pathways. Whilst there has been a small reduction in non-staffing costs in the proposed budgets across the service, there has been an increase in staffing costs of £1.2m in order to invest in this area.

In the past, the establishments have not been well maintained across the estate. An increased budget for the ongoing maintenance of higher specification buildings, once capital works are complete, is shown below. Ancillary costs, such as food and clothing allowances and costs for back office functions at each home have also been analysed to produce the proposed budgets.

Home	Existing budget £000	Proposed budget £000	Shortfall £000
Phase one			
May House	755	871	116
Seaside	780	851	71
Cissbury Lodge	2,292	2,115	177
Phase one total	3,827	3,837	10
Phase two			
Orchard House	2,337	3,106	769
High Trees	807	856	49
Teasel Close	783	851	68
Phase two total	3,927	4,813	886
Business support	0	216	216
Maintenance	0	100	100
Grand total	7,754	8,966	1,212

Although the work intended for phase two for the three open 'good' establishments is likely to be small in comparison to phase one, the majority of the additional budget requirement lies here. This is because Orchard House, which holds the majority of the additional need, has historically had a high degree of overspend on agency staff in order to deliver a safe service. This establishment's proposed staffing model has consequently been adjusted, also taking in to account the increase in the level of 1:1 care needed, leading to a requirement to increase the budget.

Another key area driving the overall shortfall is the proposal to invest in management and business support to the service to ensure more effective upkeep of the refurbished buildings and to help deliver a more efficient and effectively run service.

To ascertain if the Council's children's homes are comparable to the market, a clear unit costing has been established. This takes into account all over heads and management costs and is the total cost to the Council to deliver the services. Additionally, it is worth noting that the unit costings have been calculated at 90% occupancy based on the level at which the homes were previously occupied, although it is anticipated that there is the potential demand to exceed this. The assumption has also been made that all capital works are approved to change the configuration of the homes.

Home	In house average weekly unit cost	Agency residential average weekly cost	Differential in cost per week
Cissbury Lodge	£5,177	£5,357	-£180
Orchard house	£4,452	£4,704	-£252
High Trees	£4,055	£4,075	-£20
May house	£7,162	£7,153	+£9
Teasel Close	£4,009	£4,335	-£326
Seaside	£3,380	£4,335	-£955

The table above shows that the Council's children's homes are comparable to the external market and offer a service at a realistic cost whilst delivering on the principles of the strategy.

All proposed models have been shown to offer the potential for significant cost avoidance. The figures shown below were arrived at by analysing demand for similar placements in the external market in 2018/19 and translating this to a demand and subsequent avoidance of placement cost in the three homes in phase one. The degree to which higher-cost subsequent placements could have been avoided was also taken in to account.

Home	No. 'eligible' identified children in 2018/19	Estimated cost avoidance £000
May House	9	530
Seaside	25	547
Cissbury	20	1,362
Total	54	2,439

This model has indicated a total potential cost avoidance of £2.4m per annum for all phase one establishments. Of this, £1.1m is expected to be delivered by the models at May House and Seaside. This was calculated using data from which cohorts which are easily identifiable, providing assurance that this level of cost avoidance is achievable. As the model proposed for Cissbury Lodge is new and untested within West Sussex, it is not possible to identify the cohort for whom services would be appropriate in the same way as has been done for May House and Seaside. However, there remains a high degree of certainty that this is the right course of action when balancing risk with the need to innovate, and there is a level of confidence that subsequently there will be sufficient cost avoidance delivered by the model. A full list of all risks and mitigations is provided separately in Appendix 2.

The closure of Cissbury Lodge and the subsequent placements required for the children previously staying there created a £2m pressure on the current children's disability team (CDT) placement budget, which the cost avoidance for phase one must answer, along with the net £1.2m increase in the service budget, in order for the model to be sustainable. The total cost avoidance of the proposed models in the long

term must therefore be at least £3.2m in order to 'break even'. £2.4m of this has so far been identified, with £0.8m still to be evidenced.

By way of mitigation it is proposed that during the capital works, officers track children going through the placement system to assess what percentage would have been able to access services in phase one establishments. The table below indicates the additional number of placements that this process would need to identify in order to be reassured of a net zero impact on the children's services' revenue budget, assuming that the additional cost avoidance required is evenly distributed across the three homes.

Home	Total additional cost avoidance required to ensure net zero impact on budget £000	No. additional children/yr this equates to
May House	258	4
Seaside	258	12
Cissbury	258	11
Total	773	28

This process will enable both a higher degree of confidence in the figures and facilitate greater understanding about the type of provision that provides the greatest return on investment. Flexibility has also been built in to the Cissbury Lodge model to allow long-term placements if required.

