

Report to Cllr Russell, Cabinet Member for Children and Young People

October 2021

Remodelling of High Trees and Teasel Close children's homes, Crawley

Report by Ms Butler, Executive Director of Children, Young People and Learning

Electoral divisions: Broadfield; Langley Green & Ifield East

Summary

Teasel Close children's home in Crawley provides residential placements, with capacity for up to 5 children at one time. High Trees children's home in Crawley provides residential placements and short breaks for children with disabilities, with capacity for up to 4 children at one time. Both homes are graded as 'outstanding' by Ofsted.

These homes are identified for improvement works as part of phase 2 of the [children's in-house residential strategy](#), for which a total of £5.2m pipeline funding is currently allocated in the capital programme. Remodelling and refurbishment works are required to resolve critical issues with the sites, modernise the homes and improve the facilities for those children resident at the homes. As designs have developed for the homes, additional work has been identified, detailed in this report, which has led to an increase in projected costs above the original allocation for phase 2.

The key driver of increased costs is the provision of temporary accommodation, as these homes are occupied. Work is therefore required to a further County Council owned property to provide temporary accommodation for the children at Teasel Close and High Trees to reside in for the duration of the refurbishment of both homes.

Recommendations

The Cabinet Member for Children and Young People is asked to;

- (1) Approve the allocation of a further £1.863m from the capital improvement line towards phase 2 of the Residential Improvement Programme in addition to the current £5.2m allocation, to fund the refurbishment of High Trees and Teasel Close children's homes and the work to prepare temporary accommodation for children for the duration of construction.
 - (2) Approve the commencement of a procurement process for a contractor to undertake the works to High Trees and Teasel Close children's homes and the work to prepare temporary accommodation.
 - (3) Delegate authority to the Executive Director of Children, Young People and Learning for the award of the contract for these works, in consultation with the Director of Property and Assets.
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Proposal

1 Background and context

- 1.1 The [children's in-house residential strategy](#) was agreed by Cabinet Member decision in October 2019. It set out the plan for a 2-phased programme, phase 1 of which incorporated the refurbishment of 3 closed children's homes which completed in May 2021;
- Bright Star (previously Cissbury Lodge), now reopened
 - Breakwater (previously Seaside), now reopened, and
 - May House, set to reopen later this year
- 1.2 Phase 2 of the programme incorporates the refurbishment of the Council's 3 open homes;
- Orchard House in Cuckfield,
 - High Trees in Crawley, and
 - Teasel Close in Crawley
- 1.3 Feasibility studies were undertaken on all phase 2 homes. Designs were then developed for the remodelled homes, funded by a combined allocation of £603k of capital funding across all 3 homes.
- 1.4 £3.786m of further capital funding for the refurbishment of Orchard House was approved by Cabinet Member key decision in March 2021 ([decision CYP04 \(20/21\) refers](#)).
- 1.5 High Trees children's home in Crawley offers full time placements and short breaks for children with disabilities, with capacity for up to 4 children at one time. Teasel Close children's home, also in Crawley, offers full time placements for children the County Council care for. Both homes are rated Outstanding by Ofsted in their most recent inspections.
- 1.6 This report outlines the total remaining capital costs for phase 2 – the refurbishment of High Trees and Teasel Close children's homes – and the plans for the procurement of this work.

2 Proposal details

- 2.1 Both High Trees and Teasel Close children's homes will receive a full refurbishment, inclusive of internal redecorations, new flooring, improvements to existing sanitaryware/kitchen fixtures, an external insulated render system, improvements to outdoor and garden areas and reconfiguration works to improve the premises.
- 2.2 At Teasel Close, the existing converted garage space will also be demolished, and a double storey extension created to increase habitable space and improve functionality of the building.
- 2.3 At High Trees, the existing converted garage and boundary wall will also be demolished to allow for the erection of a new two storey side extension with potential for dining room/communal space, a contact room for children and families, a sensory/quiet room, additional bedroom and improved staff

facilities/office. As there is currently no off-street parking available and on-street parking is limited, it is also proposed to create space for off-street parking.

