

## Appendix A

# **Business Case for the Establishment of an Adolescent Support Unit, Extended Outreach Service and the Development of Emergency/ Crisis Provision**

## **EXECUTIVE SUMMARY**

### **Overview of Proposals**

Lancashire has experienced a significant increase in the numbers of Children Looked After (CLA) and in Children's Social Care agency placements spend since October 2015. Without action to address this, numbers of CLA and placement spend are predicted to continue to rise.

During 2015/16, 38% (254) of new entrants into care were aged 10-17 years. The majority (55%) of these cases (140) were accommodated under Section 20 of the Children's Act 1989 (where a child has come into care on a 'voluntary' basis and not as part of a court order), predominately due to family dysfunction, family stress and socially unacceptable behaviour.

As of 28<sup>th</sup> February 2017, there were 80 CLA aged 11-16 accommodated under Section 20, of these 54 were placed in agency provision costing £0.437m per month.<sup>1</sup>

Better supporting these families to stay together and reunifying those CLA able to be returned home, where it is safe and in the child's best interests to do so, is key if we are to successfully reduce overall numbers of CLA and escalating placement spend. The findings from Newton Europe's Review of Children's Services in Lancashire found that 1 in 4 cases of children coming into care under Section 20 could have been prevented and 1 in 13 Section 20 CLA could have been returned home with the right support.

The current outreach offer (which includes working with families on the edge of care and seeking to reunify young people in care back with their families) is highly regarded by Children's Social Care and demonstrates good evidence of impact. However, the level of support currently available is not felt to be sufficient for the numbers of CYP on the edge of care and numbers needing to be reunified back home.

### **Prevention Element of the Proposal**

In order to support a 25% reduction in the number of CYP aged 10-17 coming into care through a Section 20 agreement, it is proposed that an Adolescent Support Unit (ASU) is established in addition to the continued delivery of the current outreach support offered. The ASU will be developed in line with the model in Blackburn with Darwen which delivers overnight respite and intensive outreach support to a minimum of 60 CYP per annum<sup>2</sup>. This provision will increase the amount of outreach provided to CYP and families from 117 (in 2015/16) to 177.

Establishing an ASU is a model that is being developed by a growing number of authorities with a strong evidence base that shows the positive outcomes for those families accessing this type of provision. Blackburn with Darwen, for example, established its ASU in late 2006 and saw a reduction in teenagers entering care from 47

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<sup>1</sup> 11-16 year olds identified as the cohort of S20 CYP most likely to be able to be supported to return home successfully

<sup>2</sup> Likely that the ASU will work with up to 80 CYP per annum (based on evidence from other areas) thus further increasing the numbers of CYP able to be prevented from coming into care.

in 2008 to 18 in 2013/14. In March 2016, the local authority had a relative low proportion of the CLA population in residential care (8%), a slower rate of 10-15 year olds entering care and saw an overall reduction in the CLA population between March 2012 – 2016 of 2.7% compared to an increase of 25.7% experienced in Lancashire<sup>3</sup>.

Analysis of Blackburn with Darwen's ASU by iMPower evidenced a success rate of preventing young people coming into care of between 74-88% following intervention. Savings attributed to this model were £1.2m (2013/14) or £0.848m after running costs, providing a Return of Investment (ROI) of 2.1. Success rates assumed in business cases for ASUs from other areas range from 25% to 75%<sup>4</sup>. The success rate for Lancashire's proposed ASU has been calculated as a conservative 60%.

### **Reunification Element of the Proposal**

In order to achieve the target of reunifying at least 1 in 13 of Section 20 CLA back home, it is proposed that the current Outreach Service is increased by 3, from 7 to 10 staff. The additional 3 staff will focus on supporting Section 20 CYP based in external placements (currently a cohort of 54 CYP). Each staff member will hold a caseload of 17 CYP (in line with current outreach caseloads), enabling 51 CYP to be supported.

Whilst Newton Europe estimated that 1 in 13 of the whole Section 20 CLA could be reunified, it is felt that targeting support to CYP most likely to successfully return home (those aged 11-16 years of age and in care for less than 26 weeks) could increase the success rate to 1 in 6.5, therefore 8 CLA reunified with families each year. In the period to 31<sup>st</sup> March 2020, total cumulative savings of £0.393m are estimated.

