

# Residential children's homes review & strategy (Public report.) 2023- 2026

*"Children remain at the heart of what we do and at the heart of Coventry City Council's residential homes for children".*



# Contents

<b>1. Introduction</b> .....	<b>3</b>
<b>2. Sufficiency</b> .....	<b>4</b>
<b>3. Review of Residential Redesign: July 2021</b> .....	<b>7</b>
<b>4. Response to Sufficiency Challenges</b> .....	<b>8</b>
4.1 Sufficiency Steering Group .....	8
4.2 Home for children looked after with disabilities .....	8
4.3 Department for Education (DfE) grant bids .....	11
4.4 Home for children looked after: short stay.....	11
4.5 Staying Close .....	13
<b>5. Residential Workforce Strategy</b> .....	<b>14</b>
5.1 Recruitment .....	14
5.2 Residential Redesign review – July 2021.....	15
5.3 Training and development .....	15
5.4 Rota and staffing levels .....	17
5.5 Career development pathway .....	17
<b>6. Quality Assurance</b> .....	<b>19</b>
<b>7. Long Term Strategy</b> .....	<b>23</b>
<b>8. Proposals</b> .....	<b>25</b>
8.1 Children with Disabilities (CWD) Home Project 2 .....	25
8.2 Homes for children with Emotional and Behavioral Difficulties (EBD) .....	26
8.3 Improvement of Short Breaks Home with Children with Disability .....	28
8.4 Additional resource implications .....	30
<b>9. Financial Implications</b> .....	<b>33</b>
9.1 Summary of Financial Benefits .....	33
9.2 Preferred timeline assumed in 5-year cost projections.....	33
9.3 Impact of Medium-Term Financial Strategy (MTFS).....	33
9.4 Financial risks, assumptions, and sensitivities .....	34
<b>10. Strategy Governance</b> .....	<b>36</b>
10.1 Project Sponsor and Leadership .....	36
10.2 Project Structure .....	36
10.3 Project Board.....	36
10.3 Decision delegation.....	37
<b>Appendix 1: 5-year Revenue Financial Plan</b> .....	<b>38</b>

## 1. Introduction

In 2017, Coventry Children’s Services embarked on a residential redesign. At the time there were 3 residential homes for children operated by the council, 2 homes for children with emotional and behavioural difficulties and 1 home offering short breaks to children with a learning disability.

The redesign involved the sale of The Grange and with the proceeds of this, the purchase and creation of 3 new family type residential homes for looked after children. This was an ambitious project, that enabled up to 12 additional children to remain living within Coventry, close to their families and communities, with improved outcomes and financial benefits, compared to some children living at a distance in residential care.

At the time, Broad Park House short breaks home moved from being managed by the children with disabilities team to the Operational lead for Placements.

By August 2019 all 5 homes were operational, and as of June 2022 all judged as ‘Good’ by Ofsted following an inspection.

This document aims to:

- Ensure a Council wide understanding of the current trends in commissioning residential care in children’s homes and the factors contributing to these.
- Understand the needs of children and young people being referred to or accessing residential care and the current challenges in meeting these needs.
- Identify key recommendations to shape the future of service delivery and provide a potential solution for the changes needed to offer more children a safe and secure home within the city, resulting in outstanding services for children.

## 2. Sufficiency

Coventry Children’s services are committed to ensuring that children remain living with their families, whenever it is safe for them to do so.

Broad Park House continues to offer residential short breaks to children with a disability, enabling them and their families to have time apart and the children to have opportunities to engage in activities and build relationships with peers.

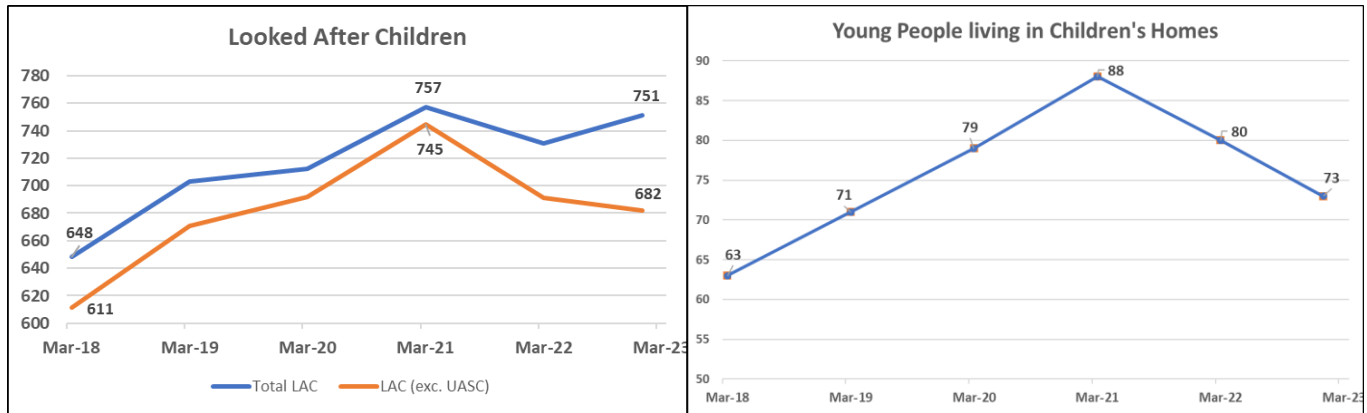
As required by the Sufficiency Duty<sup>1</sup> Local authorities are required to ensure so far as is ‘reasonably practicable’, that there is sufficient accommodation within their area to meet the needs of its children in care.

If a child does need to become looked after, we will seek to support them to live with a ‘connected carer’ whenever this is possible and safe to do so. Only if the need is assessed for a child to live within a children’s home, should a residential children’s home be considered.

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<sup>1</sup> Department for children, schools and families: Sufficiency Statutory guidance on securing sufficient accommodation for looked after children  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/273812/sufficiency\\_-\\_statutory\\_guidance\\_on\\_securing\\_sufficient\\_accommodation\\_for\\_looked\\_after\\_children.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/273812/sufficiency_-_statutory_guidance_on_securing_sufficient_accommodation_for_looked_after_children.pdf)

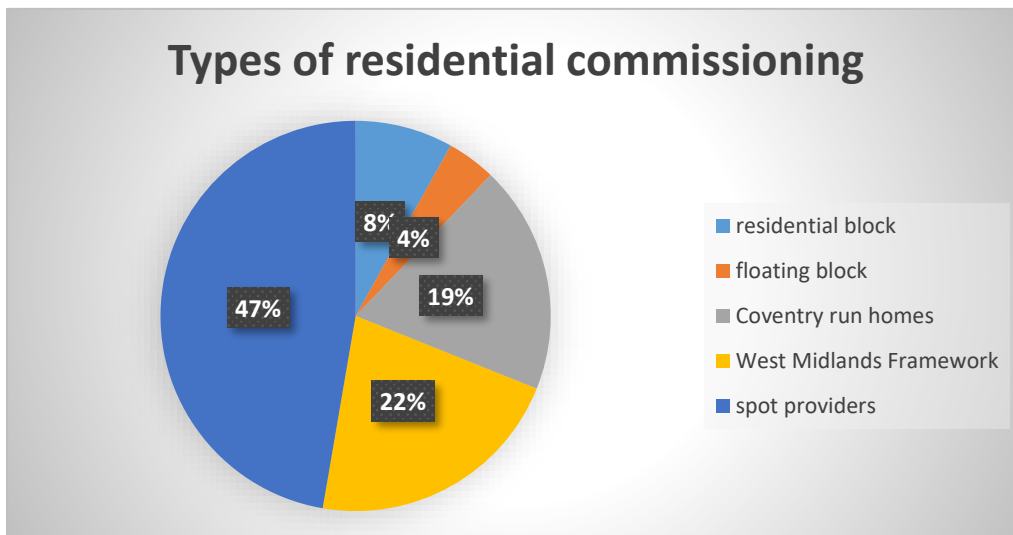
At the time of the residential redesign in 2017, following a needs analysis, it was deemed that the ‘market’ within Coventry could meet the needs of children, alongside the opening of the new homes, block contracts and commissioned placements further afield. This was based on the drive to reduce the number of children in care and living within a children’s home. However, the number of children in care and residential care, has not reduced.



