

## GLOUCESTERSHIRE'S SUFFICIENCY STRATEGY - SEMI-INDEPENDENT PROJECT

<b>Cabinet Date</b>	24 April 2019
<b>Children &amp; Young People</b>	Cllr Richard Boyles
<b>Key Decision</b>	Yes
<b>Background Documents</b>	<p>To consider the future of selected care homes in Gloucestershire and the relevant consultation  <a href="http://glostext.gloucestershire.gov.uk/ieDecisionDetails.aspx?ID=1149">http://glostext.gloucestershire.gov.uk/ieDecisionDetails.aspx?ID=1149</a></p> <p>To consider the future of selected care homes in Gloucestershire and the relevant consultation  <a href="http://glostext.gloucestershire.gov.uk/ieDecisionDetails.aspx?ID=923">http://glostext.gloucestershire.gov.uk/ieDecisionDetails.aspx?ID=923</a></p> <p>Sufficiency Strategy for Children and Young people 2018-2021  <a href="http://glostext.gloucestershire.gov.uk/documents/s50668/Item%207%20-%20Sufficiency%20Strategy.pdf">http://glostext.gloucestershire.gov.uk/documents/s50668/Item%207%20-%20Sufficiency%20Strategy.pdf</a></p>
<b>Background Documents</b>	<a href="https://www.gloucestershire.gov.uk/inform/children-and-young-people/2018-children-and-young-peoples-needs-analysis/">https://www.gloucestershire.gov.uk/inform/children-and-young-people/2018-children-and-young-peoples-needs-analysis/</a>
<b>Main Consultees</b>	<ul style="list-style-type: none"> <li>• Relevant senior managers at GCC</li> <li>• Children and young people in care as part of the Sufficiency Strategy.</li> <li>• NHS provider services – 2gether Trust</li> <li>• Key Partners</li> </ul>

<b>Planned Dates</b>	<p>May 2019 To conduct a mini competition under the Gloucestershire County Council approved Major Project Framework (or such replacement Framework) for the building works.</p> <p>June / July 2019 Upon conclusion of the mini competition, and in consultation with the Cabinet Member for Economy, Skills and Growth, enter into a contract with the preferred provider evaluated as offering the Council best value for money for delivery of the services.</p> <p>July / Nov 2019 To conduct a compliant competitive, tender process for the operational delivery of the service and upon completion, in consultation with the Cabinet Member for Children’s services, enter into a contract with the preferred provider evaluated as offering the Council best value for money for delivery of the services.</p> <p>Jan 2020/ March 2020 Mobilisation with service fully operational, from April 2020.</p>
<b>Divisional Councillor</b>	<p>Cllr Jeremy Hilton</p>
<b>Officer</b>	<p>Wendy Williams  Assistant Director for Integrated Children and Families Commissioning  01452 328526 07796611068 <a href="mailto:wendy.williams3@gloucestershire.gov.uk">wendy.williams3@gloucestershire.gov.uk</a></p>
<b>Purpose of Report</b>	<p>To seek Cabinet approval for the re-modelling of Trevone House, to support the implementation of the Sufficiency Strategy, as well as procuring a provider to develop quality semi-independent accommodation and support services for vulnerable young people.</p>
<b>Recommendations</b>	<p>That Cabinet:</p> <ol style="list-style-type: none"> <li>1) Approves: An allocation of £2.5m of capital funding for the proposed utilisation of Trevone House within Children’s Services. This will be funded by reallocating the existing £1.2m IRIS capital scheme in the approved capital budget , allocating £0.75m of unallocated capital receipts and £0.550m from revenue contributions in 2018/19 and 2019/20 from the IRIS budget.</li> <li>2) Authorises the Head of Property Services to conduct a competitive procurement process under the Gloucestershire County Council approved Major Project Framework (or such replacement Framework) for the remodelling of Trevone House to provide a facility to deliver support for children as set out in paragraph 2.5 of this report.</li> <li>3) Upon conclusion of this procurement process authorises the Head of Property Services in consultation with the Cabinet Member for Finance and Change, enter into a contract with the preferred provider evaluated as offering the Council best value for money.</li> </ol>

