



## LEAD MEMBER FOR CHILDREN AND FAMILIES

**DECISIONS** to be made by the Lead Member for Children and Families, Councillor Sylvia Tidy

**MONDAY, 11 DECEMBER 2017 AT 10.15AM OR AT THE CONCLUSION OF THE LEAD MEMBER OF EDUCATION AND ISEND, WHICHEVER IS THE LATER**

**CC2, COUNTY HALL, LEWES**

### **AGENDA**

- 1 Decisions made by the Lead Cabinet Members on 12 October 2015 (*Pages 3 - 4*)
- 2 Disclosures of interests  
Disclosure by all Members present of personal interests in matters on the Agenda, the nature of any interest and whether the Member regards the interest as prejudicial under the terms of the Code of Conduct
- 3 Urgent items  
Notification of items which the Lead Members consider to be urgent and propose to take at the end of the appropriate part of the Agenda
- 4 Proposed Extension of Lansdowne Secure Children's Home (*Pages 5 - 24*)
- 5 Any urgent items previously notified under agenda item 3

PHILIP BAKER  
Assistant Chief Executive  
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1 December 2017

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## LEAD MEMBER FOR CHILDREN AND FAMILIES

MINUTES of a meeting of the Lead Member for Children and Families held in CC2 at County Hall, Lewes on 12 October 2015.

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Councillors Field, Forward, St Pierre and Whetstone spoke on item 3 (see minute 2).

### 1 REPORTS

- 1.1 A copy of the reports referred to below are contained in the minute book.

### 2 ONGOING FINANCIAL SUPPORT TO FOSTER CARERS WHO APPLY FOR A SPECIAL GUARDIANSHIP ORDER OR AN ADOPTION ORDER

2.1 The Lead Member for Children and Families considered a report by the Director of Children's Services which sought approval to make changes to the financial support for foster carers who apply for a Special Guardianship Order or for an Adoption Order.

2.2 RESOLVED to approve changes to the financial support to foster carers who apply for a Special Guardianship Order or for an Adoption Order, as set out below:

- (i) For a foster carer who is becoming a Special Guardian for a child that was previously fostered, for the first two years post order their ongoing payment (including their maintenance allowance and fee) will remain the same. At the end of the second year, a taper will be introduced for the fee element, 60% for the first 6 months and 55% for the remaining 6 months, so that by the end of the third year only the maintenance element will be payable until the child reaches 18 years old
- (ii) Any ongoing additional payments (i.e. the fee element) to foster carers after 3 years will be made if the Local Authority considers the case to be exceptional and payment would need to be agreed by the Assistant Director of Children's Services.
- (iii) After 3 years, a foster carer who has adopted a child that was previously fostered must be assessed as qualifying for an Adoption Allowance in line with ESCC's policies in order for payment to continue. Allowances are not intended to apply to young single children or to babies with no particular special needs for whom suitable adoptive parents are more readily available. It is likely to be applied to older children, to sibling groups and to children with special needs.
- (iv) There will be protection of current payments for those existing former foster carers who are already in receipt of ongoing allowances as part of their initial support plans, under the "No Detriment" principle for both SGO's or Adoption Orders. ESCC will continue to honour these existing agreements made in good faith.

#### Reasons

2.3 Greater financial control is necessary with reduced resources within East Sussex County Council. The changes to the financial support to foster carers who apply for a Special Guardianship Order or for an Adoption Order will enable savings to be made.

(The meeting ended at 10.43am)

**Report to:** Lead Member for Children and Families

**Date of meeting:** 11 December 2017

**By:** Director of Children's Services

**Title:** Proposed Extension of Lansdowne Secure Children's Home

**Purpose:** To consider the business case for extending Lansdowne Secure Children's Home

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## RECOMMENDATIONS

The Lead Member for Children and Families is recommended to:

1. Note the work of the project group when considering the benefits and risks associated with a proposed extension; and
  2. Agree to extend the current number of beds at Lansdowne Secure Children's Home from 7 to 11/12.
- 

### 1. Background

1.1 Lansdowne currently provides 7 beds in a secure environment for children between the ages of 11 and 17 years of either gender. Orders for placing a child in a secure environment are granted at court when children have a history of absconding and are likely to abscond from any other description of accommodation, and they are likely to harm themselves or others.

1.2 Children placed at Lansdowne may be from any Authority in England and Wales. Hampshire County Council runs a national co-ordinating referral service for all welfare beds in Secure Children's Homes. The beds at Lansdowne are sold on a business model to offset running costs and provide a further stream of income for the East Sussex County Council (ESCC) Children's Services Department.

1.3 The proposed extension would increase the number of secure welfare beds available to the national system at Lansdowne from 7 to 11/12. The proposed plans include high dependency provision which can be used flexibly, depending on demand. If the current time line is met the extension would be completed by March 2020 and Lansdowne would remain operational as near as possible at its current level throughout the building work.

1.4 Individual packages of care are available, including education and bespoke psychological and physical health support for young people. Their complex needs are addressed by a multi-disciplinary team.

1.5 The current Lansdowne building opened in May 2013 with a proposed area for a future extension, if needed, agreed with the Planning Authority. The Department for Education (DfE) approached the Children's Services Department in early 2017 to appraise the desire to extend Lansdowne. The demand for secure beds across the country has shown a rapid increase and on most days there are far more authorities having been granted a Secure Order and seeking to place a young person than there are beds available, especially for high dependency provision.