Research undertaken by Ofsted in 2022<sup>2</sup> noted, ‘how challenging it is to provide sufficient care for children, particularly for those whose needs are complex. There simply being a vacancy in a children’s home reasonably near to where a child currently lives does not mean that the home can meet the needs of that particular child.’

Despite being a part of the West Midlands regional framework for residential care, there has been an increase in the need to use ‘spot providers’, as often framework providers do not respond via the portal in a timely way, and some have chosen to remove themselves from the regional framework. In December 2021, higher numbers of placements from spot providers were being commissioned.

**As of the end of January 2023:**



A significant number of the providers offering care to Coventry’s children in children’s homes are spot providers who do not have an agreed fixed price and costs can fluctuate significantly.

<sup>2</sup> Ofsted: Why do children go into children’s homes? [published 13 April 2022]  
<https://www.gov.uk/government/publications/why-do-children-go-into-childrens-homes/why-do-children-go-into-childrens-homes>

Over the last 5 years, there has also been a significant shift in the ‘private market’ being able to meet the needs of children and a significant rise in the costs of residential care. Often providers inform us that they have multiple referrals for a placement and increasingly request payment of a retainer to secure a planned move for a child.

The Competition & Markets Authority (CMA) published a report: Children’s Social Care Market, Final Report (2022)<sup>3</sup> and found: *that local authorities were too often unable to access appropriate placements to meet the needs of children in their care. Second, that the prices paid by local authorities were high and this, combined with growing numbers of looked-after children, was placing significant strain on local authority budgets.*

The summary of findings identified:

- *a lack of placements of the right kind, in the right places, means that children are not consistently getting access to care and accommodation that meets their needs*
- *the largest private providers of placements are making materially higher profits, and charging materially higher prices, than we would expect if this market were functioning effectively*
- *some of the largest private providers are carrying very high levels of debt, creating a risk that disorderly failure of highly leveraged firms could disrupt the placements of children in care*

Within the last 9 months, there has been a significant rise in the cost of newly commissioned children’s residential care

The findings noted in the DfE publication ‘**Stable Homes, Built on Love: Implementation Strategy and Consultation. Children’s Social Care Reform 2023**’<sup>4</sup> states: *to reinforce that cost does not improve outcomes- Local authorities are paying excessive amounts for some children’s care, but this does not always result in better outcomes. Some care providers are making excessive profits as a consequence’.*

A number of providers have requested uplifts in the last 2 months, ranging from 10.1% to 35%.

Furthermore, the DfE’s response to the Care Review identifies that children often live too far away from where they would call home, which can increase the barriers they may face when leaving care and that those children that are able to maintain their educational placement, community links and healthy family relationships have improved outcomes.

As of the end of January 2023, 73 children were living within a children’s home, only 23 of them lived within Coventry.

The new Coventry Children’s Services Sufficiency Strategy identifies the need for more residential children’s homes within Coventry. Despite having contracts with 2 providers within the city to care for up to 12 children and the homes run by the Council offering care to up to an additional 16 children, too many children are living too far away.

The options within Coventry for looked after children with a disability have diminished since the redesign and there is currently not a home within the city to care for these children. As a result of this, a Project Initiation Document was written and subsequently approval was sought and gained from Cabinet to open a home for

<sup>3</sup> CMA Competition & Markets Authority; Children’s Social Care Market Study: Research and Analysis Final Report [updated 22 March 2022]

<https://www.gov.uk/government/publications/childrens-social-care-market-study-final-report/final-report>

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[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1133537/Children s social care stable homes consultation February 2023.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1133537/Children_s_social_care_stable_homes_consultation_February_2023.pdf)

Children with Disabilities in January 2022. This is expanded in the Response to sufficiency challenges within section 4 of this strategy.

### 3. Review of Coventry’s Residential Redesign July 2021

A full review of the residential children’s homes redesign was undertaken in July 2021, with contributions from the Transformation Team, finance business partners and the operational lead for placements. Key findings from the evidence-based report found:

The anticipated benefits to our children have materialised ...and we have seen examples whereby:

- Some children were enabled to move back into the city from out of the area
- Some children have been prevented from going out of the area when we expect the previous model would have seen them homed out of city.
- Many children have experienced placement stability
- Children have maintained their educational placements and when appropriate, been supported by our SEND services.
- Children have been supported to attend college and have gained employment locally.
- Children have been supported to maintain family & community links
- Children have been consulted and involved in the recruitment of Operational Leads, team managers & residential staff. They have participated in Voices of Care & Corporate Parenting Board.
- Children have not been criminalised as a result of being in our care
- Children have been supported to establish and maintain Lifelong Links
- Children have been enabled to move to supported accommodation when it is the right time for them and in a planned way. They have had the opportunity to experience the training flat. They receive ongoing informal support from the homes.

The project, and subsequent follow up activities have helped to improve many areas of the service, including:

- Mitigating hidden costs such as SW/IRO travel and time costs
- Linking with our own local services e.g., Horizon, local Police, CAMHS (designated leads associated to each home)
- Transitions to supported accommodation are planned and young people can experience the training flat prior to moving
- Implementation of the LCS Residential Workspace which enables children’s records to be stored in one place and social workers have immediate access. This has improved the service for our children as it enables quicker and better-informed decisions, and also mitigates the risk of any information breaches.
- A consistent suite of policies and procedures has been developed to apply across all of the homes.

The report also identified areas of learning and where further developments were still needed. It also identified at the time, that although the unit cost had decreased for the Council compared to before the redesign, they were not ‘financially’ competitive to the costs of block and framework commissioned placements i.e., higher than anticipated.

The key findings from the report and the ask from the Children’s Services Leadership Team at the time included:

- Ensure that learning is taken forward to help inform the work on acquiring a home for Children with Disabilities.
- Consideration to be given as to whether the Council would consider opening further homes to meet the needs of more children within the city

## 4. Response to Sufficiency Challenges

As part of the Coventry Family Valued program, there remains a drive to ensure that children remain living with their families, wherever it is safe for them to do so. In partnership with Leeds, Children's Services has been embedding relationship-based practice and working restoratively with families to achieve change where needed. Workstreams have focused on several areas including SGO's and connected carers and the Reunification Project.

The Fostering Recruitment Strategy seeks to increase the number of foster homes available to Coventry's looked after children and build upon the strengths and resilience of carers. In addition, the 'step down' from residential care and 'next step' carers schemes aim to decrease the number of children living within a children's home, whose needs could be met within a foster family.

Opportunities are being created through a number of multi-agency forums, including the One Coventry plan and Child Friendly Cov to increase links with partner agencies and develop a better understanding of the needs of children and their families to identify collaborative solutions.

The monthly Sufficiency Steering group oversees the progress of children's services response to tackle challenges in meeting our sufficiency duty and ensuring children have the right care and support in the right place, at the right time.