	<p>4) Authorises the Director of Children’s Services to:</p> <p>(a) Conduct an EU compliant competitive tender process for the award of a 5 year contract and an option to extend for a further 2 years with an estimated maximum total value of up to £10.8m for the delivery of semi independent accommodation and support services for vulnerable young people, and</p> <p>(b) Upon conclusion of the competitive tender process, in consultation with Cabinet Member for Children’s Services, to enter into a contract with the preferred provider who is evaluated as offering the council best value for money . In the event that the preferred provider is either unable or unwilling to enter into a contract with the Council then the Director of Children’s Services is authorised to enter into such contract with the next willing highest placed suitably qualified provider.</p>
<p><b>Reasons for recommendations</b></p>	<p>This proposal joins up a number of key strategic priorities for Gloucestershire’s Children Services.</p> <ol style="list-style-type: none"> <li>1. Implementation of the Sufficiency Strategy to: <ol style="list-style-type: none"> <li>a. Provide quality provision for young people in county.</li> <li>b. Provide services that support young people throughout their pathway to independence.</li> <li>c. Reduce the number of high cost semi-independent placements.</li> <li>d. Improve the council’s ability to place the most vulnerable young people in placements that comply with regulatory requirements.</li> </ol> </li> <li>2. Dedicated day provision for the IRIS project by: <ol style="list-style-type: none"> <li>a. Providing multi agency support in County for vulnerable young people.</li> <li>b. Preventing where appropriate of young people coming into care.</li> <li>c. Supporting young people stepping down from Tier 4 health beds, improving outcomes for this group, including improving stability and educational and employment prospects.</li> <li>d. Reducing current spend through planned, outcomes led provision.</li> </ol> </li> </ol>
<p><b>Resource Implications</b></p>	<p>This project has both capital and revenue implications:</p> <p>Capital cost will be £2.5 million for refurbishments and building works.</p> <p>The £2.5 million will be funded from:</p> <ul style="list-style-type: none"> <li>➤ Reallocating the £1.2 million IRIS capital funding in the approved capital programme.</li> <li>➤ Additional capital receipts of £0.75 million – this funding is subject to the full achievement of the capital receipts target in the approved MTFS</li> <li>➤ £0.550 million of revenue contributions from the IRIS revenue budget of £0.300million in 2018/19 and a further £0.250 million in 2019/20.</li> </ul>

	<p>It is estimated that this facility will result in avoid costs to the external budget of £0.369 million per annum.</p>
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Revenue costs will be for the lifetime of the contract 7 years (5yrs+2yrs), at £10,800,000. All revenue funding will be from the existing external placement budget within children services.

## **MAIN REPORT CONTENTS**

### **1. Background**

- 1.1 This paper outlines proposed plans to use Trevone House for services to children and young people. Trevone House is owned by Gloucestershire County Council and was utilised as an older people's residential home until October 2018. The building has been declared surplus to requirement by Adult Social Care (ASC) and is currently empty.
- 1.2 All local authorities with upper tier responsibilities for Childrens Services have a duty to provide or procure placements for Children in Care (referred to as children looked after in legislation) and this clarity is explicit in the Children Act 1989. This has since been strengthened by the introduction of Sufficiency Statutory Guidance (2010) and the Care Planning, Placement and Case Review Regulations 2010. <https://www.gov.uk/government/publications/children-act-1989-care-planning-placement-and-case-review>
- 1.3 This duty of "sufficiency" requires local authorities and partners to ensure that, through direct provision or commissioned services, a range of placements sufficient to meet the needs of all children are available locally, or that there is a plan in place to move towards that position. Gloucestershire's Sufficiency Strategy (Right Placement, First Time) has recently been launched and describes our ambitious plans regarding how GCC intends to provide sufficient care placements for its Children in Care. This Strategy has been received very positively by our partners and the market.
- 1.4 The guidance also requires that the commissioning standards on securing sufficient accommodation for children in care, also applies to children in need who are at risk of care or custody (referred to as children on the edge of care). This is important since it is preferable, where it is in the best interest of the child, to provide support to avoid the need for them to become Children in Care.
- 1.5 A key part of Gloucestershire's Sufficiency Strategy is to implement a wider range of local accommodation options as well as highly specialist services to support children and young people who are at the 'Edge of Care' and where more in-depth preventive work may delay or avoid Care and offer the opportunity to re-unify and stabilise families. The opportunity to re-purpose the use of Trevone House (closed in 2018 as an older people's accommodation) to establish both accommodation and therapeutic day provision ensures we can start to deliver on our strategic objectives for Children in Care and cost avoidance of purchasing high cost placements.