It has been calculated that not increasing the current outreach team and simply redirecting 3 existing outreach staff from prevention to reunification work would be counterproductive as it would result in an increase of CYP coming into care, estimated to be c.22 CYP (based on success rate achieved by current outreach service and reduction in 51 CYP able to be supported to prevent coming into care).

### **Crisis Element of the Proposal**

In addition to the above, it is proposed that the Outreach Team is increased by a further 5 FTE staff to operate a 2 bed unit to enable the delivery of short term emergency placements for CYP in crisis to support:

- a) increased time to plan and source the most appropriate, best value placements for our very complex CLA;
- b) the provision of time out/ respite for young people in crisis within an existing placement to allow de-escalation and prevent placement breakdown.

### **Additional Management and Business Support Element of the Proposal**

In order to ensure strong oversight and smooth running of the expanded Outreach Service, it is proposed that additional management (1 x G11) and business support (1 x

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<sup>3</sup> According to National CLA data release, as of 31/3/12 Blackburn with Darwen had a CLA population of 360, compared to 350 as of 31/3/16, a decrease of 10 CLA. In comparison, Lancashire had a CLA population of 1325 as of 31/3/12, compared to 1665 as of 31/3/16, an increase of 340 CLA.

<sup>4</sup> Bury's ASU business case calculated on 25% success rate. County Durham calculated a 45% success rate. Oldham success rate estimated at 75%.

G4) capacity is established. The proposal also seeks to make permanent the existing seconded G11 senior manager post in the Residential Service.

In total, the proposals seek to increase staffing of the current Outreach Service by 20 (from 7 to 27): 10 ASU staff; 3 additional outreach staff; 5 staff to man the crisis unit; 1 management post; and 1 business support post (1 x G11, 1 x G10, 1 x G8, 16 x G6 and 1 x G4).

### **Adolescent Support Unit and Extended Outreach Support**

Adolescent Support Units (ASUs) with outreach represent alternative provision for those young people in or on the edge of care. This proven service model, which includes the provision of intensive outreach support and overnight respite care, is delivered by a team of 10 staff and has been evidenced to prevent adolescents from entering care. It is a well-established invest to save model that has been endorsed by the Department for Education and replicated by a growing number of authorities across the country.

Evidence from other areas supports the provision of 3 ASUs in Lancashire, one in each locality. However, the current property stock and staffing levels limit the ability to enable this to happen within prompt timescales. Further evidence on the level of return on investment is also required in order to corroborate a robust business case for the establishment of 3 ASUs. The initial proposal therefore is that the ASU model is piloted in one area and closely monitored over a six month period. Should the model be demonstrated to be successful, a further ASU will be looked to be opened soon after, with a third to follow, providing that sufficient demand and return on investment can be clearly evidenced. A former children's home in the north of the county has been identified as a suitable property for the site of the first ASU and could be operational by December 2017.

Should the ASU be demonstrated as not being cost effective in comparison to outcomes delivered by outreach alone, it is proposed that the provision of overnight respite through the ASU is ceased (at limited expense as initial set up costs are minimal) and the team move to the delivery of an outreach only model, in line with current delivery.

Across the three year period (March 2013 - March 2016), the current Outreach Team of 7 staff has supported a total of 345 children (117 during 2015/16), with an 86% success rate of either de-escalating or preventing escalation to a higher level of need, based on a comparison of their position on the Continuum of Need prior to and following intervention. Findings from recent demand management analysis demonstrates that more outreach support is required if we are to successfully reduce the numbers of CYP coming into care.

The proposal to increase the current Outreach Team from 7 to 10 will not only support the reunification of Section 20 CLA in external agency provision in the medium term, it will also assist with the prompt establishment of a second ASU (if successful and required) as the team will already be in place and experienced in delivering the model.

### **Emergency/ Crisis Provision**

In common with other local authorities, Lancashire experiences a particular challenge of how best to support CYP who are in crisis over the weekend period. At times, Lancashire is left with very little option but to place some of these young people in our

in-house children's homes. By their very nature, these placements cannot always be adequately planned or appropriately matched, thus leaving the home placing a young person vulnerable to receiving an Ofsted judgement of 'Requires Improvement' or 'Inadequate'. This practice also carries the risk of imposed restrictions or even closure by Ofsted, which would have a significant impact on the number of in-house beds available.