### **4.1 Sufficiency steering group**

A monthly meeting is chaired by the Strategic Lead for Looked after children (corporate parenting) and attended by colleagues from across the service:

- Strategic Leads for Looked After Children [Corporate Parenting], Help and Protection, Looked After Children [Practice], QA Performance & Commissioning
- Operational Leads for, LAC & Permanency, Childrens Disability Team, Fostering, Through Care & Edge of Care, Placements, Children's Residential Services, Commissioning & Partnership, QA Performance & Commissioning
- Commercial Lead for Children's Services
- Senior Commissioning Officers & Commissioning Officer, QA Performance & Commissioning
- Financial Management Lead Accountant, Business Partners

The group considers current challenges in relation to sufficiency & identifies potential strategies and actions to address these. Members of the group are accountable for key areas of development and report back on progress. A RAG rated action plan is reviewed at every meeting, and as a group agreement is reached as to how best address mitigating factors. This involves collaborative governance where roles are defined, and goals understood in terms of multi project management to address sufficiency challenges and improve outcomes for children, young people and their families.

### **4.2 Home for looked after children with disabilities**

Following the needs analysis highlighted in the Residential Redesign Review, there was an agreed necessity for a home for children with disabilities within Coventry. The only placements available were outside of the city or in private provisions where there were concerns regarding the level of care that was offered. There were also significant costs related to the individual care being offered to each child, which reinforced the business case.



A 'One Coventry' project group was established in June 2021 to explore possibilities and the completion of a PID. It was identified that the estimated cost to refurbish an existing property. The opportunity to submit a bid to the DfE for 50% of the capital funding in the autumn of 2021 was undertaken, however this was unsuccessful.

Building upon the learning from the bid and the continued need for a home for these children, an options appraisal was undertaken, resulting in Cabinet's approval for a purpose built, energy efficient new build, with the identified costs being met from the Disabled Facilities Grant (DFG).

Cabinet also approved the scoping of a second home, based upon the number of looked after children identified with a disability who needed residential care.

In brief the project parameters include the following:

- The home will provide care and support for up to 4 children up to the age of 18 and enable them to develop increased independence skills, planning with them to either return to the care of their family, a foster family, or a more independent placement as they reach adulthood.
- Children will be supported to maintain their links to their local communities, education, and health support services.
- To work closely with established partners to ensure needs are met and looked after children have priority access to services when needed.
- The proposed property will provide flexibility and enable 1 of the 4 children to live with an increased level of independence, as appropriate to their needs and abilities.
- It will be their home medium to long-term, reflecting their current care plan and ensure a seamless transition to adult and care leaver services as appropriate.

#### *Children with Disabilities (CWD) Home Project 1 – Headlines of Commercial & Financial Business Case*

Cabinet approved this project on 11<sup>th</sup> January 2022 and were informed of the rise in costs and intention to switch the project from a refurbishment to a new build in the Financial Monitoring Report dated 30<sup>th</sup> August 2022.

This project will see the design and build of a bungalow to create a purpose-built home for 4 disabled children. Following a search, land was identified and purchased on the Pear Hyde site in July 2022. In January 2023, engagement with an architect commenced and plans are being agreed for a purpose-built home that can meet the needs of the children, whilst ensuring it creates a homely environment.

The project is progressing at pace and design work is currently being undertaken prior to a planning application process. It is anticipated that this new build will be completed ready for Children's Services to occupy the space by July 2024.

Costs communicated to cabinet regarding this project in August 2022 have increased due to a rise in professional consultants fees, the market's reaction to inflation and several reasons for this including:

- There has been a significant increase in costs due to exponential rates of inflation in the last 12 months, including, labour, materials, and ground preparation.
- The estimate was produced using theoretical site and build costs. A site has now been chosen (Dorchester Way) and a detailed design produced for a purpose-built home for the disabled children. Dorchester Way has some unforeseen complications within the site, including a main sewer pipe, and 2 trees that have protection orders on them. This has meant the design of the building has needed to accommodate these issues which has resulted in increased design fees and building costs.
- The land is near the City Hospital, and on-road parking is not possible. The children's home will require circa 7 parking spaces to accommodate residents, staff, and visitors. Due to the lack of local parking opportunities the site design has had to accommodate this within the plans. Again, there is a cost associated with this, that was not considered in the initial estimate.



- The site also has an existing care takers bungalow that has been condemned for demolition
- The Council’s commitment to the Green Futures Strategy has also meant the project has included both solar panels and an air-flow heating system as part of the specification to the new build resulting in additional costs. Whilst the project will recover these costs over time through savings in gas and electricity bills, this is a capital cost that did not form part of the original build estimate.

The project timetable currently suggests a two-year timetable, with delivery in July 2024, as summarised below

Project Start Date	Estimated Project Duration	Estimated Completion Date
October 2022	21 months	July 2024

### Capital Assumptions

- This additionality has been communicated to Cabinet Member for Children’s Services

### Revenue Assumptions

Current assumptions are the capital requirement would be financed through borrowing over a 30-year period, with repayments funded by current budget arrangements in replacement of expenditure on external placements.

Despite the increase in estimated costs to complete the build of this project, this new home is projecting cost avoidance

These potential commercial returns are subject to a range of factors, including occupancy, staffing and Ofsted requirements and a learning analysis of recent projects.

Year 1 will incur costs during the implementation phase as the home is set up, staffed, and assessed by Ofsted before children can be introduced into the home. Therefore, full occupancy will not be achieved immediately. It is anticipated that the first full year of savings will be recognised in year 2 of the project following implementation.

The project planning team meets fortnightly to discuss progress with the professional teams and assesses financial performance against budget to ensure business case projections are still relevant and realistic.

### 4.3 DfE Grant Bids.

During 2021 and 2022, opportunities have been taken to bid for funding in relation to capital costs for the setting up of new homes and for Staying Close. Although the first bid to the DfE in September 2021 for the home for children with disabilities was unsuccessful, 2 further bids were awarded in 2022. Learning from each bid has been used to inform the next which has resulted in additional funding of more than £1.6m being awarded for 2 projects to improve our offer to children in and leaving residential care for the period up to 2024/25.

- Staying Close £1.0m
- Crisis Resources Home £0.6m

### 4.4 Short stay children’s home

As highlighted in section 2 of this strategy, there has been a significant challenge in finding homes for looked after children, which can be further compounded if they are needed at short notice or are unexpected e.g., Police Protection Order.

Through discussions within the Sufficiency Steering Group, Children’s Services Leadership Team (CSLT) and Family Valued Board it was recognised that a further resource was needed to respond to sufficiency challenges and to further support the family valued approach.

- Although Coventry’s Fostering service provides ‘emergency foster carers’, the complexity of the needs of some of these children means that these carers are not always able to offer care to some children.
- Building upon embedding the Coventry Way, working with families, it was identified that at times ‘space’ for families, particularly those with young people in adolescence, can enable intensive support to be put in place, to find family led solutions including FGC’s and with support from the Edge of Care team.
- Having time to find the right home for a child who needs to be looked after can prevent multiple moves and increase the likelihood of stability whilst in care. The need to find homes for sibling groups can also be challenging.
- Young people admitted to ward 14, via A&E, presenting with mental health and emotional wellbeing needs, could experience delayed discharges from hospital whilst support or care needs were being sourced.

When the opportunity arose in September 2022, a bid was submitted to the DfE under its Children’s Home Capital Fund programme for a home to address some of the needs identified. The bid was for 50% match funding between the Council and the DfE. In November 2022 Children’s Services received notification from the DfE that the bid was successful and in the same month Cabinet approved acceptance of the grant and Capital borrowing for the 50% match funding.