### **2. Proposal**

- 2.1 This proposal is to redevelop Trevone House to support a sufficiency of placements for children in the care of GCC.
- 2.2 The Sufficiency strategy underpins and supports the improvement journey of GCC, and seeks to grow the market to enable children and young people to get the right help at the right time, and support them to grow into adulthood, enabling them to

realise their aspirations. Developing strong relationships and core life skills from successful placements can be effective in boosting resilience and overcoming the impact of the adverse childhood experiences. Poor placements and/or placement breakdown causes further trauma and exacerbates issues for young people. Thus getting the right placement first time is of the utmost importance to the individual and helps secure the future health and wellbeing of children and young people across the county.

2.3 Commissioners are seeking to work with Asset Management and Property services, to undertake a compliant competitive tender exercise, and appoint a provider for the remodelling of Trevone House. The proposed remodelling will provide a resource centre for children and young people, provision of a health assessment unit, an educational day service and apartments for young people to be able to learn the skills of daily living to prepare them for adulthood.

2.4 In addition to the remodelling works, commissioners are seeking to undertake a compliant competitive tender exercise, and appoint a provider for the day-to-day delivery of the accommodation and support services, with 24/7 staffing to meet the needs of all young people placed. This provider will also finance all “fit out” costs for the re-modelled provision. The length of contract proposed will be for five years with an option to extend for a further two years.

2.5 This model has three key service elements. All provision will be registered by the CQC or Ofsted:

- New flexible semi-independent provision for a maximum of seventeen young people aged 16 years plus (mix of studio apartments, two bed apartments and 1 bed apartments).
- Designated purpose-built space for the IRIS day services.
- Residential “Health” placements for young people needing a mental health assessment or step-down from Tier 4 mental health beds.

2.6 Set out below are the key area’s of the services:

**Area1:** The flexible semi-independent provision will have support staff present at all times, with group space for activity sessions, independence training and office space. The core accommodation will consist of 7/8 studio flats on the ground and first floor, while also using the 3rd stairwell, which has independent access to all three floors. This will create 4 two-bedroom flats, to either support young people moving to independence, providing the opportunity to have shared training flats, or, for more complex young people, offering the flexibility of 24/7 intensive support if required, as staff can be accommodated within the two-bedroom flats, thus reducing the need for 2:1 staffing as the site will already have staff on duty 24/7 to support all young people in placement. Finally, on the third floor there will be 1 self-contained single bed flat, this will be used as an emergency placement/ pace or remand bed.

**Area 2:** Develop a dedicated space for the IRIS day provision, this will accommodate the case management team, as well as space for education and therapeutic sessions. This is non residential edge of care provision to prevent new entrants or stabilise young people within their current placement. The service will

deliver an intensive day service with the option where the service requires for space for weekend and out of hours activities.

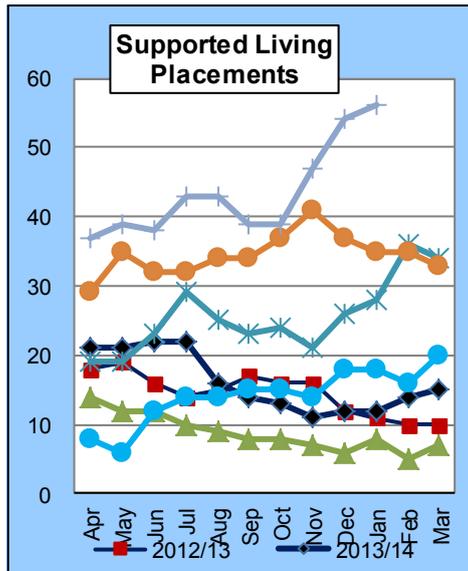
**Area 3:** Finally, three self-contained flats over three floors. The accommodation is for young people needing assessment or step-down accommodation from Tier 4 Health beds with placements reviewed jointly by social care and Health and where appropriate joint funded with Health.

