**Report to the Cabinet**

Meeting to be held on Thursday, 14 January 2021

**Report of the Executive Director of Education and Children's Services**

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| **Part I** |

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| Electoral Divisions affected: (All Divisions); |

**Where our Children Live**

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| Executive Summary Lancashire has a well-regarded and high performing residential service for our most vulnerable children. However, it has been several years since this provision was last reviewed. Working across all the elements of residential provision and based on evidence and consultation this report proposes a change to the way we provide residential care.  Lancashire Education and Children's Services now have a strength based operating model known as Family Safeguarding. Supporting families to remain together and ensure that they receive care within the home, the benefits are that families can deal with their own issues more easily and become confident working alongside practitioners to find solutions to their needs. To support this new way of working, we must reshape our residential provision and purpose.  This report presents proposals to increase provision to support children to remain at home with support; to establish 2 reception units enabling better assessments of children in crisis, and to reconfigure the residential provision to enable Lancashire to care for more children and young people within the county boundary.  This is deemed to be a Key Decision and the provisions of Standing Order C19 have been complied with. |

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| Recommendation Cabinet is asked to agree:   1. The proposals to increase provision to support children and young people to remain at home, with support. 2. The establishment of two reception units, enabling better assessments of children in crisis. 3. The reconfiguration of the offer to create additional capacity for complex children and young people enabling Lancashire to care for children and young people within the County. |

**Background and Advice**

As at June 2020, Lancashire County Council had 2123 children who were considered under the 1989 Care Act to be looked after. Children and young people are looked after in many ways; they can live in a residential unit run by the local authority or an independent provider, they may live with their parents or a member of their family, or they may live with foster carers who are either employed by the local authority or by an independent provider. This report does not cover foster care as there is already a robust and dynamic plan in place for this service area.

Children with disabilities can receive short breaks under Section 17(6) or Section 20(4), Children Act 1989.  A child or young person may become looked after through receiving overnight short breaks, if their needs and family circumstances require short breaks to be provided under Section 20 of the Act,. They can also become looked after if they receive overnight short breaks in more than one place, if they receive more than 75 nights a year short break, or if they have one continuous short break that lasts for more than 17 days.

Work is being undertaken by the Inclusion Service to clearly identify gaps in provision and current and future need. However, it has already been established that there are gaps in provision for children and young people with severe and profound levels of disabilities (including significant health needs) across all types - short break, crisis/emergency, short, medium and long-term provision. There is also significant need for crisis/emergency, short and medium term placements and short break provision for children who need a high level of short breaks and who become a looked after child through this process.

Given the complexity of need, specialist provision needed and the costs of this, it is likely to be more cost-effective to work with an experienced and established agency provider to develop the provision required, in order to enable needs to be met most effectively. This report therefore does not consider this cohort of children and young people.

Research shows that it is best for children to remain as close to their community when becoming looked after, in order to support family relationships, education and other links and for these children and young people to fulfil their potential. To ensure this can happen, officers have evaluated the needs of children, young people and their families and have questioned whether the current provision meets the needs of looked after children in the Lancashire County Council area.

**Current Provision and Need**

At June 2020, of the 2123 children and young people we support, 75% (1592) are placed within the borders of the county council. This figure is much higher than the national average of 58%. 796 (50%) are placed within their home district and only 2.4% (51) placements are placed outside the Lancashire boundary. Although this is a very positive position for Lancashire, we know that many young people who are not placed in Lancashire, wish to be returned to their community.

Although the figures of children and young people remaining in Lancashire are high in comparison to both our regional and statistical neighbours and we are well above the national figure of 58%, there is still a need to consider the placements we are using and our in-house capacity to support children:

* 62% (1317) of children and young people are cared for in a fostering environment
* 11% of children and young people reside with connected carers (this means that they live with a family member of someone very close to them)
* 27% live with local authority carers and,
* 23% live with agency foster carers.

It is acknowledged there will always be a need for local authority and agency carers, but our aspiration is have more local authority foster carers who can care for larger sibling groups and more complex children. However, as stated above, this report does not consider any work around fostering, as there is a clear action plan and recruitment campaign currently being led by the fostering team and overseen by the Corporate Parenting Board.

202 Lancashire County Council children currently live in children's homes. The majority (148) live in independent agency children's homes at a total cost of £578k per week. The weekly cost for each child or young person, depending on the complexity and needs can be anywhere from £2,500 to £9,500. 54 children live in local authority children's homes at a total cost of £142k per week; a basic cost of £2,600 per child per week. It is evident that there is therefore a need to increase our in-house provision and consider carefully our use of agency placements.