1.6 High dependency refers to young people with extremely challenging behaviours and complex needs that require higher staffing ratios, additional interventions and management away from the rest of the resident group. They are most likely to be young people with extreme mental health needs but who do not meet the criteria for admission to a mental health facility, or young people who display a high level of aggression.

1.7 The DfE was very supportive and encouraging about the proposal for high dependency bed spaces to be included in the extension plans, as these are currently very limited across the country for hard-to-place and challenging young people who meet the secure criteria. At present a debate about a national commissioning model is in its early stages but it is too soon to know confidently what this could mean for Lansdowne.

1.8 Lansdowne has a 'good' Ofsted rating and is building a reputation for working positively with young people at risk of child sexual exploitation and self-harm. As a result, Lansdowne generally accepts more referrals for girls. The unit is often unable to accept referrals for boys with challenging behaviours as it is difficult to match their needs with the young people already in placement, especially as those boys are likely to display similar behaviours to the perpetrators of the girls' abuse. The aim with the extension is to create a range of separate living areas so there can be more flexibility about the referrals that can be accepted.

## **2 Supporting information**

2.1 The options for the layout of the extension have been considered and various designs have been drawn up by the architectural team and discussed at project meetings. These take into account client demands and needs; challenges of available space; impact on the existing unit and residential area; and cost implications, sustainability and working environment for safety and homeliness.

2.2 The proposed configuration was discussed in great detail in project meetings to ensure that the final extension was designed to be flexible in order to adapt to any potential change in market demands for high dependency beds (i.e. it could revert from 11 beds with 2 high dependency areas to 12 beds with 1 high dependency or stepdown area). Flexibility was considered as a key issue.

2.3 The Project group consists of:-

- Orbis Property/ East Sussex County Council
- Lansdowne Managers and Education providers
- DfE Advisers to Government
- IBI Group Architects
- Ofsted

2.4 The group has met every two weeks since July 2017 to take forward discussions on design and consider plans.

### **Costs, benefits and funding of viable options**

2.5 Any option to extend the building will be funded totally via a Capital Grant from the DfE. The most viable option is to increase the capacity to 11/12 beds which will be used as follows:

- 9 beds which will have a staffing ratio of 6 staff to 9 young people (in 3 different areas of the building).
- 2 high dependency areas which will have 3 staff on duty in total (i.e. children have 1:1 support with another staff member available); or 1/2 staff to 2 young people if there is less demand for high dependency support than anticipated and one of the high dependency areas is used for 2 young people.

2.6 The estimated costs for residential staff, non-staff costs and potential income can be seen in **Appendix 1**. These costs assume all beds will be filled every day of the year and at any one time 2 East Sussex children will be placed. Clearly fewer East Sussex children placed could result in higher income generation.

2.7 The estimated costs include replacement of equipment and furnishings; and minor repairs and redecoration when required. If any significant upgrades are required, Lansdowne can apply to the DfE for capital grants.

2.8 The high dependency areas provide stand-alone units with their own living area, small kitchen and outside space that will be able to offer bespoke support to the most challenging of

young people. They will be individually cared for and kept safe away from other young people until they are able to relocate to live alongside the group. For high dependency placements local authorities could be charged twice the nightly rate to take into account the increased staffing costs. There are very few high dependency beds already in existence in the secure estate but where they do exist, for example in the Atkinson unit in Exeter, this cost model is in place.

2.9 Within the new extension there are 2 bedrooms that will offer access to a break out room where young people can be managed away from the other residents for short periods of time. These young people are likely to require 1:1 staffing. Currently, if young people require additional staffing for extended periods of time we charge local authorities for the increased costs. We envisage that this arrangement will continue.

2.10 The new extension would also provide a lounge and dining area for young people and be of two storey construction to provide additional administrative capacity on the first floor, with increased office space for the Health Team, storage space for young people's belongings, a meeting room for staff, a staff sleep-in room with en-suite and a duty manager office.

2.11 One of the high dependency units will be created by internally altering the existing unit. This area will be easily adapted from 1 bedroom and a lounge to 2 bedrooms if the demand for high dependency beds diminishes and a 12 bedded home is required. This distinct area will also have a small kitchen area and therapy room.

2.12 The new extension will provide a new multi-purpose classroom on the school site, required due to the increased number of young people accommodated. Additionally, a video conference room has been proposed and planned to allow young people to provide evidence or to appear in court without having to leave the building, reducing the risk of absconding and cutting costs in escort provision.

2.13 The proposed plans can be seen in **Appendix 2** and **Appendix 3**.

### **Education Provision**

2.14 Currently, the education provision at Lansdowne is provided by the Sabden Federation and partly funded by the Dedicated Schools Grant (DSG).

2.15 Over the last 18 months almost 40% on average of children in Lansdowne have been East Sussex children. The majority of these children have special educational needs and an Education, Health and Care Plan (EHCP). The financial model in **Appendix 1** allows for the accommodation of 2 ESCC young people at any one time. This assumption makes the financial model viable; if these children were placed in alternative accommodation they would require specialist education provision and incur significant costs to ESCC.

2.16 More work with the Sabden Federation is needed to finalise definitively the staffing structure and hence the costs.

### **Income**

2.17 As stated above, it has been assumed that 2 ESCC young people will be accommodated at any one time based on previous figures. This affects the generated income as Lansdowne does not charge ESCC for placements (as is not the case with other local authorities). This, therefore, impacts on the ability to meet existing income targets.