- 2.7 This design allows for the project to accommodate a number of young people with differing needs and level of support. At any one time there would be only be four young people needing high support (1:1). Leaving the remainder of the building to support young people with medium and low needs. This is to create an environment of aspiration, so young people have positive role models, for independent living, education, employment and training. It also allows young people to grow and develop within the project rather than having to move placement and provider once they begin to flourish.
- 2.8 Using this model there will be a maximum capacity to accommodate 21 young people at any one time and a minimum capacity of around 13 young people. Please note the financial profiling for this project is incremental with 60% occupancy; YR1 70%, YR 2 75%, YR3 only for 85% and from YR 4 onwards 85%. This will ensure the project has a mobilisation period, and young people are placed in a timely and planned way.

### **3. Service Context**

- 3.1 The Sufficiency Strategy covers the breadth of children and young people's needs, and the provision of universal services to support all children, young people and families, through to specialist services to support children and young people with complex needs. The Council seeks to utilise buildings within Gloucestershire, to support children and young people and avoid the need for placing out of county, which takes children away from their family and community networks.
- 3.2 Accommodation for the 16 – 25 age group is particularly needed and this proposal will provide accommodation for 16- 20 year olds. This age group are the second biggest cohort to enter care and have the poorest outcomes. Placements for this cohort are scarce and generally high cost and there is a real need for higher quality placements at a reasonable cost. Currently, these placements are causing budget pressures on the external agency budget.

The Table below taken from February 2019 revenue budget report demonstrates the clear increase in semi- independent accommodation. A large number of these are complex placements for young people within supported living settings who are receiving additional support which is having an adverse affect on the budget position.



Supported Living Placements							
Month	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Apr	18	21	14	8	19	29	37
May	19	21	12	6	19	35	39
Jun	16	22	12	12	23	32	38
Jul	14	22	10	14	29	32	43
Aug	15	16	9	14	25	34	43
Sep	17	14	8	15	23	34	39
Oct	16	13	8	15	24	37	39
Nov	16	11	7	14	21	41	47
Dec	12	12	6	18	26	37	54
Jan	11	12	8	18	28	35	56
Feb	10	14	5	16	36	35	
Mar	10	15	7	20	34	33	
	15	16	9	14	26	35	44

3.3 It is envisaged that a procurement exercise would be undertaken to seek a provider to manage the centre and work with all partners such as the Council, 2gether Trust and the voluntary sector in order to deliver a holistic offer for children and young people, to meet their education, health and social needs. Any procurement process will require providers to evidence a strong track record of running good to outstanding provision for children and young people, and able to foster good relationships with the local community.

#### 4. Potential service benefits

- 4.1 In terms of budgetary pressure on the placement budget, utilising Trevone House will reduce the need for Gloucestershire County Council to commission high cost out of county placements and enable children and young people to stay closer to their families, education provision and local networks. This will support cost reduction whilst offering quality accommodation. It will provide multi-purpose function of placements, a health assessment suite and the IRIS day centre. There are currently no other buildings that could offer this flexible accommodation to meet varying needs of children and young people.
- 4.2 Given the current climate of increasing numbers of children in care, with an 86% increase in the number of children entering care since 2012, this provision will support increased demand.
- 4.3 A Due Regard statement has been completed for this proposed provision, considering the Equality Act protected characteristics for children and young people, and an impact assessment in relation to the local community around Trevone House. This recommends early engagement with the local community to mitigate any potential concerns that residents may have.

#### 5. Potential property benefits

- 5.1 The planning department has advised that the property would not require a change in classification. The property is Class C2 residential Institutions – Residential

accommodation and care to people in need of care, residential schools, colleges or training centres, hospitals and nursing homes. Therefore, there would be no material change of use.

- 5.2 The property has been declared surplus to requirement by Adult Social Care (ASC) and therefore is ready to be utilised.
- 5.3 The proposed model is for Asset Management and Property Services to conduct a mini competition under the Gloucestershire County Council approved Major Project Framework (or such replacement Framework) for the building works. There will be a separate compliant competitive tender to procure an experienced provider to deliver the operational services, with a lease for the building. This provider will also fund all fit out cost and service.
- 5.4 With careful planning, the property can be developed to generate positive outcomes for the local community, with thoughtful landscaping to make Trevone House an attractive part of the residential environment.