We must also consider the need to support families so that their children do not need to enter the care system at all. This report refers to the work of the Adolescent Support Unit below, and the success they have working intensively with families to remain together, and to support the maintenance of foster care placements, allowing children to remain in their home.

**Age breakdown of children living in children’s homes**

**Table 1**

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| --- | --- |
| Under 11 years | 4% |
| 11-13 years | 20% |
| 14-15 years | 41% |
| 16+ years | 25% |

The age of children and young people living in residential establishments in Lancashire range from 9-17yrs.

Every child who enters the care system is initially considered as being cared for in a foster home and, if this is not possible, to consider the most appropriate placement for them. The largest cohort of young people at 66% are aged 14-17. This is generally because the use of foster carers is not seen as appropriate for these young people, or that their needs are too complex.

The county council operate 48 'mainstream' placements; this means we have 48 beds available for young people within our in-house children's homes. Mainstream is the term meaning that a child or young person does not have a disability or assessed complex emotional or mental health need. There are a further 6 beds for more complex placements and 14 short stay respite support placements.

Below is a table outlining our present in-house provision.

**Table 2**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 1 |  | Adolescent Support Unit | 4 beds | An Adolescent Support Unit is a 4 bedded home which offers respite style accommodation for children on the edge of care aged 10-17. An Adolescent Support Unit’s purpose is to prevent young people from becoming looked after, by educating parents and families to care for their children in their own home, whilst building resilience with young people to eventually be self-supporting during the time they spend away from the home on respite. |
| 1 |  | Crisis provision | 2 beds | A Crisis home is designed to take young people with immediate notice where children have nowhere else to live. To limit the impact of placing children with little to no time to assess, a crisis home is limited to being a 1 to 2 bed provision. To ensure a bed is available when needed, the home initially accommodates children for 72 hours so that care planning can occur. When required, the home can accommodate the child/young person for up to 28 days. During this time, the needs of the child can be assessed, providing wider services with the information required in order to make the best forward placement decisions. The home operates as either 2:1 or 1:1 respectively for the number of children accommodated. |
| 1 |  | Temporary crisis unit | 1 bed | This provision is temporary and will be closed when the young person living there moves on to their identified placement. |
| 2 |  | Complex additional resource homes | 4 beds  3 beds | A complex needs home is a 3/4-bed provision which has additional resources to meet the needs of children placed. Along with the structure of a mainstream home, a complex home has the addition of night staff and lower numbers of children. The structure is designed for each child to have 1 staff assigned ratio 1:1 |
| 8 |  | Mainstream homes | 6 beds  6 beds  6 beds  6 beds  6 beds  6 beds  6 beds  6 beds | A mainstream children’s home is a 6 bedded home where children are looked after long term aged between 11-17. Children will remain accommodated until such as time as a suitable stepdown to fostering or back to family can occur, or until they reach an age where they can be accommodated in a supported living arrangement around the age of 17+. Staffing ratio is 1 staff for every 2 children. 1:2 |
| 3 |  | Short Break Service | 6 beds  4 beds  4 beds | A short break home provides respite care to children with disabilities for short periods of time, to support stable home or career placements and to provide positive engaging experiences to disabled children. |

The county council have collaborated with three independent providers to deliver:

* 5 mainstream placements
* 15 complex placements; and
* 3 solo placements.

It is anticipated that this will all be delivered by January 2021. There is an opportunity to increase this to a total of 50 placements by 2024.

Although this is through independent providers, the costs are considerably lower than spot purchasing individual placements which can cost up to £9,500 per week.

As stated previously, there is a need for a mixed economy, and this is an opportunity for us to direct the market in a financially effective manner. This way of commissioning enables the council to have access to provision, without having the upkeep of buildings, Ofsted registration and the recruitment of staff. The converse is that the Local Authority have no ability to oversee the functioning of the homes or instruct the admittance of a child. Our commissioning team are therefore working closely with the providers to ensure the safety of our children is paramount. A framework of internal oversight will be established.

In common with other local authorities, Lancashire experiences an on-going challenge of dealing with Children and Young People in crisis, who require immediate accommodation. The number of requests for emergency placements required for new looked after children, children subject to police protection orders, agency placement immediate notice and unaccompanied asylum seekers, has been a constant pressure and demand on existing services.