This new short-term residential home will provide real value by giving the services extra time to put support in place for children and families when needed. Through a collaborative review of needs and risks, consideration can be given to plan for whether a child returns/ remains at home with family, enters foster care or a more suitably matched residential children’s home, or is assessed as being ready for supported accommodation

*Short Stay Same Day Home - Headlines of Commercial & Financial Business Case*

Due to the nature of the children that require this type of support and care, they are invariably homed in costly spot placements.

It is anticipated that this project will be completed ready for Children’s Services to occupy by November 2023. This is summarised in the table below:

Project Start Date	Estimated Project Duration	Estimated Completion Date
February 2023	9 months	November 2023

**Capital Assumptions**

The service have secured capital grant funding to support the opening of this home, through wave 2 of the Children’s Home Capital Programme. Match funding has been awarded and the service will use capital borrowing to match this, for a 5-bed property.

This capital estimates are based on the following assumptions:

- A suitable home being on the market
- Minimal building works needed

## Revenue Assumptions

Current assumptions are that 50% of the capital cost of the project will be financed through borrowing over a 30-year period, this will require repayments funded by current revenue budget out of cost avoidance on external placements fees.

It is estimated that the home will have a 75% occupancy rate meaning an average of 3 out of 4 beds will be occupied at any one time.

As the home will reduce entries to care or increase the likelihood that a fostering placement will be made, it is expected that significant placement costs will be avoided, although the nature of the placements makes it difficult to quantify the cost avoidance opportunities.

The Business case assumes that the running of the home will be funded from existing placement budgets on estimates that 3 or 4 children are prevented from needing to enter care each year.

The performance and impact of this home will regularly be monitored and reported to CSLT.

The introduction of this provision as a short-term/ same day home for children is projecting a savings assuming a 75% occupancy rate.

The project launched in January 2023, with a property being identified in Coventry and initial surveys and market valuation are being undertaken. A One Coventry project team has been established who is determining the best route to progress the project ensuring both the financial aspirations of the strategy are met alongside the desire to provide the children with a suitable and inviting home environment.

### 4.5 Staying close

To enhance the support to children leaving residential care and to care leavers, an expression of interest (EOI) application was submitted to the Department for Education in April 2022 on behalf of Coventry Children’s Services to be included in the national rollout of ‘Staying Close’ arrangements.

The bid was successful with the grant awarded in July 2022, covering a three-year period with funding of circa £1.1m.

Staying Close arrangements are implemented to support young people leaving care from residential Childrens homes, building upon the success of the House Project, Lifelong Links and the training flat. The aim is to ensure that these young people experience the same support and opportunities as those who are eligible to remain in their foster care placements under the statutory ‘Staying Put’ arrangements.

The funding for the project has created 6.5 additional posts, (these include 4 senior residential childcare workers) with the expectation that support is offered to approximately 26 young people over the next 3 years. A measure of success of the project will relate to enabling young people to move to independence with additional support, sooner than may have previously been viable and that children maintain meaningful supportive relationships with their caregivers and build a network of support. In addition, this will create a cost saving against the budget and it is hoped, fund the project going forward.



## 5. Workforce strategy

### 5.1 Recruitment

Since the residential redesign, there has been ongoing recruitment for the residential service. An additional 30+ staff needed to be recruited to enable the homes to open including deputy managers and managers and in addition some staff have moved on.

Due to the Residential Childrens Worker (RCW) role not initially requiring candidates to be qualified, there is often a high number of applicants, however the majority of these do not have any experience in working within a children's home and many have no experience in working with children and young people.

Through a robust recruitment process we strive to appoint staff from a wide range of backgrounds, with transferable skills that reflect the demographics of the communities within Coventry.

All managers and deputies undertake interviews, with the chair of each panel being trained in safer recruitment and Recruiting for a Diverse Workforce. We have worked closely with the Recruitment Team to improve the recruitment process.

If candidates are successful following their interview panel, they are then invited to one of the homes, to meet with the children and young people and gain further insight into the role. Feedback is sought from the children, which then contributes to the decision as to whether the candidate would be offered the post, subject to schedule 2 checks as required by the Children's Homes Regulations (2015)<sup>5</sup>.

In January 2023, a recruitment evening took place, whilst an advert was published to recruit further staff. This was well received with 60 applicants expressing an interest and approximately 30 candidates attending and as a result several candidates who attended, applied and were shortlisted. 4 candidates that attended the open evening have been offered a post within one of Coventry's children's homes. Future recruitment evenings are planned throughout the year.

#### Challenges:

Managing the recruitment process requires significant resources, with as many as 150 applications being submitted that require shortlisting, with potential group interview assessment days taking place when shortlisting numbers are high.

When we have sought to recruit to the Registered Manager role, there have been few applicants. It is recognised that there is a national shortage of residential managers, therefore our focus needs to be to invest, up skill and 'grow our own' managers for the future.

The majority of new staff have no experience of working within a children's home previously. There is a need to build a skilled and resilient workforce, who place the children in their care at the heart of what they do. There are challenges nationally in recruiting staff, as referenced within the Care Review, with the DFE [2022] response in March recognising the '*need to ensure we have a stable and skilled workforce in children's homes*'.

In order to attract staff to Coventry's residential homes and retain them, we must offer training and career development opportunities and a high level of support to staff, who work in an environment that is both rewarding and challenging. The demands of the role require staff to work shifts, weekend and bank holidays, to build resilience and be proactive to meet all of the individual needs of children in their care.

### 5.2 Residential redesign review- July 2021.

Through the residential redesign review in 2021, key challenges in relation to the workforce included:

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<sup>5</sup> Children's homes regulations, including quality standards: guide

<https://www.gov.uk/government/publications/childrens-homes-regulations-including-quality-standards-guide>