## **6. The financial business case**

- 6.1 Data used to inform the placement sufficiency strategy emphasises the need to develop high quality placements that offer value for money, in order to support better outcomes for children and young people, and drive efficiencies within the placement budget to be able to meet demand.
- 6.2 High level analysis of the sufficiency strategy data indicates that the provision of this service will result in avoided costs in the external placement budget of approximately £0.37 million per annum or £2.6 million over the seven year term of the contract.
- 6.3 The estimated running costs of this facility over the full lifetime of the project (5 years + 2 years) is estimated to be £10.8 million which will be funded from the existing external placements budget.
- 6.4. This estimate of avoided costs does not include reductions in rent where young people are eligible for housing benefit or the cost savings associated with reduced travel time for Social Workers and other professionals when young people are placed locally.
- 6.5 Capital funding of £2.5 million for the refurbishment and building works will be required and will be funded from:
  - £1.2 million – reallocation of existing IRIS capital project.
  - £550K – revenue contributions from the IRIS revenue budget in 2018/19 and 2019/20
  - £0.75 million from unallocated capital receipts – this is subject to the full achievement of the capital receipts target approved in the MTFS
- 6.6 Asset Management and Property Services will create the specification for all capital works in partnership with Children's Services. This joint working will also create the

formal lease agreement for the building, which will support the lifetime of the operational contract, with a break clause whereby; any break or breach in delivery will automatically affect the building lease.

- 6.7 All fit out costs for the whole development will be met by the new operational provider, and will remain their responsibility throughout the lifetime of the contract.
- 6.8 The rationale for this approach is both timely and cost effective. It will allow for both tender processes to be undertaken in an efficient and timely manner.

## **7. Strategic property context**

- 7.1 Trevone House is currently a three storey, 40 single-bedroom accommodation for older people, within central Gloucester, offering independent parking and a private garden. It is a good quality building, but surplus to the future needs of older people provision.
- 7.2 Trevone House offers the opportunity to develop a multi-purpose therapeutic resource centre for children and young people. Other building options have been explored; however they do not offer the same opportunity in terms of space and multiple usage. Other properties identified would require a change of use in terms of planning process, and they would require building purchase, using capital funding.

## **8. Risks Assessment**

- 8.1 The most immediate risk is we will continue placing young people needing semi-independent accommodation in high cost poorly regulated provision, which is scattered around the county and very often further afield, adding further cost pressures to the external placement budget.
- 8.2 If approved, the implementation of this project will involve a project management approach with risk and issues logs.
- 8.3 Through a robust leasehold contract, risks related to the management of the building will be minimised.
- 8.4 There is a risk that a good to outstanding provider will not be identified to take on this contract, however, this risk will be minimised through market engagement prior to any procurement process.
- 8.5 There are minimal risks related to planning, due to no material change to the use of the building. One risk is around local residents and their potential opposition to children and young people residing in Trevone house. This risk will be mitigated through early engagement with the local community.

## **9. Officer Advice**

The current situation is not a sustainable position in meeting our sufficiency duty, placement costs will continue to escalate and the number of young people placed out of

county will also increase. The recommended option will enable the council to develop much needed good quality semi-independent provision in county to address the rising spend, poor outcomes and sufficiency issues that are faced in respect of vulnerable young people in care and care leavers. The proposal is based on a strong financial model that cost reductions will be achieved over the lifetime of the contract, and beyond.

It is the only option that builds best practice in county. The project increases the likelihood of the council being able to address its issues of sufficiency and increased spend. However the proposal does not guarantee complete success and must be viewed as an integral part to implementing the wider ambitions of the Sufficiency Strategy for Gloucestershire.

## **10. Equalities considerations**

A due regard statement has been completed and has found the impact of these proposals to be positive across most characteristics, with opportunities to improve services provision.

Cabinet Members should read and consider the Due Regard Statement in order to satisfy themselves as decision makers that due regard has been given.

## **11. Performance Management/Follow-up**

A robust performance framework will be developed as part of the contractual arrangements, offering clear oversight of this service. In principle it will focus on the following areas (please note this may change once the final contract is in place):

- Compliance with regulatory requirements, to ensure all provision is of good to outstanding quality.
- Avoidance of escalation of need, reduced crisis presentations requiring less than satisfactory responses, which can compound problems or issues.
- Creating a Whole Child in Care placement pathway – reducing placement moves, creating stability.
- Demand management, matching of needs and allocation of resources, will all be done in partnership with Children Services.
- Robust pathway planning so placement demand is well known, appropriate and reduces the risk of voids.
- Needs lead support that enables ALL young people to move successfully to independence.