2.18 The cost of accommodating ESCC young people in Lansdowne in 2015/2016 and 2016/2017 can be seen in the table below. The effect of this on the overall budget was greater in 2016/17 due to the secondment of an additional registered homes manager for a period of 5 months whilst the existing manager was absent. This was a requirement by Ofsted. The impact on the budget of accommodating ESCC young people in Lansdowne is as follows:

Year	Net Income BEFORE cost of ESCC children	Cost of ESCC children	Overall effect on budget
2015/2016	£149,301 profit	£371,277	- £221,976
2016/2017	£243,328 profit	£723, 430	- £480,102

2.19 For the purposes of calculating potential income once the extension is complete, we have assumed a cost per child per night of £900. As can be seen in **Appendix 1**, if all the beds are sold to other local authorities each and every day the profit could be £1,455,370. This obviously reduces if ESCC children are placed and if 2 ESCC children are placed then the profit would reduce to £798,370. It is worth noting the equivalent cost of a bed being empty for a year is £328,500.

2.20 During building works, there will be decreased capacity and therefore reduced income. It is estimated that, during the programme of works, capacity will be reduced by two beds for at least 1 year. This equates to a loss of income of £587,650. It is not possible to manage this loss of income during the year of the building construction from within current Children's Service Department budgets. Corporate funds will therefore be used to cover this one-off loss of income on a cashflow arrangement on the basis that it will be repaid from the additional income that Lansdowne will be generating when the expanded service and beds are in operation. It is projected that this will be within the first 2 years of operating the expanded unit.

## Risks

2.21 The risks inherent in the building project can be seen in the risk log in **Appendix 4**.

2.22 The risks to ESCC of extending the service are as follows:

- The demand for high dependency referrals may not continue until the proposed completion date of 2020 and beyond, although this is unlikely.
- Other local authorities may not have the desire and financial resources to afford such provision given the current financial climate.
- Inability to recruit high quality staffing.
- The local authority would be committed to providing the increased running costs in terms of repairing and maintaining the building, systems and furnishings.
- Provision of services to such complex and challenging young people will attract additional scrutiny from regulatory bodies and create a risk to ESCC in the event of a significant incident within the home.
- If the DSG is withdrawn to part fund education provision this will have an impact on the overall profit margin.
- Consideration is currently being given as to whether commissioning of secure beds should be centralised and managed away from local authorities. At this early stage, an initial report has been circulated to Directors of Children's services. This can be found in **Appendix 5**.
- It is unlikely that beds will be filled on a daily basis increasing the possibility of the home falling into deficit.
- The mix of young people increases the reputational risk of the local authority should something go wrong.



### **3. Conclusion and reasons for recommendations**

3.1 There is a business case for expanding the Lansdowne Secure Children's Home, taking into account the current performance of the service, the cost of operations, the charges that can be applied to placements and the level of demand that are known and anticipated for such placements.

3.2 There are a number of risks that are recognised in respect of operating a secure unit, and increasing capacity also increases the financial risk of earning income from placements outside of ESCC to cover operating costs. However, we consider the benefits outweigh the risks and it is therefore recommended that the Lead Member approves the expansion of the unit as outlined.

3.3 The Lead Member for Children and Families is recommended to:

1. Note the work of the project group when considering the benefits and risks associated with a proposed extension; and
2. Agree to extend the current number of beds at Lansdowne Secure Children's Home from 7 to 11/12.