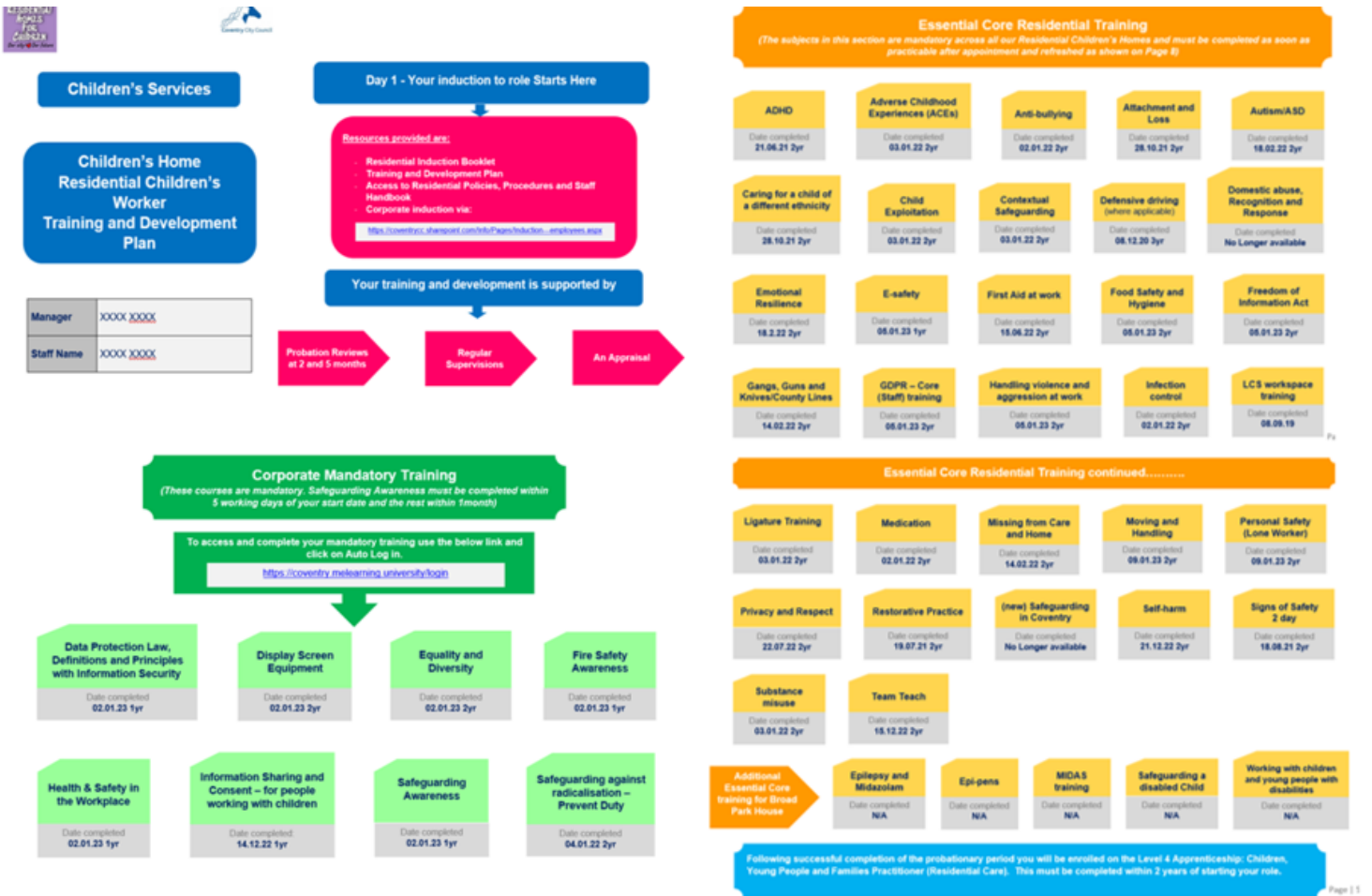
- Workforce development. There was an assumption that staff that transferred from the previous model had the skills to adapt/ meet the demands of the 'new role', and this was not always the case.
- Deputies post did not exist in the same way- no residential specific training & development program- significant shift from the role of team leader to deputy in terms of accountability & expectations
- Rotas. the example model: the rotas did not allow for planned absences such as training or annual leave or the consideration of the Working Time Directive. It also made an assumption that staff would agree to be on standby sleeping in duty with no cost considerations.
- Assumption that all staff would be willing to be more flexible with rota changes to account for planned absences- leave, training etc- rather than having to work with a fixed rolling rota

Several actions have been taken to address some of the challenges, which include:

### 5.3 Training & development

- There were significant challenges to accessing training during COVID and therefore monthly online practice development/ training sessions were offered to staff to address some shortfalls. These remain ongoing, alongside accessing training via the Council and AC Education.
- Training has to be responsive to ever the changing needs of the children living with the homes and therefore a library of training resources and links to websites has been set up on the residential SharePoint site.
- Through training, supervision and reflective practice, staff are being upskilled to meet the needs of the diverse children in their care. Supervision includes discussions regarding the impact of working within a children's home and consultations with CAMHS take place to enable staff to take a more 'trauma informed' approach to working with the children in their care.
- Staff have annual appraisal, which identify strengths and areas for development for the next 12 months.
- Training, such as PACE has been delivered to some staff.
- All staff are required to attend Team Teach training to support in the de-escalation of challenging behaviours. We have invested in over 6 staff becoming trainers for Team Teach, with annual training licence renewals.
- All deputies have been supported to undertake the level 5 in leadership and management through the apprenticeship levy, alongside taking a lead role for Team Teach. Quarterly deputies' meetings take place to discuss performance challenges and as a supportive reflective practice workshop. Key responsibilities have been identified such as Weekly Annex A completion.
- Continued to build on restorative and relationship-based practice and embedding the tools from Signs of Safety into evidence-based practice.
- Electronic recording is now completed on LCS, through intensive support and work with the Business Systems/ LCS team, bespoke recording tools are in place. All staff have received LCS training and contribute to ongoing improvements in recording.
- All staff from within the homes now have a laptop. Recording tools are now universal to all the homes, enabling staff to provide the evidence needed to meet the children's homes regulations and work more efficiently across homes as recording requirements are the same.
- Childrens individual placement plans focus on the Signs of Safety methodology, which all staff have received training in.
- Each home has a training tracker and each member of staff an individual 'training passport'.

## Exemplar of individual training record



### Challenges:

Further consideration is needed as to how we strengthen the skills and abilities of all staff to further improve the outcomes for children living within the homes.

The monthly practice development forums create additional pressures on managers to write and deliver the training, alongside challenges with staff attendance due to rotas.

Unfortunately, some mandatory training still needs to be 'purchased' from providers to ensure staff and homes can meet the regulatory requirements and the needs of children in their care. There are ongoing discussions with the Safeguarding Partnership and health to ensure training can be accessed at the right time, where available.

We have faced challenges from Ofsted inspectors in relation to the timeliness of training being completed and accessing the right training at the right time. Currently there is not a specific training budget allocated to meet the needs of our residential workforce, with courses being funded from homes individual budgets when needed.

Further work is being undertaken on a Children's Home Training Strategy to ensure that all staff and managers benefit from core, mandatory and enhanced learning and development opportunities to increase their skills and professional knowledge.

## 5.4 Rota/ staffing levels

- In July 2021 an additional RCW post was created in each of the homes for looked after children, to address some of the challenges in terms of rota cover and managers having to cover shortfalls on the rota. The business case to support this reflected the higher cost of paying staff overtime, using agency staff and the impact on the managers capacity to undertake their fundamental role. (This excluded the short breaks home BPH).
- A new electronic rota tool has been implemented, which enables the writing of rotas to automatically calculate hours being worked, annual leave and other absences.
- With effect from September 2021, all newly appointed residential employees are not on a fixed rota, with rota's being written 12 weeks in advance to reflect the needs of the service. All existing staff were given the option to change to the new rota system.
- Team meetings and team development days are planned well in advance to ensure full attendance.
- The managers across the homes work collaboratively together, meeting twice a week to support each other with solutions to rota challenges. As staff are on city wide contracts, when needed they can support and cover shortfalls in other homes.
- Consideration is given to the skill mix of staff within each home and at times staff have moved to another home to enable this to be strengthened when needed.
- Managers provide an on-call rota, with 2 managers available to staff outside of 'office hours' at all times for advice and support and in exceptional circumstances are able to come into the home to deal with significant incidents.
- Relief staff posts are continuously being recruited to and following a 'call to arms', professionals from across children's services also work within our homes.

### Challenges:

Due to the complexity of meeting the needs of some children and managing potential risks associated to these, unplanned absences often continue to be covered by overtime and managers as staffing levels cannot drop below 3 to a shift or waking night duties are required to be covered.

Some staff have remained on the fixed rolling rota, each home experiences a different level of flexibility to meet the needs of the service. Consideration has to be given to the skills and experience of staff on every shift and the inability to change some staff's rotas can make this difficult to achieve.

With high levels of new staff being recruited, ensuring each home has sufficiently experienced staff, who can offer mentoring and coaching within a team cannot always be achieved.