Alongside this, there are occasions when CYP in in-house provision require 'time out' from other residents to enable a situation to be diffused or a safeguarding issue to be addressed. Discussions with Ofsted over these issues has led to the suggestion of Lancashire establishing some registered crisis provision for use over the weekend, as and when required.

The initial proposal is that one of our closed overnight short break units (located in a different facility from the ASU in the north of the county is reopened as a 2 bed crisis home (by April 2018, sooner if possible) to provide very short term emergency placements for four days a week (Friday to Tuesday). In order to enable the provision to be used flexibly, it is proposed that staffing of the unit is provided through the recruitment of an additional 5 FTE staff <sup>5</sup> to the Outreach Team. This will allow staff to be deployed to provide additional outreach support to CYP and families should placements not be required for a specific weekend. It is proposed that the usage and demand for this provision is closely monitored over a six month period in order to determine effectiveness and whether further crisis units are required.

### **Additional Management and Business Support Capacity**

To ensure there is sufficient senior management capacity, it is proposed that the existing G11 seconded Residential Manager post is made permanent to continue to support the G13 Senior Residential Manager/ Responsible Individual to effectively oversee, address issues and support the on-going improvement of the eleven LCC Children's Homes. It is also proposed that an additional G11 Senior Manager post is established to support the Senior Residential Manager to develop and oversee the ASU, extended Outreach Service and crisis provision. This role will be crucial in ensuring that the provision is maximised, used for the intended purpose and achieves the outcomes anticipated.

A G4 Business Support Officer post is also proposed to be established to support the Outreach Service as a whole with administrative duties, including coordinating and supporting Outreach Resource Panels, handling referrals, arranging outreach appointments, inputting monitoring information etc.

## **Financial implications**

### **Initial set-up costs**

The proposal will have some initial set up costs in relation to the refurbishment and Ofsted registration of existing homes to establish the ASU and the crisis units, and IT equipment for staff. Property Group have provided initial estimates for refurbishment costs of £0.010m for the proposed ASU and £0.050m for the proposed crisis unit.

<sup>5</sup> (1 x G8 and 4 x G6s). As it is likely that these placements will be required on a regular basis, it is proposed that these staff are in addition to the extra staffing already identified to deliver the ASU and extended outreach offer, so as not to negatively impact on the amount of outreach able to be provided.

Factoring in registration of £0.007m for two homes, and IT equipment of £0.019m, a total initial outlay of £0.086m is anticipated.

### Operational running costs

The existing Outreach Team of 7 staff has a provisional budget for 2017/18 of £0.352m. A summary of the additional anticipated annual cost of delivering the proposals set out above is presented in the table below, with more detail provided in appendix 2.

	Adolescent Support Unit £m	Extended Outreach £m	Crisis Unit £m	Management and Business Support £m	Total £m
Staff Costs	0.358	0.345	0.232	0.076	1.011
Non-Staff Costs	0.065	0.025	0.059	0.003	0.152
<b>Total</b>	<b>0.423</b>	<b>0.370</b>	<b>0.292</b>	<b>0.079</b>	<b>1.163</b>
Less Current Budget Provision					-0.352
<b>Additional Cost</b>					<b>0.811</b>

The units will take time to establish and therefore the full annual budget will not be required until 2018/19. The phasing of the new funding required is shown below:

	Operational Start Date	2017/18 £m	2018/19 £m	2019/20 £m
Initial Set Up Costs - ASU and Crisis Unit	N/A	0.086	0.000	0.000
Adolescent Support Unit	Dec-17	0.141	0.423	0.423
Extended Outreach Service	Dec-17	0.013	0.017	0.017
Crisis Unit	Apr-18	0.000	0.292	0.292
Management and Business Support	Dec-17	0.026	0.079	0.079
<b>Total</b>		<b>0.266</b>	<b>0.811</b>	<b>0.811</b>

### Unit costs

Based on other models of best practice it is anticipated that the ASU is expected to support a minimum of 60 adolescents per annum, resulting in an average support cost per annum of £7,050. The extended outreach team will support 168 CYP per annum at an average cost of £2,202 per annum. The cost variation reflects the difference in support packages but in light of the wide variation it is important that each is monitored closely to establish the outcomes achieved, and evidence will inform the longer term direction of the service.