**STUART GALLIMORE**  
**Director of Children's Services**

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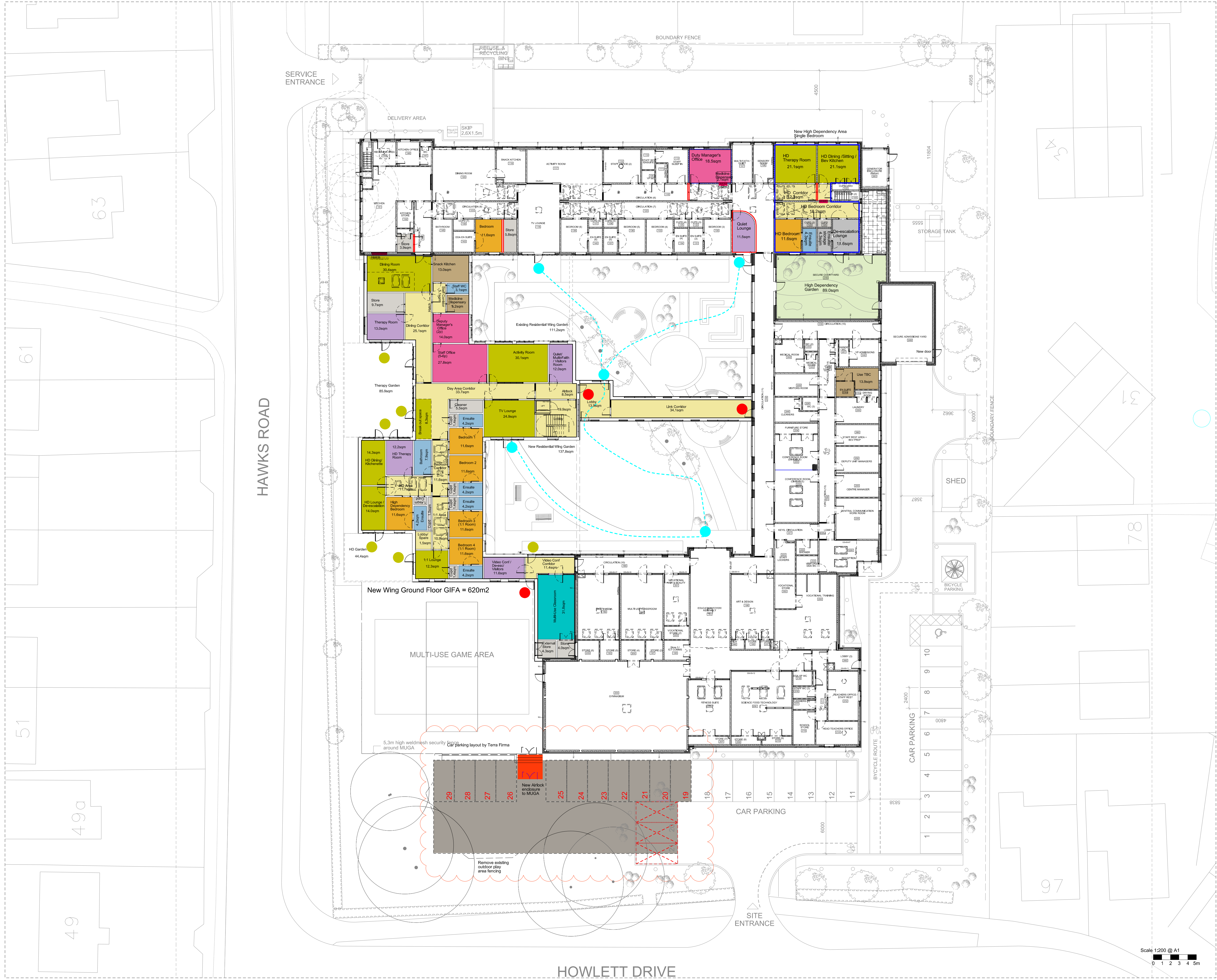
LOCAL MEMBERS  
Councillor Bob Bowdler

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Calculated on top April 2017 Salary scales							
Lansdowne Secure Unit - Budget	FTE	Grade	Full time salary	Pro-rata salary	Oncost Rate	Individual Salary & oncosts	Total Salary & oncosts
Forecast for 11/12 Beds					%		
Registered Homes Manager	1	LMG3	£51,440.00	£51,440.00	29	£66,357.60	£66,357.60
Deputy Manager	1	LMG1	£40,596.00	£40,596.00	29	£52,368.84	£52,368.84
Assistant Manager	3	SS 10/11	£36,120.00	£108,360.00	28	£46,233.60	£138,700.80
Senior Residential Childcare Workers	4	SS8	£25,708.00	£102,832.00	27	£32,649.16	£130,596.64
Residential Childcare Workers (Day)	27.24	SS7	£22,957.00	£625,348.68	26	£28,925.82	£787,939.34
Residential Childcare Workers (Night)	3	SS7	£30,600.00	£91,800.00	26	£38,556.00	£115,668.00
Admin	1	SS7	£21,463.00	£21,463.00	26	£27,043.38	£27,043.38
Receptionists	2	SS4	£16,778.00	£33,556.00	26	£21,140.28	£42,280.56
Facilities Senior	1	SS8	£23,842.00	£23,842.00	27	£30,279.34	£30,279.34
Driver/Handyperson	0.54	SS4	£16,778.00	£9,060.12	26	£21,140.28	£11,415.75
Domestic Assistant	2.4	SS2	£15,241.00	£36,578.40	24	£18,898.84	£45,357.22
Cook	1.27	SS4	£17,554.00	£22,293.58	26	£22,118.04	£28,089.91
Kitchen Assistant	1	SS2	£15,613.00	£15,613.00	24	£19,360.12	£19,360.12
Assitant Residential Childcare Officer (School Liaison)	1	SS5	£18,070.00	£18,070.00	26	£22,768.20	£22,768.20
			<b>Hrly Rate</b>				
Total hours per year to cover for 27.24 RCW bank holiday/AL (36 x 8 x 27.24)	7845.12		£11.93		22		£114,182.58
Total hours per year to cover for 3 NRCW bank holiday/AL (36 x 10.25 x 3)	1107		£15.90		22		£21,473.59
Sickness/Maternity/Personnel Process Cover (Estimation)							£120,000.00
Sleep in 365 @ £34.68 per night 2 x RCW					22		£30,886.01
Additional 98 sleep-ins to allow for claims when staff are on AL or sick					22		£4,146.34
On-call @ £26.70 per night plus additional £26.70 w/e & bank holiday (26.7*365 + 26.7*114)					22		£15,602.95
<b>Total Estimation</b>							<b>£1,824,517.16</b>
<b>Premises &amp; Non Staffing</b>							
Estimation	£1,000,000.00						<b>£1,000,000.00</b>
<b>TOTAL COST Estimation</b>							<b>£2,824,517.16</b>
<b>Income</b>							
<b>Maximum Income Achievable at estimated rate</b>							
9 beds full occupancy at price of £900 per night	£2,956,500.00						
2 beds full occupancy at price of £1800 per night	£1,314,000.00						
<b>Total Income Estimation</b>	<b>£4,270,500.00</b>						
<b>Profit Estimation</b>	<b>£1,445,982.84</b>						