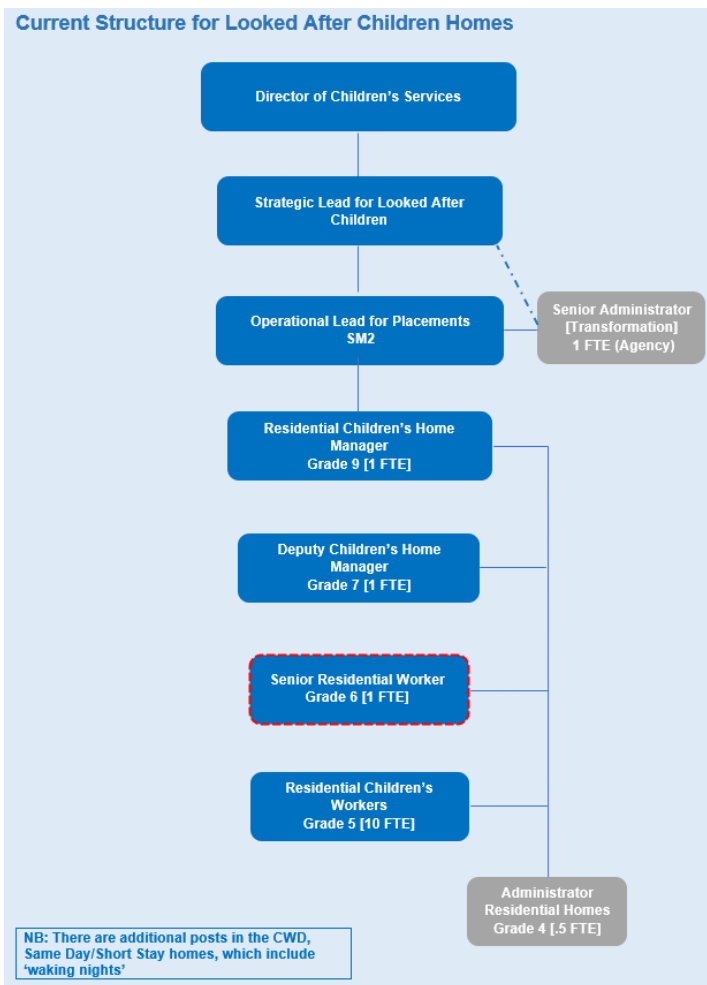
Long term absences and vacant posts, require staff to be flexible and cover from relief staff.

If managers from a home are 'absent' long term, cover and support to meet the demands of these roles in not sustainable, with additional demands being placed on the Operational Lead for Residential and Strategic lead for looked after children.

## 5.5 Career development pathway.

A role specific induction program is in place, along with residential homes policies and procedures, as needed to meet the requirements of the Children's Homes Regulations (2015). Each home has their own SharePoint site that enables staff to access these at any time.

As the majority of staff who join the service are inexperienced, a high level of support and on the job training is needed. Staff are expected to undertake daily shift reviews to reflect upon practice, what worked well and any learning to embed a culture of continuous improvement and development.



Deputies are supported to undertake the level 5 in leadership and management, alongside accessing leadership and management opportunities offered through the Council.

All staff are required to complete the NVQ 3/4 Diploma in working with children within residential care within 2 years of commencing work in a children's home. Staff commence their diploma, following the completion of their probation period, via the apprenticeship levy.

However, it was noted that there were challenges in retaining staff once this was completed and supporting them to take the next step to become a deputy manager as the demands of the roles were significantly different and opportunities to progress limited. Recognising that there was a need to invest and grow our workforce, agreement was reached to introduce the role of a senior residential worker into the homes.

At the time this agreement was reached, an expression of interest was also submitted to the DfE to be part of the national Staying Close project. As a result of the successful bid, the senior role was expedited into each of the 4 homes for looked after children, with a clear focus on the additional

responsibilities and opportunities attached to the post.

The seniors came into post in November 2022 and are bedding into their new roles. This enables them to undertake new learning and some management tasks, thereby strengthening the leadership and management in each home. Seniors will be supported to undertake the 'Stepping into Management' training when next available via the Council and the Level 5 in leadership and management in the future.

A recent review of the Job description for Residential Managers has enabled a regrade of the role to Grade 9, following job evaluation. This reflects the increasing demands and expectations, alongside the individual requirements of the Childrens Homes Regulations (2015) that must be met by a Registered Manager.

**Challenges:**

As noted above, the recruitment, training and development of staff requires investment in terms of time and resources, to enable an effective career development pathway.

Managers need to be leaders and empower staff to gain the skills, experience, and knowledge to take increasing accountability and responsibility for meeting the needs of the children in their care and the day to day running of the homes.

There is increasing competition in the region for experienced residential staff, as other local authorities start to open new homes and therefore our 'offer' to the workforce needs to exceed other's and make Coventry's Residential Children's Homes and Coventry City Council the preferred employer.



## 6. Quality Assurance

Although the homes are inspected by Ofsted, at least once per year and monthly by an independent Regulation 44 visitor, the most important source of feedback and learning comes from the children that are cared for in the homes. (Feedback from children is quoted throughout this section).

"I like the staff here as they are funny and familyish"

"Always checking if we're ok. Help me when I'm not being safe and talk about my feelings"

"I do like living here - you are my family"

Regulation 45 requires managers to undertake a review of services at least every 6 months and submit a report to reflect this to Ofsted. The regulation also states that managers:

***must establish and maintain a system for monitoring, reviewing and evaluating—***

- a) ***the quality of care provided for children;***
- b) ***the feedback and opinions of children about the children's home, its facilities and the quality of care they receive in it; and***
- c) ***any actions that the registered person considers necessary in order to improve or maintain the quality of care provided for children.***

Managers, undertake monthly audits relating to a broad range of aspects required for residential care. These vary from ensuring fire alarms have been tested through to the review and approval of child related records such as the Individual Placement Plan (IPP). There is a significant level of oversight of records and practice within a children's home.

"Funny, loving, and I want to stay here"

Monthly independent visitors undertake a 'mini' inspection, submitting a report which identifies strengths, areas for development or actions that are needed to address shortfall in meeting regulatory requirements. Managers provided a written response to these reports and take actions to address areas where needed.

Copies of these reports are submitted to Ofsted, the Responsible Individual [RI] and Coventry's Commissioning Team. The outcomes from each home's individual reports, are collated into a central tracker, which is reviewed quarterly in the residential managers' meetings. Consideration is given to any themes or trends across the homes and service wide solutions are sought and actioned.

"The home supports me in putting my views across"

Ofsted undertake a full inspection annually, during the inspection cycle that runs from April to March. A full inspection is undertaken over 2 days. Inspectors review evidence within the home/LCS and seek feedback from families and professionals, alongside spending time talking to children and staff and observing practice. Information provided from regulation 44 & 45 reports, regulation 40 notifications, annual Ofsted feedback survey outcomes and complaints can influence the focus of the inspection and the outcome.

"You know you're going to adopt me right. I'm not moving anywhere"

The Social Care Common Inspection Framework (SCIF): children's Homes, identifies the evaluation criteria and further guidance<sup>6</sup>.

<sup>6</sup> <https://www.gov.uk/government/publications/social-care-common-inspection-framework-sccif-childrens-homes/social-care-common-inspection-framework-sccif-childrens-homes>

The implementation of the 'When Ofsted Calls' guidance and proformas, has improved the Council wide response and support to inspections, ensuring social workers/ IRO's and other professionals make themselves available to engage in the inspection process.

"I am just lucky that I have had 3 years here with you guys and I am going to miss you when I leave - seriously. I love this house and the people, but I am ready to leave now and do adult stuff. I've got my LifeLong links and I know I will still see you in my future, so that's ok"

The experience of and outcomes following Ofsted inspections has varied across the homes. When shortfalls in practice and care have been identified, robust actions have been taken to address these. When homes have identified requirements or recommendations following an inspection, an action plan is required to be implemented and then submitted to Ofsted. Failure to meet any of the requirements, can lead to a down grade in judgement or the issuing of a compliance notice at an inspection.