### Anticipated savings

It is proposed that the ASU and extended Outreach Service will impact on Children's Social Care spend in a number of ways. The Service will generate savings by reducing numbers coming into care, avoiding/de-escalating need and preventing placement breakdown.

The crisis unit investment of £0.292m is not expected to generate any cashable savings.

Cashable savings from the ASU and Outreach Service will be generated from:

- preventing CYP coming into care. Based on a 60% success rate for the ASU, this equates to 36 CYP per annum and links to the proposed reduction of 25% of

Section 20 adolescents coming into care, based on the 2015-16 figure of 140 CYP;

- reducing time in care for existing looked after CYP. The service will support return home for 8 looked after CYP based on reunifying 1 in 6.5 of the current cohort;
- preventing breakdown of fostering placements. As a result of other services in place, a conservative estimate of one breakdown is assumed.

Whilst reducing numbers in care will impact (all other things being equal) on social work caseload, at this point this is difficult to estimate. The anticipated savings below represent placement cost savings.

	<b>Nature of Saving</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>2019/20 £m</b>
36 Adolescents Prevented from Coming into Care	Cost Prevented	0.111	2.144	3.185
1 In-house Foster Placement Breakdown Avoided	Cost Prevented	0.000	0.121	0.121
8 CYP Returned Home	Saving	0.000	0.140	0.253
<b>Anticipated Costs Prevented/Savings</b>		<b>0.111</b>	<b>2.405</b>	<b>3.559</b>

Whilst it is anticipated that outreach will prioritise targeting Section 20 CYP in agency residential provision, the figures below are based on a weighted average ('blended') cost (£1,438/week) of different placement types and take account of the average duration of Section 20 placements (34 weeks). The table below shows the anticipated net cost/savings resulting from this proposal.

	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>2019/20 £m</b>
Additional Funding Required	0.266	0.811	0.811
Anticipated Savings	0.111	2.405	3.559
<b>Total</b>	<b>0.155</b>	<b>-1.594</b>	<b>-2.748</b>

## Decisions Required

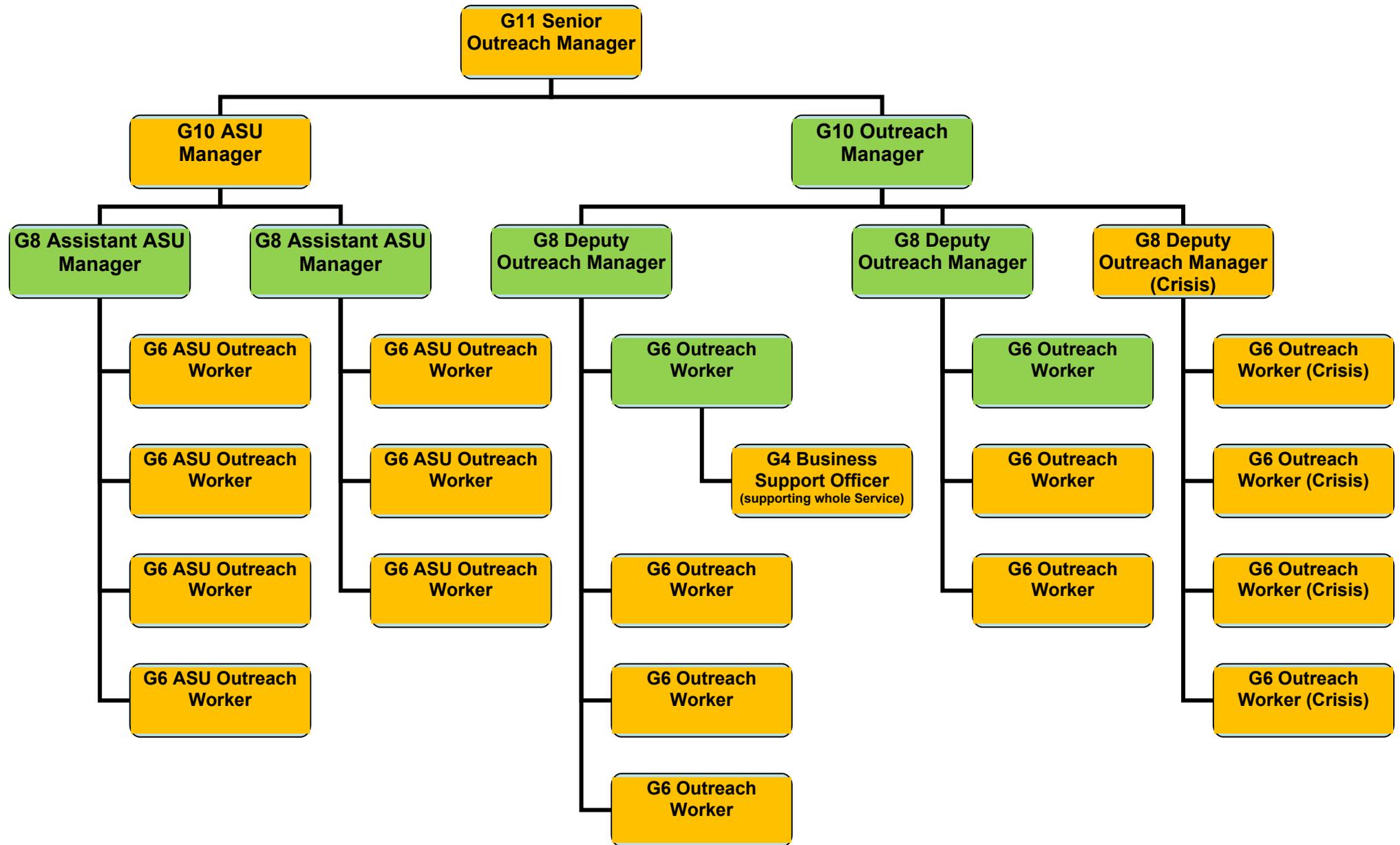
Management Team are asked to consider and agree the following:

- The pilot of an ASU from December 2017, with future consideration, if successful, of 2 further ASUs, informed by evaluation of the model and evidence of return on investment;
- The expansion of the existing Outreach Team from 7 to 10 staff from December 2017 (sooner if possible);
- The establishment of a 2 bed crisis unit from April 2018 (sooner if possible);
- The establishment of a G11 Senior Manager post to oversee the expanded Outreach Service, ASU and Crisis Unit;
- The establishment of a G4 Business Support Officer post to support Outreach Service as a whole with administrative duties;
- Make the existing G11 seconded Residential Manager post into a permanent position.

## Appendix A

### APPENDIX 1 - Proposed Staffing Structure

Key: Existing Post New Post



**APPENDIX 2 – Staffing and Non-Staffing Annual Running Costs (from 1<sup>st</sup> April 2018, first year fully operational)**

POST	3 NIGHT ASU		4-NIGHT CRISIS		EXT. OUTREACH		MGR/BSO		TOTAL	
	NO. FTE'S	COST £	NO. FTE'S	COST £	NO. FTE'S	COST £	NO. FTE'S	COST £	NO. FTE'S	COST £
BUSINESS SUPPORT OFFICER							1	£21,105	1	£21,105
OUTREACH WORKER	7	£196,798	4	£112,456	7	£196,798		£0	18	£506,052
DEPUTY MANAGER	2	£76,958	1	£38,479	2	£76,958		£0	5	£192,395
ASU UNIT MANAGER	1	£50,291							1	£50,291
OUTREACH MANAGER					1	£50,291			1	£50,291
SENIOR SERVICE MANAGER							1	£55,005	1	£55,005
PAY ENHANCEMENTS		£33,719		£81,560		£20,654			0	£135,933
<b>TOTAL STAFFING</b>	<b>10</b>	<b>£357,766</b>	<b>5</b>	<b>£232,495</b>	<b>10</b>	<b>£344,701</b>	<b>2</b>	<b>£76,110</b>	<b>27</b>	<b>£1,011,072</b>
									0	£0
<b>NON-STAFF RUNNING COSTS</b>		<b>£64,848</b>		<b>£59,429</b>		<b>£25,000</b>		£3,000	0	£152,277
									0	0
<b>TOTAL OPERATIONAL COST</b>	<b>10</b>	<b>£422,614</b>	<b>5</b>	<b>£291,924</b>	<b>10</b>	<b>£369,701</b>	<b>2</b>	<b>£79,110</b>	<b>27</b>	<b>£1,163,349</b>