2 ESCC children per night	-£657,000.00
Profit Estimation if 2 ESCC yp (figure will vary according to number of ESCC yp)	£788,982.84

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North Sign / Key Plan

The following external model files are included within this drawing:

Sign Off / Drawing Approved

On behalf of:

Signature

Print Name

Date

On behalf of:

Signature

Print Name

Date

P1	26.09.17	Gateway 2 - 1:200 Sign off	Dn	Rv
Rev	Date	Revision Notes		

East Sussex County Council

IBI

Project  
LANSDOWNE CHILDRENS CENTRE  
SECURE UNIT  
HAILSHAM, EAST SUSSEX

Drawing Title  
Proposed Ground Floor Plan

Job Number	Date	Scale@A1
51253	Sept 2017	1:200 @ A1

Status  
Preliminary

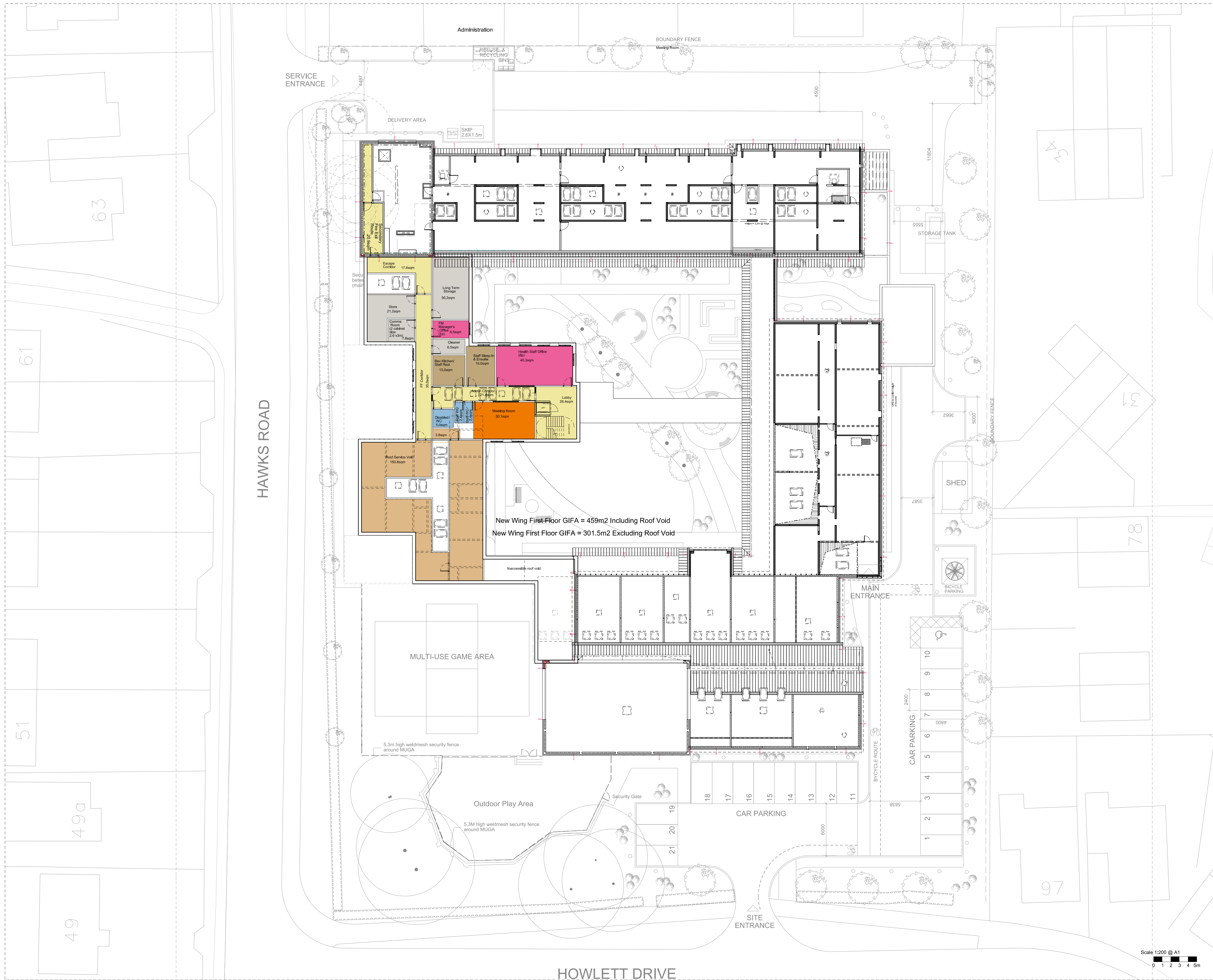
Purpose  
Sign Off

Drawing Number	Revision
51253-IBI-WB-00-PL-A-200-001	P1

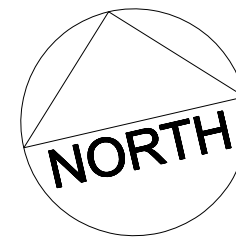
Appendix 2

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Notes:
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North Sign / Key Plan



The following external model files are included within this drawing:

**SIGN OFF / DRAWING APPROVED**

On behalf of:

Signature \_\_\_\_\_

Print Name \_\_\_\_\_

Date \_\_\_\_\_

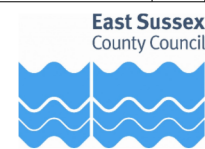
On behalf of:

Signature

Print Name \_\_\_\_\_

Date \_\_\_\_\_

P1	26.09.17	Gateway 2 - 1:200 Sign off		
Rev	Date	Revision Notes	Dn	Rv



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Project  
**LANSDOWNE CHILDRENS CENTRE  
 SECURE UNIT  
 HAILSHAM, EAST SUSSEX**

Drawing Title  
**Proposed First Floor Plan**

Job Number <b>51253</b>	Date <b>Sept 2017</b>	Scale@A1 <b>1:200 @ A1</b>
Status <b>Preliminary</b>	Purpose <b>Sign Off</b>	
Drawing Number		Revision
<b>51253-IBI-WB-01-PL-A-200-002</b>		<b>P1</b>

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# Risk Log

The purpose of this document is to summarize, analyse and assign a status to project risks.

Project Title	Lansdowne Secure Children's Home - Extension
Reference	
Sponsor	Liz Rugg (Children's Services Department)
Customer	Children's Services
Author	Christian Williams
Date	11/09/17
Version	1.0

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No.	Date raised	Risk <sup>1</sup>	Impact <sup>2</sup>	Risk assessment  1 = Low; 3 = High Impact x Likely = Result			Proposed or actual Countermeasure(s) <sup>3</sup>	Owner	Status open/ closed
				Impact	Likely	Result			
	25/07/17	ICT Risk – Risk of ESCC ICT team not delivering as expected.	Effect on the delivery of service.	2	2	4	Clearly define ESCC ICT team’s scope of what required and ensure early input in to the project. Monitor ICT project staff with and ensure regular updates.	ESCC	Open
2	25/07/17	ICT Risk – Risk of insufficient Comms Room space to cater for increased volume of ICT traffic on site (following extension).	Effect on service delivery. Effect on performance of ICT and security / Comms systems at Lansdowne. Possible overheating of Comms room.	3	1	3	Early involvement of ESCC ICT. Team to investigate possibility of relocating Comms room from existing location above residential wing to new location above extension or possible split Comms room in to 2 locations.	ESCC	Open

3	25/07/17	ICT Risk – ICT Project team attrition rate. The Phase 1 project experienced multiple changes in ICT staff. Every new member of staff had to start from scratch as there was little evidence of any handover from old to new.	Effect on success of ICT solution and delivery of solution.	3	2	6	Early involvement of ESCC ICT. Escalate to Director level should the trend from Phase 1 occur again in Phase 2.	ESCC	Open
4	25/07/17	Planning Risk – Risk of Planning restrictions on design / footprint of new building extension.	Effect on suitability of building. There may insufficient floor space due to Planning restrictions. Or internal outdoor courtyard space compromised in order to accommodate required building footprint.	3	2	6	Engage with Planners early via the Monthly Open Planning Meetings. NB. Team has already met Planners on 24/05/17 prior to the initial Grant Application.	ESCC	Open
5	25/07/17	Site Risk – Insufficient capacity of electric / gas / sewerage / water utilities to site.	Upgrades to local infrastructure (eg substation upgrade) required causing delay to programme and additional funding required.	3	3	9	Early consultation with Statutory Authorities required to downgrade likelihood.	ESCC	Open
6	25/07/17	Site Risk – Insufficient capacity of existing Mechanical and Electrical plant / equipment.	Upgrades to plant required – effect on budget estimate.	3	3	9	Urgent review of existing plant capacity required to downgrade likelihood.	ESCC	Open
7	25/07/17	Loss of ICT services and connectivity while under construction.	Risk to functioning of Unit	3	1	3	Have a contingency plan in place in the event that connectivity is lost.	ESCC	Open

8	25/07/17	Sequence of works may disrupt the number of available beds.	Potential loss of income due to reduced beds.	2	2	4	Work with contractor to minimise loss of beds and disruption to existing "in-use" areas. Contractor will need to be incentivised to complete as planned otherwise this will effect income. Consider when agreeing contractor LAD's.	Contractor	Open
9	25/07/17	Possible delays to design progress due to prolonged DfE reviews / scrutiny.	Delay to programme. Impact on spend forecasts and ability to complete project by March 2020 deadline.	3	1	3	Regular updates to DfE advisors to keep them abreast of developments.	ESCC	Open
10	25/07/17	Additional footprint of building compromises the external spaces and courtyard space.	Impact on wellbeing of Young People.	3	1	3	Architect and Landscape architect to design outdoor spaces to benefit wellbeing of users. End users to be heavily involved in ratifying the design.	ESCC	Open
11	08/09/17	Operational Risks such as – Insufficient HD referrals. Downturn in demand	Loss in income	3			Design facility so that it can be converted back in to a more traditional Secure Home with increased number of beds	Lansdowne	Open
12	08/09/17	Operational Risk such as – Insufficient training of existing staff in HD type referrals.	Loss of reputation due to severe YP incident.	3			Suitable Training and recruitment in good time for operational facility.	Lansdowne	Open
13	08/09/17	Planning: Risk of planning objections from local residents due to offsite parking.	Contentious planning issue – potential delay to programme and financial / budget impact.	1	3	3	Discuss parking plans with Planners and Highways. Discuss how much impact the Phase 2 will have (operationally) on the site.	ESCC	Open

### **Guidance notes**

<sup>1</sup> Risks are potential problems that have not yet occurred.