The evidence of practice recording has required a complete new set of recording tools to be designed and implemented. Support from the LCS team has been invaluable, allowing forms and recording tools to be designed and amended as we gather learning in the recording evidence needed to reflect practice. Managers lead with the development of these records, with feedback from staff which allows them to be continuously improved. Evidence of direct work is uploaded to children's records, along with feedback forms and photos.

"I like that I get time with staff, I'm allowed my phone, I get to go on activities and have got nice things. Its quite a chilled out alright atmosphere and some of the staff have got humour and bants"

"The staff talk to me and give me information that reassures me, I feel safe"

Having one space for recording, shared with social workers and other professionals within children's services has significantly improved information sharing, enabling up to date information to be accessed by all. It has streamlined the evidence previously required to held as a 'paper copy' within homes and ensures the most up to date information is available. Historically, each home had their own recording tools which created inconsistencies and challenges when staff worked across the homes.

Each home now has a designated LCS file which will allow all Ofsted inspection reports, regulation 44 & 45 reports and copies of required statutory certificates to be stored in one place.

A residential children's dashboard is under development which will strengthen and enhance current QA process relating to children's records, performance and support the completion of the regulation 45 reports.

"My relationship with staff has improved a lot and I have amazing relationships with most of them. When they go on holiday or on days off, I really miss them. I fear they might not come back"

Managers are expected to also contribute to the wider children services QA audits which include observations of direct work and supervision and practice audits.

"The staff here are amazing they help us kids out and they take us on amazing trips. We went to great Yarmouth and had lots of fun pranking 😊"

The Operational lead for Placements undertakes themed dip sampling, following the outcomes of inspections to identify if developments are needed service wide or specific to an individual home.

The Commissioning Team undertake regular 'QA provider' reviews within the homes, offering feedback on areas for development which is shared with the managers, RI and the Quality Assurance team.

Managers meet monthly to continuously review and improve the practice within our homes, identifying training needs, responses to workforce challenges and as a supportive and reflective space. Actions are identified and reviewed at the next meeting.

Feedback is sought by managers, Ofsted and Regulation 44 visitor. This includes professionals and parents.

**Examples of positive feedback include:**

Parent

*“Very happy with service and staff are really good with C and she is very happy living there.”*

Parent

*“No Nothing to improve you do a fantastic job with L.”*

Social Worker

*“There is strong communication between myself and the home. It’s recognised that the home has worked hard to form links with families which has resulted in barriers being removed, this is a benefit to the children.”*

Social Worker

*“Parents who visited recently, were very impressed and excited by the setting.”*

Social Worker

*“The home always takes a proactive approach in supporting the children and making sure they communicate with all professionals. They excel in a child focus way and advocating for the children. Management and staff communicate well with the allocated social worker. The whole staffing team have an amazing understanding of each communication and are really good at working together with all services including health, education and social care to reach the best for the children and family”.*

Lifelong links worker

*“Since CCC changed how their in-house homes are run and used. The home is a fantastic flagship, operational, example for good practice. It is truly young person focused with the right helping of love, boundaries, opportunities, and expectations, and for staff and visitors too!”*

Coventry Music Service

*“The home is a warm, clean and well-maintained environment that continues to support the young people in addition to working effectively with me as an external professional.”*

Therapeutic Social Worker

*“I have found all the staff at Grayswood very professional and good at communicating with school in terms of supporting the child within school..... they are really good at sharing information and working together and have a good understanding of the child’s needs.”*

Through Care

*“The young person is encouraged and empowered to reach her best potential which I have observed during my visits.”*

LifeLong Links worker

*“I have seen constructive, caring, and loving relationships, from staff. It is evident that the young people feel valued and cared for.”*

Professional

*“I feel that staff are doing a great job and thank you for all that you do as you continue to support young people to make positive changes in their lives.”*

Social Worker

*“advocate positively on behalf of the young person and provide a therapeutic approach”*

Social Worker

*“Thank you to all the staff for your love and care of A.”*

Ofsted inspector

*“Staff contribute towards her achieving independence skills by teaching her how to budget and use public transport. Another child has made significant progress at school. He enjoys a range of weekly activities which boost his confidence and self-esteem. He recently received a reward for passing his exams and commented, ‘I’m proud of myself.’”*

Ofsted inspector

*“Staff know what to do if they are worried about a child. The manager and staff help to protect the children from harm. Staff have a well-coordinated approach to risk assessments. They work closely with other agencies, including the police, to address any identified risks to the children’s welfare.”*

Ofsted inspector

*“Staff carry out focused work with children to help them to understand risk and how to do things differently to make themselves safer.”*

Challenges:

To maintain service delivery Managers may be required to cover unplanned absences, which can result in the timely completion of quality assurance tasks.

Children’s homes are inspected and regulations require evidence of quality assurance processes against a number of the quality standards. Competing demands can lead to challenges in the completion of additional QA tasks required by the Quality Assurance team.

The transition to electronic recording has required a high-level of support and training. The embedding of LCS recording into the workforces’ daily practice has been challenging and managers continue to support staff to improve this.

The experience of Ofsted inspections and their outcomes have varied over the last 3 years. On occasions Ofsted identified that records do not always reflect the positive practice undertaken with children which has impacted the Ofsted judgement. Failure to record detailed, accurate information has resulted in some homes receiving a number of requirements and recommendations to be actioned by the managers.

## 7. Long Term Strategy

To address many of the challenges relating to finding the right home at the right time for children in care and reduce the financial burdens on the council, we propose to increase the number of children’s homes run by Coventry City Council.

Work is already underway for 2 further homes as described in section 4 of this strategy, with a strong business case and evidence that currently identifies and supports further homes are needed.

Summary of evidence to support strategy:

Although there remain some challenges in providing ‘outstanding care’ in Coventry City Council’s run children’s homes, significant improvements and progress has been evidenced. Children are achieving good

outcomes, enabled to remain living close to their families, communities and maintain their education. Some children have been enabled to return home and others have moved successfully towards independence.

Despite the increase in homes following the residential redesign, there is evidence to support that there is a continued demand for children needing residential care and further homes could meet the needs of more children within the city, if they were available. The number of children, living within a children's home has risen over the last 5 years, peaking at 88 in the spring of 2021 with 74 children living in a children's home at March 2023. Although our overall aim is to enable children to remain living with their families wherever possible, there will be a continued need for children to live within a children's home, who have complex and diverse needs, having experienced childhood trauma.

Sufficiency in the placements market is falling short of meeting the demand and high-cost external residential spot placements are responsible for a significant proportion of the annual expenditure in children's services..

There were 74 children in residential Childrens homes at the end of 2022/23, this is 10.1% of the total number of our children looked after.

The current established homes are well regarded by professionals, with evidence of a multi-agency wrap around response to meet individual's needs. Our relationships with partners have been strengthened, with additional support being specifically offered from CAMHS, community police and restorative police officers, partners across health including RISE and the crisis support team. Enabling children to remain living in their city, creates the development of a network of ongoing support as they transition towards adulthood, which is further enhanced by our Staying Close offer.

There is strong political support from the Lead Member for Children in relation to the children's homes and by the wider Council in relation to its corporate parenting responsibilities and investing in the One Coventry approach. The opening of new homes has already increased job opportunities for the residents of Coventry and taken action to support vulnerable children from within the city to remain living in the city.

A child being placed within one of Coventry's homes is a preferred choice of social workers and partners and for many of the children living in them. Having more homes will improve the effective matching of children alongside each other and thereby is likely to increase the occupancy and support placement stability.