Lancashire is unusual in not having a dedicated reception unit/assessment unit. This is an establishment that receives young people on entry into the care system and assesses their needs. The assessment supports the care planning for the young person, highlighting the need, where safe, to return children home. At present, young people when coming into Local Authority care, are placed where there is a vacancy. Although this is necessary and acceptable, it is not good practice as young people who are already in the placement have no idea who may turn up for breakfast, which is unsettling and can be distressing.

**Reception Unit**

In April 2020, Lancashire residential children's service transformed an existing provision into a reception unit, which provides up to 2 placements lasting between 1 – 28 days, for young people who need a place of safety with immediate effect. This smaller home has reduced the anxiety of children arriving at a home that already has an established group of children.

During their stay, professionals have the time to carefully assess the children and find the right place for them, whether that be a residential establishment or a return home and allows for a more planned and controlled way of working.

This provision was recently inspected by Ofsted in September 2020 and has received a full endorsement as the right provision for children in crisis. Ofsted has further praised this model as it has prevented unplanned admissions to Lancashire's mainstream long-term children’s homes, and the targeted therapeutic environment has made a positive impact on young people. Work is taking place to follow the young people, to evaluate the use of a reception unit and to understand if this has a positive outcome on decision making.

The proposal is to create a larger reception unit within Central Lancashire.

**Adolescent Support Unit**

As highlighted in Table 2, adolescents make up the largest age group within the residential care population at 66%. National research suggests the experiences of these young people is not positive. They experience a larger number of placements, greater placement disruption, a higher likelihood of going missing and being involved with the criminal justice system, poorer outcomes in education and an increased risk of struggling when leaving care.

The current Adolescent Support Unit provides additional outreach and overnight respite care to existing edge of care services, by offering families 'breathing space' alongside longer term support, that helps to rebuild those relationships which can be under severe pressure. Through a dedicated service, staffed by specialist family outreach workers, a more flexible wraparound offer to families in crisis is being provided, including respite, family therapy, family group conferencing, one to one and group intervention, parenting classes and family advocacy. The current Adolescent Support Unit also provides a more gradual step down approach to independence; there can be an increased resilience to prevent entry to care in the first instance, a more sustained return home and a reduction in the need for future full-time care.

The enhanced and expanded service will provide social care with targeted provisions in support of children and young people on the edge of care, those requiring support to return home, and those at risk of placement breakdown with in-house foster carers. For a small number of children going on to be accommodated, the service will also support a planned transition into care.

The respite element of the service will be open 24 hours, 3 nights per week, on Friday, Saturday and Sunday. During the other days, intensive outreach will be provided between 8am and 10pm by the staff within the Adolescent Support Unit. All respite stays will be planned in advance. While receiving the service, children and young people will remain under the care of their social worker.

The respite service will be available to 10 to 17 year olds. However, in line with the current outreach offer, younger children, from the age of 8, and their families will be supported through the outreach element of the service. Interventions are expected to last on average 12 weeks, but will be tailored to individual needs and, where needed, can last longer, subject to available resources.

The Adolescent Support Unit had achieved savings of £7.592m since its inception. Savings are based on a young person remaining out of care for 61.53 weeks. As of June 2020, 53 of the 126 cases had met the full saving of 61.53 weeks. Savings for the remaining 73 cases are estimated and make the assumption that children will remain out of care for the full duration. At a running cost of circa £0.5m per annum, the savings achieved over the 2 ½ year period represent a return on investment of 4:1, which is double the anticipated 2:1 return on investment in the original business case.

**Mainstream Placements**

Currently, Lancashire provides 48 mainstream placements across the County. However, the need for mainstream beds will reduce if we expand the number of our Adolescent Support Units. Also, it is less expensive to commission a mainstream bed from an independent provider than a complex bed, and the cost of an in-house bed in our complex children's homes is far less expensive than an independent provider.

Children and young people who are unable to access provision near home are generally described as complex. These young people are then found placements by independent providers at an increased cost. To enable young people to remain close to home and to reduce cost, we can transfer some of our mainstream beds to complex beds.

However, it is important to note that we will need to move towards smaller units with a higher staff ratio so that young people are cared for in smaller homes, allowing them to feel safe. It is often difficult to support complex young people to return home quickly, and these young people remain in care for a longer period of time, often at a great cost to the county council. Mainstream children are more likely to be reintegrated to the family or live within a foster care home, therefore costing less money, and for a far shorter period of time than complex children and young people, supporting better outcomes for the young person and their family.