<sup>2</sup> Impact summarizes the degree to which the risk will affect the project.

<sup>3</sup> Countermeasures might take the following forms: prevention – what can be done to stop it happening; reduction – what can be done to reduce the risk; transference – what can be done to change the risk; contingency – what will be done if it happens; acceptance – acknowledge and continue.

## **Reforming the secure children's homes system – update September 2017**

### **Background**

This note builds upon a workshop held in early 2017 in which the Department for Education (DfE) floated two models for the future delivery of secure children's homes (SCHs) places in England. The first was a 'direct provider model' and the second was a 'commissioner' model.

The 'direct provider' model gained little traction on the day as this largely structural solution does not seem to address many of the current issues with the system. This option would require the DfE to contract an external organisation who would then deliver this function on their behalf. It was unclear who this provider might potentially be, workshop participants were nervous about the possibility of this being G4S or similar. This move could place the DfE in the same position as the Youth Justice Board (YJB) should a serious incident or crisis occur such as in Medway STC in 2016. There were a number of other arguments against this model put forward on the day and, for now, it is hoped that this can be set aside.

The 'commissioner' model found more favour although there seemed to be some uncertainty around the role, reach and remit of the proposed commissioner, particularly in relation to their involvement in individual placement decisions. This note is an attempt to define the Association's expectation and requirements from this model in order to inform the DfE's thinking.

### **Overview of the current system**

The current system for making placements in secure accommodation in England is not coherent. Although the numbers of children eligible for secure care are small, the stakes are high.

Secure justice placements for remanded and sentenced children are managed by the YJB. The YJB liaises with the relevant youth justice team and then makes a placement decision based on the child's needs and the availability of provision. The volume of these placements has been declining in both the SCH and the prison sectors although it has yet to be determined whether this is a long-term trend, particularly in light of the recent increases in the child population. The introduction of secure schools further extends the mix of options available and it is not yet clear whether this will significantly impact on the YJB's use of SCH placements in the future.

'Tier 4' mental health placements are organised more opaquely and there is little available information on demand nor the characteristics of the cohort of children and young people in receipt of Tier 4 placements. ADCS members report health services only assess a child or young person in distress when a Tier 4 bed becomes available so it is likely that the market is being suppressed. Further, the level and complexity of mental health needs being seen in children in SCHs, for whom Tier 4 beds are not available, would seem to indicate that demand is high and rising. Given the relatively small number of beds, NHS England both oversees and funds this provision.

Providers of the 14 SCHs in England, largely local authorities, operate independently with little oversight provided at a national level. The 'pay per place' model leaves individual providers holding much of the risk and this approach is not conducive to strategic planning. Since May 2016 Hampshire County Council has been running an interim co-ordinating unit for all welfare beds in SCHs on behalf of the DfE. Where previously LAs had to ring each individual home directly and complete separate referral forms, the unit coordinates this process on behalf of LAs, however, the responsibility for agreeing a welfare placement continues to reside with the referring authority who in turn covers the full cost. The decision to accept a young person continues to reside with the home manager and the placing LA.

The co-ordination unit maintains records of all available beds in England, this includes matching considerations e.g. whether there is a vacancy for a boy or girl, and is building up a profile of children and young people receiving a secure placement on welfare grounds. The collation of this data has been critical in assisting all parties to gauge the level of demand as well understanding the presenting needs of this vulnerable cohort of children. For the avoidance of doubt, Hampshire does not generate income from the arrangement and this function could easily be hosted elsewhere (see below).

### **Key features of a commissioner model for secure placements in England – interim arrangements**

ADCS believes the provision of these critical services should not be predicated on a for profit basis and as such it would be desirable if the DfE fulfilled the role of national commissioner given the high cost, high risk, low incidence nature of these services. This would mirror the established national arrangements already in place for secure justice and mental health placements.

The unit should co-ordinate placements across the totality of the SCH estate at minimum but preferably across the breadth of the youth justice and the secure mental health estate too given the complex presenting needs of children and young people in receipt of any form of secure placement and the similarities in terms of the vulnerabilities. Drawing the YJB, and potentially NHSE, into the commissioning unit would add further capacity and allow for a much easier interplay between the welfare/justice/health secure estates and bed allocations.

The DfE's unit should act as a commissioner for secure beds and block purchase welfare beds in advance. Individual LAs will then buy back beds from the DfE (as required). A small mark-up on each bed might be incorporated into the pricing structure to cover the day-to-day operating costs of the unit and to support the co-ordination of research and development efforts to inform service innovations and drive up improvements in outcomes. Whilst the risk sits with the DfE, this should be offset by the degree of financial control that can be exercised over the system in terms of costs but more importantly in terms of long-term planning, it is critically important that further capacity is not lost in the system.

Even small fluctuations in usage carry huge financial risks for operators (largely local authorities). One of the core aims of this exercise must be to bring greater stability to the market by offering providers a greater level of security and certainty – 11 SCHs have closed in the last 10 years. Whilst demand for secure placements had historically been falling, these closures were not planned and have resulted in an imbalance in provision - there are no homes in the greater London region despite a growing need for this provision. More sophisticated contracting and commissioning, possibly on a three-year basis, is required.