- 2.4 Temporary accommodation for children from both homes will be provided at another Council property in the Crawley area, within minutes of both homes, for the duration of construction works. The close location of this property will minimise the impact on the lives of children, in particular for their education. The work required to bring this property up to standard is now fully incorporated within budgets, leading to an increase in overall costs for phase 2.
- 2.5 It is proposed that all works are procured together under a single contractor, and will take place in the following consecutive stages;
- The work to prepare temporary accommodation, due to commence towards the end of 2022,
 - Followed by the work to High Trees children's home,
 - Followed by the work to Teasel Close children's home, with a target date for completion of all work in early 2024

3 Other options considered (and reasons for not proposing)

- 3.1 **Do nothing.** In effect, this would mean making no changes to the sites at each of the open homes. This likely represents the lowest immediate cost and in the short term the least disruption to ongoing services and children. However, given the state of the buildings at each of the open homes and the underlying issues that exist (i.e. building issues impacting service quality that are routinely picked up by Ofsted), it is likely that the cost of this option would be high in the long term, both for ongoing maintenance and due to the impact to the service, children and families as a result of service failure.
- 3.2 **Joint venture with an external provider.** This option would create issues over control and responsiveness in the in-house stock, both to meet future changes in demand and to allow room for innovation. This approach is not currently in use in West Sussex for children's residential care, nor has been for some time, so market readiness may also be an issue.
- 3.3 **Outsource all residential placements.** 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 and challenges in placing children with complex needs, which are already present in the current market. A lack of direct control may also make it more difficult to ensure the ongoing maintenance of a quality service, in particular when compared to the current positive performance of the Residential Service.

4 Consultation, engagement and advice

- 4.1 The Children and Young People's Services Scrutiny Committee considered the children's in house residential strategy, including the proposal to improve High Trees and Teasel, at the meeting on 11th September 2019.
- 4.2 The Capital and Assets Board (the Council's internal governance process for capital projects) has considered and supports the proposal and comments from the Board have been incorporated into the final proposal and recommendations.

No material changes have been made to the proposal or the recommendations since consideration by the Board.

- 4.3 The Cabinet Member for Finance and Property has been consulted regarding the allocation of the additional funding from the capital improvement budget and agreed with the proposal to use this budget to enable this project to proceed.
- 4.4 The local members have been updated on proposals for the homes.
- 4.5 The Council’s multi-disciplinary consultant (MDC), led by Faithful and Gould, was engaged to assess the feasibility of these proposals and have been engaged to deliver the design and management of the projects.
- 4.6 Planning applications will be made for this proposal, giving an opportunity for residents to raise comments and concerns about the proposed developments through the planning process. As both Teasel Close and the site for temporary accommodation are leased from Crawley Borough Council, permission for all works is being sought in line with the terms of the lease and has been received in principle, with formal consent to follow once planning permission has been received.
- 4.7 The relevant officers from finance, legal, procurement, property & assets and capital delivery have been consulted on these proposals.
- 4.8 Children resident at the homes and the staff who work there will be kept up to date as the work progresses.

5 Finance

5.1 Revenue consequences

The revenue consequences of this proposal centre around the provision of one extra bed at High Trees. The annual cost of staffing this additional bed is £71k, however this will be offset by the £240k saving arising from one less external residential placement – meaning the net revenue impact of this proposal is for a saving of £169k. This is currently estimated to be delivered in 2024/25, however this will be reviewed in line with the completion timescale of the capital work.

	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m
Existing budget – High Trees	0.841	0.841	0.841	0.841
Additional staffing cost	0	0	0	+0.071
Saving through reduced external placement cost	0	0	0	-0.240
Net change	0	0	0	-0.169

5.2 Capital consequences

The High Trees and Teasel Close decision requests a further £2.674m of capital funding, meaning a further £1.863m is required on top of the current £5.2m allocation for phase 2 to cover this. The additional £1.863m would be funded from the capital improvement line.

Item	Up to 2021/22 £m	Year 2 2022/23 £m	Year 3 2023/24 £m	Year 4 2024/25 £m	Total £m
Phase 2 allocation	-	3.000	1.500	0.700	5.200
Approved					
Orchard House	-3.427	-0.756	-	-	-4.183
High Trees	-0.101	-	-	-	-0.101
Teasel Close	-0.105	-	-	-	-0.105
<i>Subtotal</i>	<i>-3.633</i>	<i>-0.756</i>	<i>-</i>	<i>-</i>	<i>-4.389</i>
Proposed					
High Trees*	-0.349	-0.899	-0.450	-	-1.698
Teasel Close	-	-0.110	-0.866	-	-0.976
<i>Subtotal</i>	<i>-0.349</i>	<i>-1.009</i>	<i>-1.316</i>	<i>-</i>	<i>-2.674</i>
Remaining budget	-3.982	1.235	0.184	0.700	-1.863

**The cost of the work to prepare the temporary accommodation is included within the figures for High Trees.*

5.3 The effect of the proposal:

(a) **How the proposal represents good value**

Increasing the capacity at High Trees children's home by 1 placement will lead to a net saving of £169k per annum by avoiding the cost of an external placement.

