

Report to Cabinet

Title:	Children's Homes – Local Provision
Date:	24 April 2017
Date can be implemented:	03 May 2017
Author:	Cabinet Member for Children's Services and Cabinet Member for Resources
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Portfolio areas affected:	Children's Services, Resources

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

The Council's Change for Children Transformation Programme seeks to build a strong and financially sustainable future for children and families across Buckinghamshire. In the context of increasing demand on services, and reducing government funding, it aims to achieve changes in the way we deliver services so we provide children and families with the right support at the right time, target services better and work with partners to ensure we can continue to educate and protect children and improve their life chances.

One of the objectives within this Programme is to reduce the reliance on expensive external residential placements and a second related objective is to place more children locally to minimise the disruption to their lives. To help deliver those objectives investigation has been undertaken to explore the establishment of more local Children's Homes.

The outline business case for the establishment of local children's homes is appended to this report. This business case has been presented to both the One Council Board and Asset Strategy Board prior to being presented to Cabinet here and has their in principle support.

There are currently a number of council buildings that are being considered as potential use for children's homes following appropriate building work and modifications. However, there is



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also the potential to purchase properties on the open market which would have the advantage of bringing online a children's home sooner. In order to be able to bid for any identified property on the open market, or carry out improvement works to existing Council properties, approval is required from Cabinet to add this to the Capital Programme and to fund this from prudential borrowing. It is therefore requested that Cabinet approve this decision in principle but delegated to the Cabinet Member for Children's Social Care and Cabinet Member for Resources the approval of specific projects up to an overall value of £2m.

Recommendation

That Cabinet

- 1) approves the business case for the provision of additional residential places for children in Buckinghamshire; and**
- 2) agrees to prudentially borrow up to a value of £2m to fund the additional property purchases.**
- 3) delegates to the Cabinet Member for Resources, in agreement with the Cabinet Member for Children's Services, the authority to purchase properties and carry out improvement works as required funded by prudential borrowing up to an overall value of £2m.**

A. Narrative setting out the reasons for the decision

Benchmarking analysis indicates that the number of Looked after Children in Buckinghamshire is broadly in line with expectations based on comparators. However, the cost of providing these children with support is substantially above average. This would appear to be significantly due to reliance on relatively expensive external residential placements and on Independent Foster Agencies, rather than the Council's own carers. A significant element of the Change for Children Programme is therefore to look at how those children can be brought closer to home, which should offer improved care and at the same time reduce costs.

One element of this approach is to establish more local children's homes which are appropriately focussed on meeting the needs of Buckinghamshire's children. An outline business case has been prepared to explore the costs and benefits associated with establishing more local homes. This is included as Appendix 1 to this report. This business case clearly demonstrates the advantage of establishing further children's homes locally rather than relying on the spot purchase market. There are a number of options for how that local delivery may be made and the relative merits of these are more marginal. However, looking at the non-financial benefits and the risks associated with the various options in-house provision is the favoured option.

In pursuit of this option the Strategic Assets Team (Corporate Landlord) has been investigating both the use of existing Council property assets and suitable properties available on the open market.

The outline business case for Children's Homes has been presented to both One Council Board and the Asset Strategy Board and received in principle support from both. However, the Capital Programme approved recently by Full Council does not include either the cost of this project, or how the project would be financed. This report therefore seeks approval to add the project to the Capital Programme and to prudentially borrow in order to fund it.

B. Other options available, and their pros and cons

The various options available for the provision of local Children's Homes and their pros and cons are set out in the Outline Business Case appended to this report.

C. Resource implications

It is proposed that the cost of purchase and adaptation will be funded from borrowing. The savings arising from the project will exceed the financing costs of the borrowing.

Inevitably in these situations there is a need to fund the investment up front and the payback comes over an extended period following. The actual savings made will depend on individual cases, however based on the average cost of current external placements compared with the in-house option proposed the payback period is expected to be in the region of 3 years. The revenue cost of funding the borrowing has been taken into account in costing the new proposal and this still demonstrates substantial savings.

D. Value for Money (VfM) Self Assessment

The value for money is demonstrated by the appended business case. This shows that even allowing for the cost of financing the borrowing the proposed course of action is cheaper than the current approach and other options considered.

E. Legal implications

To be able to use a private property as a children's home planning permission for a change of use will be required. In addition all children's homes and their managers have to be registered with Ofsted before becoming operational.

The Council is able to borrow in line with its Treasury Management Strategy prepared under the Prudential Code.

F. Property implications

The property implications are explicit in this report and the supporting appendices. If the recommendations in this report are supported the Council will own additional residential properties with a view to conversion to a Children's Home.

G. Other implications/issues

N/A

H. Communication issues

Inherent in taking these proposals forward will be the need to gain planning approval for the change of use of the property to use as a children's home. This will necessarily involve engagement with the local community and other stakeholders through the Location Assessment for each home.

I. Progress Monitoring

There is a Programme Board for the Change for Children Programme which regularly monitors progress against all the underpinning projects delivering the wider programme.

J. Review

A review of the impact of the project will be undertaken at key milestones to ensure that the intended benefits are being delivered.

Background Papers

Appendix 1 – Outline Business Case

Your questions and views

If you have any questions about the matters contained in this paper please get in touch with the Contact Officer whose telephone number is given at the head of the paper.

If you have any views on this paper that you would like the Cabinet Member to consider, or if you wish to object to the proposed decision, please inform the Member Services Team by 5.00pm on Friday 21 April 2017. This can be done by telephone (to 01296 387969), or e-mail to democracy@buckscc.gov.uk