<b>Report Title</b>	
<b>Statutory Authority</b>	Children Act 1989, 2004 Children and Families Act Sufficiency Statutory Guidance (2010) Care Planning, Placement and Case Review Regulations 2015.
<b>Relevant County Council policy</b>	Sufficiency Strategy for Children and Young people 2018-2021 <a href="http://glostext.gloucestershire.gov.uk/documents/s50668/Item%207%20-%20Sufficiency%20Strategy.pdf">http://glostext.gloucestershire.gov.uk/documents/s50668/Item%207%20-%20Sufficiency%20Strategy.pdf</a>
<b>Resource Implications</b>	<p>This project has both capital and revenue implications: Capital cost will be £2.5 million for the refurbishments and building works. This will be funded from:</p> <ul style="list-style-type: none"> <li>➤ Reallocating the £1.2 million IRIS capital funding in the approved capital programme.</li> <li>➤ Additional capital receipts of £0.75 million – this funding is subject to the full achievement of the capital receipts target in the approved MTFS</li> <li>➤ £0.550 million of revenue contributions from the IRIS revenue budget in 2018/19 and 2019/20.</li> </ul> <p>It is estimated that this facility will result in avoid costs to the external budget of £0.369 million per annum.</p> <p>Revenue costs will be for the lifetime of the contract 7 years (5yrs+2yrs), at £10,800,000 (Ten million eight hundred thousand). All revenue funding will be from the existing externals placement budget within children services.</p>
<b>Sustainability checklist:</b>  Partnerships  Decision Making and Involvement	Children and Young People’s Partnership Joint commissioning  The council is seeking to develop this service for vulnerable young people and continues to involve partners of closely aligned services such as the Police, alternative education, Health and community services.

Economy and Employment	This project will seek to maximise opportunities for this group of young people to engage in education, employment and training and to contribute positively to the local economy.
Caring for people	<p>Securing the provision of quality care and accommodation in County to improve outcomes for our most vulnerable children, young people and their families.</p> <p>Provision of this project, supports Gloucestershire County Council to meet its statutory obligations under Children Act 1989 as amended to make available appropriate accommodation and support for vulnerable Children and Young People.</p>
Social Value	<p>This service seeks to ensure that this vulnerable group of young people is offered the opportunity to contribute to their local communities and to recognise the social value they can bring.</p> <p>The implementation of the Sufficiency Strategy will deliver additional social, economic and environmental benefits to Gloucestershire.</p>
Built Environment	N/A
Natural Environment' including Ecology (Biodiversity)	The council will ensure that any impact on the natural environment is minimised.
Education and Information	This project will seek to maximise opportunities for this group of young people to engage in education, employment and training. It will seek to reconnect this group of young people as this group is often excluded from education and they currently have significantly poorer educational outcomes and employment prospects from their peers.
<b>Tackling Climate Change</b>	<p>Carbon Emissions Implications? Neutral</p> <p>Vulnerable to climate change? No</p>
<b>Due Regard Statement</b>	<p>Has a Due Regard Statement been completed? Yes</p> <p>A copy of the full Due Regard Statement can be accessed on GLOSTEXT via <a href="http://glostext.gloucestershire.gov.uk/uuCoverPage.aspx?bcr=1">http://glostext.gloucestershire.gov.uk/uuCoverPage.aspx?bcr=1</a></p> <p>Alternatively a hard copy is available for inspection from Jo Moore, Democratic Services Unit, email: <a href="mailto:jo.moore@gloucestershire.gov.uk">jo.moore@gloucestershire.gov.uk</a>.</p>

<b>Human rights Implications</b>	Improve the Human Rights for Gloucestershire's Children and Young People in Care.
<b>Consultation Arrangements</b>	Young people have been consulted throughout the development of the Sufficiency Strategy. To date their views have shaped the initial planning and development of this project. As part of the delivery programme for the Sufficiency Strategy further consultations, and evaluations will take place throughout the 3 year programme. Neighbourhood engagement will take place as part of the initial stages, within the development as well be a key requirement throughout the lifetime of the contract.