The commissioning unit should host a system to monitor outcomes, including a single record system for welfare placements, to enable learning and research. The data the unit collects will allow the sector to better understand levels of demand and emerging trends in terms of the needs of the children and young people requiring a secure placement (whether welfare, justice or CAMHS).

Linked to this, the unit should invest in / oversee a formal mechanism for sharing good practice with the same aim of improving outcomes for children and young people (possibly via the formalisation of, and investment in, SAN or via the DfE's new WWC in CSC once up and running?).

On a day-to-day basis, the unit would advise on matching and 'best fit,' however, the final decision must remain with the referring authority and the relevant home manager as is the case now.

The unit will be able to advise government about the best use of capital funding – both in terms of investment in existing units and/or bringing forward new provision. Aggregate data from the first 12 months of operation of the interim unit in Hampshire suggests that the secure estate is at least 20 beds below what is required to meet current levels of demand. There also needs to be a degree of headroom in the system for matching considerations to be taken into account so up to 50 new beds are needed (three – four new homes).

Regionalism adds an unnecessary layer of complexity considering the size of the SCH market, however, regional consortia may wish to join together to develop and run new secure units, this would offset some of the risks – SCHs are expensive to run largely due to the high staffing levels required. This approach makes most sense in the West Midlands and Greater London areas where there is no SCH provision at all.

The development of a more strategic approach also presents opportunities to develop specialisms in individual homes and explore a sophisticated pricing strategy with bespoke packages being designed and put in place for each individual child or young person.

The commissioner will have a single view of the market in the round and might usefully fulfil a challenge role in terms of ensuring providers are meeting the needs of the market and achieving good outcomes for the children and young people they work with – this is missing at present and is much needed in terms of driving forward improvement.

#### **Development of the commissioner proposal – longer term actions**

The Youth Custody Improvement Board, led by Alan Wood, was tasked with reviewing the state of the youth custodial estate and recommending how the system can be improved in the future. The Board found that an estimated 10% of those in custody could be distinguished as having the most severe mental health needs, and who would need a different, and highly tailored, approach.

Similarly, recently published research by the DfE (2016) on LA use of secure welfare placements suggests that significant mental health problems are common among children who are considered for and/or placed in secure accommodation. Respondents taking part in this study reported considerable challenges in securing the mental health input these children required, partly as a result of a shortage of provision but also disagreement about thresholds and behavioural disorders. The DfE's research highlighted a gap in existing provision for children with attachment, conduct, emerging personality and post-traumatic stress disorders.

Whilst it is acknowledged that the governance and financial implications of bringing justice and Tier 4 services into this model are not insignificant, it is desirable that this is achieved. A phased approach might therefore be required; however, it would be useful to consider the following points as part of this process:

- Do we need to reconsider the best way to meet the needs of children with emotional, behavioural and emerging personality disorders? Are these needs best met via the development of an alternative treatment model / provisions?
- Do we need to review the operation of the market in specialist placements for children with complex needs, including the definition of 'therapeutic' provision? Is a specific registration category needed for therapeutic provision? Feedback from placing authorities suggests this would be desirable.

### **Interim placement arrangements/ formalising step up and step down provision**

Recently published DfE research (2016) highlighted the lack of alternatives to welfare secure placements and this has not been addressed in any significant way during the DfE's review of SCHs from 2014 - date. At present a single bedded placement with a high staffing ratio or use of a highly rural outward-bound setting frequently employed as alternative options. Whilst recent DfE research confirmed there is no such thing as a direct alternative to a secure placement, it is possible more could be done to prevent vulnerabilities escalating to the point of crisis.

It is suggested that the development of a community based welfare order under S25 of the Children Act (1989) may offer a framework for step up or step-down placements for children and young people on the edge of secure care. This approach could also offer authorities a credible alternative to the holding arrangements put in place whilst seeking a welfare placement on behalf of a child or young person in crisis (the matching process can take several days or even weeks).

This order would entail the provision of therapeutic support and might encompass a range of tools which could be deployed singly or together at the discretion of the courts. For example, the use of a curfew or geographical exclusions, the removal of electronic devices or the prohibition of contact with named individuals might be employed. Ofsted regulated providers/ care settings might also be granted permission to lock doors and deploy approved restraint techniques in order to safeguard children and young people from external threats, including sexual abusers and criminal gangs.

Access to this new order could mirror existing S25 arrangements with the director of children's services having the power to sign an order for the conditions to apply for the first 72 hours with court approval required thereafter. Where the criteria for a secure placement has not yet been met but significant concerns are arising, a PLO-style process could be developed to include a family group conference before an application can be made. Other tools that might be drawn upon include MST with parents or carers, for example. It is important that there is sufficient time in order to break destructive patterns and minimise internal/external risks, orders should therefore be granted for a minimum of three months with regular review points built in to ensure the child or young person's rights are respected and the freedoms not unnecessarily limited.

These orders would provide a degree of flexibility and fit within the current legal framework and the focus is on meeting the immediate needs of the child or young person by reducing or managing self-destructive behaviours without taking the extreme step of depriving a child of their liberty.

In recent years the number of girls in particular receiving a secure welfare placement has increased in response to growing awareness of child sexual exploitation (CSE). Several projects have received funding from the DfE's innovation fund to develop different responses to CSE (Rochdale and Wigan) and gang involvement (Hackney), initial evaluations suggest some early evidence of success, it would be interesting to play these findings into this second phase of work.