Care leavers are the responsibility of the Local Authority and partners. There is a requirement to ensure Care Leavers are placed in suitable accommodation. This paper does not address the subject as this is being considered as a longer-term strategy alongside the district councils.

**Proposed Future Provision**

**Adolescent Support Units**

To provide the best services possible, we must take note of the evidence that shows the more stability a child or young person experiences when entering the care system, the better their outcomes will be. The need for them to remain as close as possible to their identified place, community, family and education is therefore incredibly important.

The need to remain within their family safely must always be our first plan. Families often require support and some short-term respite to understand how to parent a teenager and regain the respect of their child. Lancashire has been able to show the benefit of having an Adolescent Support Unit.

The reduction in the projected amount of children entering the system as a result of the support from the Adolescent Support Unit has been calculated at circa £7m in the three year period.

Based on the success of our existing unit, the proposal is to open to two more Adolescent Support Units, based in the central area and the east of the county. The running cost of a unit is £0.5m, the anticipated cost benefit is 4:1. The two new establishments would support the same number of children remaining at home with an anticipated saving of circa £4m per annum. The added cost is difficult to calculate but is related to staff time, partner time and the longer term outcomes of improved school attendance and less opportunity to enter the criminal system or be exploited.

Where children or young people need to enter the care system, it is important that we have the right facilities in place to assess and create plans that are implemented within 28 days, working closely with the Adolescent Support Unit, to return children home as quickly as possible with the right level of support to ensure they are safe.

**Reception Homes**

Our proposal is to permanently establish 2 reception homes; this is an increase of 2 beds. The siting of the homes need to be established but must be accessible and close to transport links so children can be taken there from across the County easily, and can be visited by family and access their own community easily.

**Mainstream Beds**

We propose reducing the number of mainstream beds from 48 to 36. There is not a need for this many in house beds and they are less expensive and easier to commission from an independent provider. However, by reducing the number this would allow for an increase in complex beds from 7 to 15. This increase in complex beds would help ensure children are able to remain in the County supporting a decrease in payment to independent providers and supporting our stressed, troubled young people into placements that are accessible and, where possible, enabling them to continue to keep the links to family, community and education. We would continue to offer the same number of short stay respite provision to children with disabilities.

**Table 3**

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| 3 | Adolescent Support Unit | 4 beds  4 beds  4 beds | In addition to the current Adolescent Support Unit in Lancaster the proposal is to provide 2 additional provisions in the location of central and east to provide an increase of 8 Adolescent Support Unit beds |
| 2 | Crisis provision | 2 beds  2 beds | An additional crisis placement is proposed providing a further 2 beds to be used to home children who need immediate accommodation. |
| 5 | Complex additional resource homes | 4 beds  3 beds  3 beds  3 beds  3 beds | 3 additional complex needs homes are proposed increasing the total number of beds by 9. |
| 6 | Mainstream homes | 6 beds  6 beds  6 beds  6 beds  6 beds  6 beds | A reduction of 12 mainstream beds by repurposing the Willows and Thornton as sites for new provisions are proposed. |
| 3 | Short Break Service | 6 beds  4 beds  4 beds | No change to the service beds are proposed. |

Implementing these proposals would increase the residential children’s residential estate in Lancashire significantly and, in the first instance, would require an injection of finance. However, within three years, the number of children living outside the county and in private providers will have decreased significantly, allowing for savings across the board.

Working closely with all our partners across the council, we can ensure we are all working towards the same outcome. Meetings have already taken place with facilities management. Plans are being considered to ensure we establish provision in the right place with the right support, to make all the buildings a high standard and fit for purpose.

There is also a requirement to ensure our colleagues in health and the police are aware of our plans to ensure that, if we place establishments in certain areas, we are not placing a demand on other services that cannot be met.

**Conclusion**

There is a need to reconsider the use of the residential estate in Lancashire and the way in which we are providing services for the children we are caring for.

All the research shows that children who remain looked after by their families, where it is safe to do so, are more likely to reach their potential and remain in positive relationships with their family.

We are working hard to implement an asset based model, establishing a culture of keeping families together and working with the family unit as a whole.

Establishing two further Adolescent Support Units and extending the availability for families beyond the current reach of the pilot provision located in Lancaster is something that must be considered. The reach of the present Adolescent Support Unit is hindered by it being one hub in Lancaster. Families need a provision that is based on place, not service resource.

If agreed, it is expected the widening of current Adolescent Support Unit service would be fully established in the locality of the West and East districts of Lancashire, enabling families from across the County to access provision. This would support the reduction in the number of young people entering the care system, and positively impact on the number of care leavers in the future.