(b) **Future savings/efficiencies being delivered**

A gross saving of £169k is expected as a result of the additional capacity being created at High Trees. This is reduced by financing costs of about £68k per annum.

(c) **Human Resources, IT and Assets Impact**

This proposal will extend the life of assets in use by the Council. Whilst the Council has the freehold of the High Trees site, both Teasel Close and the proposed site for temporary accommodation are leased from Crawley Borough Council, with c. 50 years remaining on both leases. Consent in principle for the works at both of these sites has been received.

6 **Risk implications and mitigations**

Risk	Mitigating Action (in place or planned)
Impact of COVID-19 pandemic and/or Brexit on the construction industry, leading to delays or increases in price.	Phase 1 of this programme has seen some impact, but this has been small when considering that work has continued largely uninterrupted throughout the initial outbreak and subsequent lockdowns. The MDC project team will liaise with contractors to ensure that all materials are ordered in good time wherever possible, building on learning from phase 1.

Risk	Mitigating Action (in place or planned)
Disruption to children resident at the home and their carers/ families as a result of moving services to temporary accommodation.	Communication and planning with children, families and staff, well in advance of any move, will help ensure a smooth transition. The same temporary accommodation will be utilised for Teasel Close as for High Trees. Staff from both homes will move with the children in order to provide continuity. The temporary accommodation is also very close to the 2 homes, minimising the impact on children's education and home lives.
Impact on staff.	The alternative accommodation is close by within the Crawley area, minimising the impact to children and staff. The service is moving more towards a 'one service' model where staff are required to work within other homes when necessary.
Legal constraints	Planning permission is being sought for all sites involved in this proposal. As 2 sites are leased from Crawley Borough Council, landlord's permission has been sought in both instances and consent in principle has been received.
Complexity of programme	This proposal involves multiple stages of consecutive work, with each dependent on completion of the last. Any delay will therefore have a knock-on effect. Sufficient time has therefore been built into the programme to account for this e.g. for the movement of children, staff and contents between sites, as well as factoring in the risk of additional delay. A single point of management within the MDC team, working with a single contractor across all sites, will ensure simplicity and minimise the risk of mounting delays.

7 Policy alignment and compliance

7.1 Legal implications

The development of both High Trees and Teasel Close children's homes is necessary in order for the Council to discharge its statutory obligations where children and young people are concerned. The development is being project managed by the Council's Multi-Disciplinary Consultant (MDC) who were procured following a fully compliant competitive process in 2018. The works contract sum estimate is below the threshold for works contracts, but the contractor will be procured in compliance with public procurement principles and the Council's Standing Orders on Contracts and Procurement.

7.2 Equality duty and human rights assessment

People with disabilities experience disadvantages across a whole range of life areas, including education, work and health. The remodelling of High Trees will enable this home to better support the children placed there and their families to achieve their full potential. Accessibility has also been taken into account in the design of both High Trees and Teasel Close.

7.3 Climate change

The following items have been proposed as part of the design to improve the sustainability of the sites and support the Council in meeting its commitment to be carbon neutral by 2030;

- Insulation improvements
- External glazing and door replacement
- Electric air source heat pump
- Photovoltaic system
- Battery storage uplift

7.4 **Crime and disorder**

Most of the homes within the Residential Service either sit within residential areas and/or are overlooked or directly adjacent to other properties. Although neighbours are often unaware of the home's purpose, issues relating to security and privacy can arise. To help resolve this, improvements to borders and fencing will be included within the scope of this proposal, as well as a review of security arrangements including CCTV and access.

7.5 **Public health**

One of the key goals of the West Sussex Joint Health and Wellbeing Strategy 2019-24, under the 'starting well' priority, is that children grow in a safe and healthy home environment with supportive and nurturing parents and carers. The remodelled homes will continue their delivery of outstanding care to create a supportive and nurturing environment in which children can thrive.

7.6 **Social value**

Some further areas where this proposal will meet Council objectives and increase social value are;

- **Keeping people safe from vulnerable situations.** Through the delivery of short breaks from High Trees, the service supports and stabilises children and families in maintaining a secure home environment, whilst both Teasel Close and High Trees provide a safe and supportive home for children and young people in full time care.
- **Helping people and communities to fulfil their potential.** Children's homes play a pivotal role in supporting a child's access to education. Residential staff work closely with children, their families and schools to enable this, from the practicalities of transport to/from school each day, to creating an environment in the home which encourages school engagement and attendance. Staff at both homes also work with children and young people to prepare them for adulthood with training in life skills. A positive preparation for independence and maintaining employment and a tenancy has a significant impact on young people's outcomes.

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Background papers - none