

**DCS/Section 151 Officers/Finance Officers Seminar Programme**

**Seminar 3 – Children’s Homes and how they support the sufficiency challenge**

**27 September 2023**

**Tina Benjamin, Surrey County Council**

**Attendees:**

**(DCS)**

Sarah Daly, Director of Children, Families and Education, Portsmouth

Sue Butcher, Slough Children First, Director of Children’s Services and Chief Executive

Sarah Hammond, Corporate Director, Children, Young People and Education, Kent

Lee-Anne Farach, Director of People, Medway Council

Mac Heath, Director of Children’s Services, Milton Keynes Council

Robert Henderson, Executive Director Wellbeing (Children & Learning), Southampton City Council

Lucy Butler, Director of Children, Young People and Learning, West Sussex County Council

Helen Watson, Director of Children’s Service, Wokingham

**Finance Directors / s151 Officers / Finance Officers and Commissioners**

Zena Cooke, Kent

Kit Lam, Brighter Futures for Children – Reading

Matt Marsden, Slough Borough Council

Mel Creighton, Southampton City Council

Sian Hedger, East Sussex

Helen Hunter, Bracknell Forest Council

Paula Bass, Bracknell Forest Council

Amy Jones, Bracknell Forest Council

Sandra Carnall, Buckinghamshire

Sonia Hattle, Milton Keynes

Angela Mann, Portsmouth

Taryn Eves, West Sussex

Stu Taylor, Wokingham

**Presenters & Organisers**

Tina Benjamin, Director for Corporate Parenting, Surrey

Deborah Glassbrook, SESLIP Consultant /Carol Flach BFfC Reading /SESLIP

**Tina Benjamin, Director for Corporate Parenting – Surrey: Children’s Homes and how they support the sufficiency challenge**

***(See PowerPoint presentation)***

**Key messages:**

* In the past most children’s homes were run by local authorities.
* In 2021, 75% of places in England & Wales run by independent providers.
* Lack of sufficient fostering placements contributes to increased use of children’s homes – around 9000 new foster families would be needed to meet the demand.
* Changes have gradually led to disproportionate availability across England with more places in the North of England compared to demand.

There has been a recent re-growth in children’s homes but this isn’t without its challenges:

* Capital costs – example given of £4m investment in two children’s homes in Surrey (one 4 bed, and one 2 bed children’s homes), cost of acquiring land/property in SE
* Commissioning arrangements – do frameworks go far enough?
* Providers – keen to encourage charity provision, issue of private providers and profit
* Regulations and the volitivity of inspection outcomes
* Planning requirements and regulations
* Workforce – staff shortages including shortages of Registered Managers, recruitment, retention, impact of pay inflation, issues around shift allowances – impact of having too much agency staffing impacting on inspection outcomes (>70% perm target)

**Questions and Answers**

*What are the pros and cons of running your own children’s homes in terms of cost?*

* The private market is high cost and many costs are hidden
* Running your own provision brings greater control and insights that make it easier to negotiate with private providers as you have more insight in to the market and real costs
* Matching and placement is a huge advantage
* Opportunity to step down to fostering – in private position once placed there is less of a driver to move children from homes – not necessarily in the best interest of the child and hidden financial costs of staying in a home when a foster placement step down might be possible

*What are the hidden extras to running your own provision?*

* Build capital, refurbishment costs, management of ratios and voids, unfilled placements etc
* Investment return period, opportunity cost of investment

*What are the implications on management time/capacity running your own children’s home provision?*

* Big impact, management time due to inspection regulations and risk of homes being judged inadequate – managing the political impact and reputational risk, senior management time managing offsite provision, time spent on impact assessments and mitigating risks,
* Don’t underestimate corporate support – HR need to understand children’s homes and HR implications for complaints, allegations, disciplinary procedures, need to be off-site not working – implications for agency and cover costs
* Corporate parenting mantra – their job to support

