

## **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.