It is important that if children so need to be looked after, that the right decisions are made at the earliest opportunity to ensure they are returned home with support or are moved to the placement that has been assessed to be the most appropriate. To undertake this, there is a need to establish two reception/assessment units. The location of these need to be determined and the buildings identified.

Young people who require the most support are the children that are usually cared for by independent providers, due to the shortage of beds for our more troubled young people. To enable these young people to remain within their community and close to family, our proposal is to decrease the mainstream provision by 12 to 36beds, and to increase our complex provision by 9 beds. The location of the buildings is yet to be determined and may result in a structural change to buildings presently being used.

Lancashire has a clear vision to support families to remain together, but where young people are required to be cared for by the state, we need to ensure the provision is both of the highest quality and in the locations that allow identity and relationships to flourish.

It is anticipated that the new provision will support financial savings but this is not the main driver for change. Young people want to remain near their famiies and communities, this new way of providing services

**Implications**:

This item has the following implications, as indicated:

**Risk Management**

There are no risk implications arising from the proposals in the report.

**Financial**

The additional annual revenue costs of running the proposed new provision have been costed at approximately £3.000m. This will not require ongoing additional budget provision as the costs will be met from offsetting savings within external placement budget, although there may be some temporary additional costs incurred in the period when the new provision has been implemented but is stepping up to optimal utilisation levels . The impact of this will be closely monitored and additional costs covered from reserves during 2021/22 if required.

The capital requirements and proposed implementation timelines for these new provisions are being worked through and will be brought back to future Cabinet meetings for approval and would need to be funded from additional borrowing.

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| Additional provisions required: |  | |  | |  | |  | |
| 2 \* Adolescent Support Unit |  | |  | |  | |  | |
| 1 \* Reception Unit |  | |  | |  | |  | |
| 1 \* 3 bed Complex unit |  | |  | |  | |  | |
| 2 \* top up to convert to 3 bed Complex (Thornton & Willows) | | | |  |  | |  | |
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**Facilities**

All proposed buildings will be subject to Children’s Homes Regulation 46 of the Children’s Home regulations 2015.

In order to meet these standards, a Children’s home is unlikely to achieve registration with Ofsted if it is located close (5 minutes walk) to large bodies of water or fast flowing water, railway lines or motorways. Area crime statistics are also considered as part of this assessment and therefore central town, city and estate areas could be excluded or at least be a factor if it is a high trafficked area. This is a piece of work that is being considered.

The décor of the building must be of a standard that demonstrates Lancashire values and the conditions in which its children reside. Therefore, homes must be of a standard which reflects this ethos. Walls and ceilings must be smooth and finished ready for painting including skirting boards, doors and the general finish must be of a high standard. The ability for buildings to be adapted to meet the fire regulations of a Lancashire working environment is essential, in addition to all other health and safety policy commitments being considered and upheld. Kitchens will need to be equipped with separate hand washing facilities, in addition to washing up areas. Any outer buildings located on the site would need to be secured and safe and would also be subject to regulation 46.

Adaptation of any building is expected, in order to meet these requirements, and the associated costs of this will need to be considered in achieving registration and compliance with all health and safety legislation and policy.

**Legal**

There are no legal implications arising from this proposal.

**Equality and Cohesion**

The proposals in the Where Our Children Live report will impact the protected characteristics of age (children and young people) and also other protected characteristics groups e.g. sex/gender, ethnicity and disability amongst others.

It is anticipated that the proposals will contribute positively towards meeting the Public Sector Equality Duty's general aims, and particularly towards advancing equality of opportunity for those children and young people included within these proposals, and their parents/carers, as overall their experience of services should be improved and many will be able to stay closer to their families and communities.  It is anticipated that outcomes should be better for them. This will also contribute positively to the participation in public life for these children and young people. The Public Sector Equality Duty's requirement to give "due regard" to fostering good relations and community cohesion is reflected in our commitment to consider locations for facilities in partnership with colleagues in the police, health services and others.

It should be acknowledged, however, that in delivering these proposals there may be potential for some adverse impact of disruption or change for some young people and also for employees. As proposals develop, the need to consider specific Equality Impact Assessments for elements of implementing these proposals, will be reviewed.

**Consultations**

N/A

**List of Background Papers**

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| Paper | Date | Contact/Tel |
| None |  |  |
| Reason for inclusion in Part II, if appropriate  N/A | | |