Whilst some cost avoidance for each establishment will begin to be realised from the point of reopening, there will be a gradual build up to the full cost avoidance estimated. This will likely accrue gradually from years 1 to 2 as more children are supported in more appropriate placements. For all establishments there will also be a period of at least 3 months after the completion of all building works where the service will be paying for staff but waiting for Ofsted registration, as per their policy, which will lead to a further delay in the realisation of any cost avoidance. There is therefore a requirement for a bridging amount of £2m in the budget for the next financial year (2020/21) in order to cover this.

7 Next Steps

- Workstreams and the necessary programme governance are to be established to ensure the implementation of the strategy
- Submissions will be drafted to ensure that the timeline for any political and capital programme decisions are adhered to
- Dedicated programme and project management resources must be secured in order to ensure delivery against the proposed timeframes

Appendix 1 – High-level programme plan

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr – Jun 2020	Jul – Sep 2020	Oct – Dec 2020
Members	Cabinet	Scrutiny	Member decision									
Cissbury Lodge	Approval for design funding	Design stage			Approval of full business case	Procurement / building works / Ofsted registration						
May House and Seaside	Approval for feasibility funding	Feasibility stage			Approval of design funding	Design / procurement / building works / Ofsted registration						
All phase 2 establishments											Feasibility stage	Design stage

Appendix 2 - Risk implications and mitigations

Description	Impact	Mitigation
Recruitment and retention of staff.	Any significant impact on staffing either in terms of staffing numbers or staff satisfaction has the potential to delay the readiness of the safe re-opening and running of the residential service.	Implementation will include a well-planned staff engagement programme, the required support and training and development intervention with effective leadership and management.
Proposed Cissbury Lodge model found not to be cost effective.	Collecting new data on the current/incoming cohort may show that the proposed model is not the most cost-effective use of this establishment.	The model and cohort can be reworked based on new data, providing this is completed prior to committing to a building design.
Stakeholder scrutiny following the decision to close Cissbury Lodge.	Any delay or issues with the reopening of this establishment has the potential to impact negatively on the residential estate and the wider re-opening of previously closed services.	Engage with the lead for the parent and carer forum to ensure that thoughts and views are considered as part of the redesign. Continued and consistent engagement with the parents and carers to ensure that there is an open relationship.
Delay in approval of capital programme funding.	Submitting multiple business cases for different parts of the review programme (i.e. phases 1 and 2) will mean multiple decision points and a greater potential for delay in the release of funding.	Project manager to work closely with the capital programme team to identify the most appropriate and effective path for business cases to take.
Requirement to temporarily re-house children.	Whilst this is unnecessary for phase one and considered unlikely for phase two, there would be an increase in placement costs was this to be required.	Close monitoring of the impact of proposed designs by the project manager, along with involvement of operational managers.
Delay in building works.	The longer that homes remain closed, more children are being placed out of county, removing them unnecessarily from their families and increasing the cost to West Sussex.	Work closely with the MDC through a dedicated Council project manager to ensure the maintenance of momentum and to minimise any delay in building works.
Programme and project management resource requirement.	Slippage and minimal risk control will mean that the projects in the programme will not meet the time, quality and costs standards that are set out to be achieved via the review.	Closely monitor capacity of the programme team and escalate risks via the Strategic Residential Improvement Board.

Appendix 3 – Case studies

Following the suspension of services one of the Council's in-house children's homes, three children have been followed to understand their progress. Since the closure, the situation within the three children's families has broken down and these children, who previously received a shared care package, are now placed, or are in the process of being placed, out of county.

Child A – Would sleep three alternate nights a week within the home and spend the remaining nights between several family members' homes. This ensured that the child's family members who were involved in care were able to have a break and Child A looked forward to seeing each of them on their different days. Child A's behaviour improved in all settings. The cost of the in-house placement was approximately £1,994.57 per week.

Child B - Was cared for three nights a week at the home, receiving an extra night each week during the holidays. Child B enjoyed their stays at the home and their behaviour and emotions improved as a result. Child B looked forward to going home and parents looked forward to seeing them. This package ensured that parents got a good break and that Child B was able to recharge, as they only slept well at the home. The approximate cost of the in-house placement was approximately £1,994.57 per week, increasing to £2,659.40 in the holidays.

Child C - Received two nights a week at the home. Although Child C's package was new, it was working well with their family and enabled both to have a break from a busy home life. The approximate cost of the in-house placement was £1,328 per week.

A comparison of costs for both the in-house and new placements is shown below for each child.