*A DCS asked about the appetite for a ‘No wrong door approach’ as used in the NE*

*No Wrong Door® (NWD) is an integrated service and approach to supporting adolescents in or on the edge of care. The model combines a defined culture and practice with a range of services, support and accommodation options and a team of specialists working together through a shared practice framework. The model in North Yorkshire supports adolescents aged 12-25 through a residential Hub*  which provides short-term placements and outreach (Edge of Care) support. *The goal is to reduce the number of young people coming into care, and to support those in care to find permanence in a family setting through long-term foster care, reunification with their families or independence.*

* It was noted that another additional benefit from this model was the opportunity to develop a social worker academy linked to the project for career progression from residential workers to social workers
* It was noted that there has been some consideration of this approach in West Sussex and the Regional Care Cooperatives proposal.

Partnership working and collaboration was commented on in terms of the possibility of smaller authorities working together to collaborate to run and develop a shared children’s home provision or working with charitable groups such as Barnardo’s or other third sector providers. It was noted that partnerships with for-profit companies is politically more difficult. The benefit of collaboration and partnership work is mainly around the shared risk and attractiveness of recruitment potential. Authorities may be in a better position to secure the release of estate property and third sector running shares the staffing risk whilst collaboration across authorities is likely to reduce voids and vacancies.

*One of the Finance Directors asked about the business case, risk and impact on reserves of capital investment.*

* TB commented on the need to take the leap and that the risk is that costs are continuing to go up and there is little control over the market.
* A request was made to share business cases and risk assessments.
* TB commented on the lack of a national government solution and the need to think locally and regionally in the face of escalating costs and examples of very high placement costs for more complex cases.
* Finance Directors who have taken the leap to building their own provision commented on the work that had been done around modelling and building the evidence base – e.g. in West Sussex.
* Reference was made to the potential to repurpose some of the secure estate e.g. in East Sussex.
* It was noted that the financial modelling should include periods of non-occupancy when costs would still be incurred to model worse case scenarios etc.
* It was noted that some independent providers are willing to share their modelling and risk approach.
* Colleagues discussed their ability to work collectively to influence the market and manage risk.

*The group discussed the use of Section 75 Agreements*

* TB commented on the use of section 75 agreements to share costs with health colleagues e.g. through The Hope Service in Surrey which they are trying to expand to prevent children coming in to care.
* It was noted that Southampton are looking at The Hope model with a view to opening a complex facility in Southampton in the next 12 months.

**Actions:**

1. **The Children’s Home Association - ICHA to be approached to see what information they are willing to share with SESLIP colleagues. Did we agree who was doing this?**
2. **SESLIP colleagues to share risk assessments and business cases, staffing structures etc with Carol Flach in the first instance and then for sharing with the group.**
3. **Deborah Glassbrook to follow up with Alison Jeffery and Richard Tyndall around seminar topics and continuation of the seminar programme in 2024.**

**Next Steps and Future Seminars**

November 29th, 2023: Lisa Holmes – social care cost pressures and variation in unit costs

Other topics in 2024 to include:

* Benchmarking costs
* The relationship between unit costs and outcomes
* The cost of improvement and what it costs to improve a service from inadequate to good
* Parent and child residential placements
* A series of seminars around SEND – this was considered the most urgent area for the group to discuss in January and February.

**Circulation list**

* Please can you update us if you know someone has moved on so that we have the most up to date circulation list for DCS and section 151 Officers.

**Evaluation**

* Please share your thoughts on what more you would like, topics, discussion areas.

**Finance sponsor**

* It would be really helpful to have a Finance sponsor for these seminars and for developing the network. Please let Alison know if you are willing and able to do that.

***Alison can be contacted on alison.jeffery@eastsussex.gov.uk***

***Deborah can be contacted on*** ***Deborah@optimisingpotential.co.uk*** ***or 07882 158959***

***Carol can be contacted on cdflach@yahoo.co.uk***