Child	In-house package	New placement package	Additional cost per week	Additional cost per year
Child A*	£1,994.57	£6,200	£4,205	£218,682.36
Child B	£2,659.40	£4,998	£2,339	£121,607.20
Child C	£1,378	£5,589	£4,211	£218,972.00
Total	£6,032	£16,787	£10,755	£559,261.56

*This is the estimated cost of a potential placement at the time of writing, as Child A has not yet been moved.

Appendix 4 – Supporting data for the local context of services

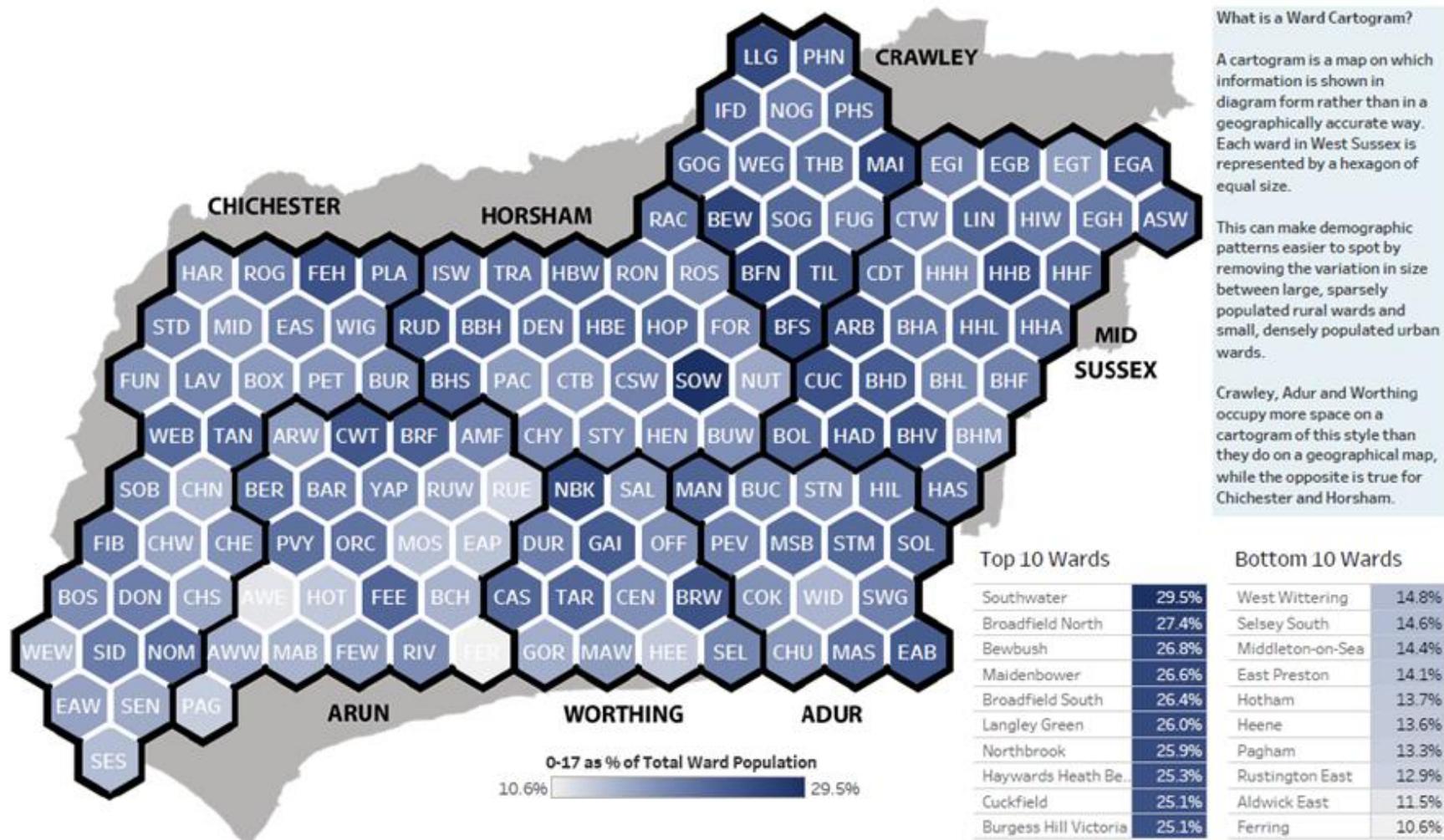
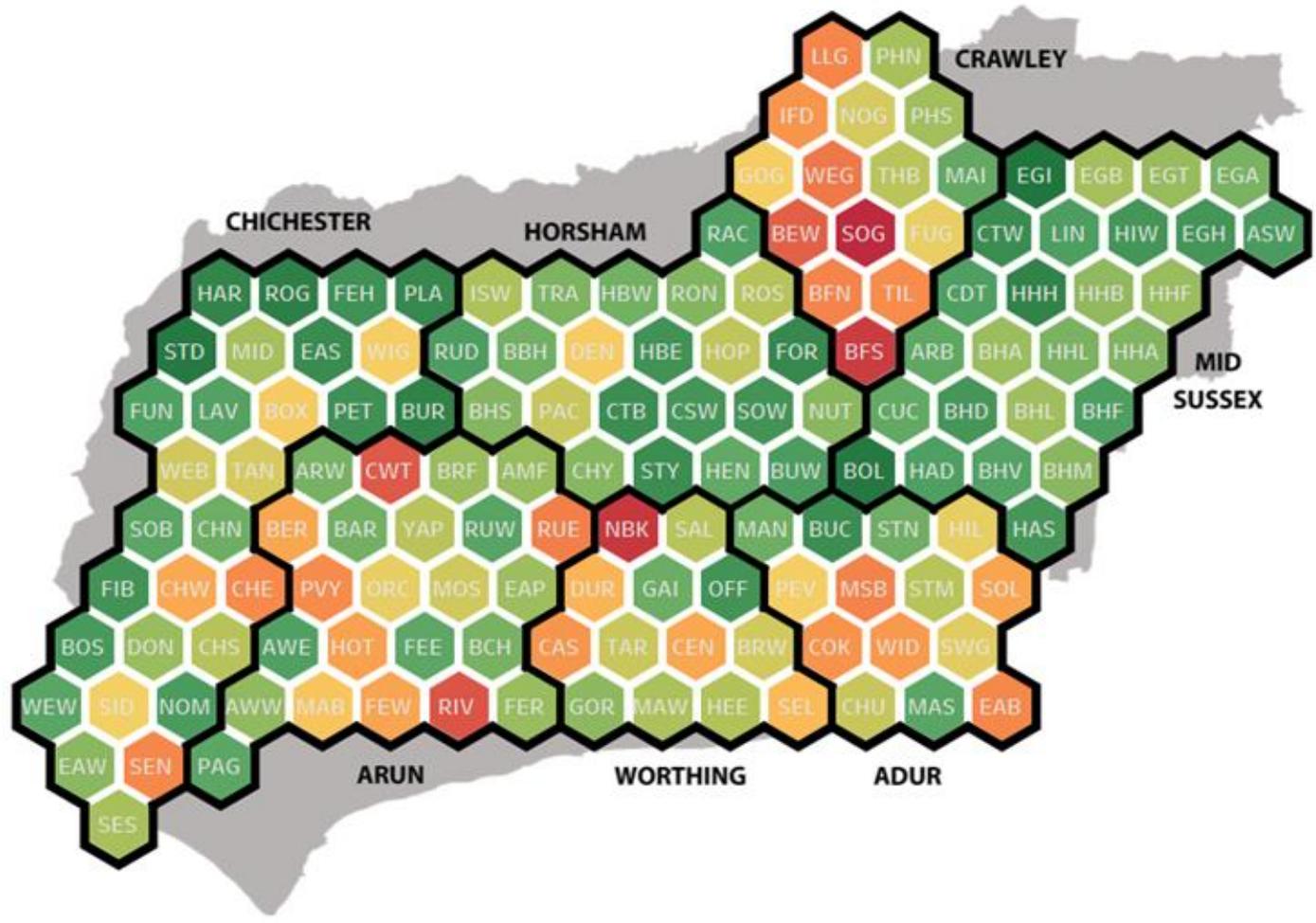


Figure 1. Ward cartogram based on the proportion of the population aged 0-17 within each West Sussex ward.



10 wards with the highest rate

Ward	District	Rate per 100
Southgate	CR	18.4
Northbrook	WO	17.6
Broadfield South	CR	17.4
River	AR	16.3
Courtwick with Toddington	AR	16.0
Bewbush	CR	15.5
West Green	CR	14.2
Rustington East	AR	13.8
Mash Barn	AD	13.6
Broadfield North	CR	13.5

10 wards with the lowest rate

Easebourne	CH	3.6
Forest	HO	3.5
Plaistow	CH	3.4
Harting	CH	3.2
Haywards Heath Heath	MS	3.1
Bury	CH	3.0
Rogate	CH	2.8
Stedham	CH	2.4
Bolney	MS	2.3
East Grinstead Imberhorne	MS	2.1

Figure 2. Ward cartogram based on the rate of referral to children's services per 100 children within each West Sussex ward