Despite there being central government support to improve the quality of residential childcare and to invest in the workforce to achieve this, few additional funding opportunities have been provided. When opportunities have been offered to enhance the residential services, Coventry City Council have seized them and bid for additional funding, successfully securing the £1.6m of grant funding discussed in section 4 of this document.

A national residential workforce census will be undertaken in 2023 & 2024 and the Strategic Lead for Looked after children (corporate parenting) is working with the DfE on this, representing both Coventry & the ADCS. It is hoped that the outcomes of the census will identify the need to create new opportunities for training, development, and investments by central government across the children's residential workforce. All staff have been on and continue to be on a journey of improvement.

The Council is under ever-increasing budgetary pressure for the delivery of services. This extends to the provision of homes for children looked after, meeting a range of needs including children who have mental health and emotional wellbeing needs, learning and physical disabilities, and emotional and behavioral difficulties.

The development of a residential strategy that will expand our internal homes, regaining some control over market mix and the homes on offer to our children, directed towards the emerging needs of the children within our care, will deliver cost avoidance and financial saving to the Council as well as improving outcomes.

## 8. Proposal

In addition to the two homes underway, as described in section 4 of this strategy, the consideration is to open an additional further 3 homes with up to 4 children living in each:

- 1 further home for children with a disability (home 2) and
- 2 further homes, defined by Ofsted as being for children with emotional and behavioural difficulties

The detail surrounding these additional homes is set out below.

These following proposals would enable up to 36 looked after children to be cared for in a Council run children's homes, alongside the 28 children and families that receive support through the short breaks residential home at Broad Park House. Not only is this of a financial benefit to the Council in reference to market mix and unit costs, but it also ensures improved outcomes for more children.

### 8.1 Children with Disabilities (CWD) Home Project 2

As of the 31<sup>st</sup> of March 2023, there are 14 children looked after with a disability, currently living outside of Coventry in external residential children's homes. This figure has remained relatively consistent over the last 3 years with 13 children having been identified as needing this type of home in March 2020.

As well as the enormous benefit to being able to rehome these children in Council owned facilities within the City, there is also an enormous financial efficiency to be gained from bringing this provision back 'in-house'.

External placements for children with a disability are extremely costly. At quarter 3 of 2022-23 the average cost per child, per week was £7,605

The home currently underway will provide 4 places. This strategy is proposing the design and build of a second home that will provide an additional 4 beds taking our internal provision for children looked after with a disability to 8 within the city.

The project team are currently looking for opportunities for a second site that would be suitable. The intention at this stage would be to use the existing design for CWD Home 1.

CWD Home 2 currently has no funding available, however, the project team will endeavour to continue to source funding for this project. The financial assumptions at this moment in time are that CWD Home 2 will cost a similar cost to current the build project, with a small reduction based upon our ability to use the current architects plans to build a new property.

If grant funding does not become available, the whole cost will need to be met from capital borrowing and the financial model within this strategy paper assumes the entire project cost will be funded from borrowing.

### Capital Assumptions

- The current business case estimates a total project cost for a 4-bed facility.
- This estimate is based on the following assumptions:
  - The build uses the detailed designs from CWD Home Project 1, therefore enabling a saving in professional fees
  - In the absence of Council land, external land is purchased
  - Build cost inflation assumed at 6.8%

## Revenue Assumptions

Current assumptions are the full value of the project will be financed from capital borrowing over a 30-year period, with repayments and all operational costs funded by existing revenue budgets within the service, replacing current external placements expenditure.

Despite the increase in projected costs to complete the build and the requirement to include higher financing repayments within the revenue operating costs, this new home is projecting a saving .

These commercial returns are subject to a range of factors, including occupancy (assumed at 92%), staffing and OFSTED requirements, as well as reflective analysis and learning from preceding projects such as CWD Home 1.

These saving will not be realised until the home has been open and occupied for a full year. Year 1 will incur additional costs during the implementation period where the home is staffed, and OFSTED registered before children can be placed here as an alternate to external homes.

### *8.2 Homes for children with Emotional and Behavioural Difficulties (EBD)*

External placements for children with emotional and behavioural difficulties are extremely costly.

As discussed above, the current lack of sufficiency in the external market and the rapidly increasing costs for placement with external providers support the need to increase our internal portfolio for children's homes that can support young people needing these placements.

The proposal is to introduce two additional EBD homes to our internal homes portfolio over the next 3 years.

At this moment in time, it is not determined whether these will be existing properties that are purchased and made suitable through refurbishment, or whether these will be 'new build' opportunities. This decision will be driven by the availability and cost of suitable premises on the market. The project team would like the flexibility to make this decision based on best value and business case outcomes at the appropriate time.

## Capital Assumptions

- The business case assumes the total capital cost of each additional EBD home added to the portfolio includes the purchase price of any land, property, professional fees and where appropriate, refurbishment costs.
- The business case assumes each home to be a 6-bed facility (4 bedroom for young people, and 2 for care home staff).
- No grant funding has been secured at the time of writing this strategy, so for the purposes of this paper it is assumed all project costs will be funded by capital borrowing.

## Revenue Assumptions

Current assumptions are the full value of the project will be financed from capital borrowing over a 30-year period, with repayments and all operational costs funded by existing revenue budgets within the service, replacing current external placements expenditure.

The introduction of this provision is projecting a saving based upon the current average cost of an external placement. In addition to the improved outcomes for looked after children highlighted above, this also supports the One Coventry Plan, in terms of tackling inequalities, and increasing the economic prosperity of the city and region, by creating additional job and career opportunities.

These commercial returns are subject to a range of factors, including occupancy (assumed at 87.5%), staffing and OFSTED requirements, as well as reflective analysis and learning from preceding projects.

These savings will not be realised until the home has been open and occupied for a full year. Year 1 will incur additional costs during the implementation period where the home is staffed, and OFSTED registered before children can be placed here as an alternate to external homes. Therefore, it is projected that the first full year of savings will be recognised in year 2 of the project following implementation.

### **8.3 Improvement of Short Breaks Home with Children with Disability**

Further consent is also sought within this proposal in relation to the re-location of Broad Park House (BPH) to a new, purpose built, carbon neutral home. Broad Park House offers critical support to children with a learning disability and complex needs and their families. Without this support, families would struggle which could result in the need for some children to become looked after or enter hospital and children would miss out on invaluable opportunities, that are available to their peers.

The exterior of Broad Park House reflects the era in which it was built. The empty building next to the home was previously offices and there is a metal spiked fence around the property. There are challenges as to how this empty building could be used, given its co-location to the children's home and therefore currently remains empty at a cost to the council. Consideration was given to refurbishing the empty half of the building in 2021 to become a children's home, however the estimated cost at the time deemed it not financially viable, given a new build at that time was approximately the same. Due to the layout of the building, there would also have been challenges in creating a homely environment and the external view of the home would remain looking institutional.

There is a need to continue to support children to gain increasing self-care and independence skills as they age towards adulthood. Although staff work effectively with children around this, the capacity to expand this opportunity is limited due to the design and layout of the building. Building upon the need to provide children with positive transitions to adulthood and to enhance the Continuing Care offer<sup>7</sup>, the opportunity for a young person to experience a level of independence, is currently not available

Utilising the design model for the new homes for looked after children with a disability, creates the flexibility for young people to experience a level of independence based upon their individual ability and need. The offer of care to children would not be disrupted, as Broad Park House would not relocate to the new home until it had been registered with Ofsted.

Consultation will need to be undertaken with families regarding a proposed move. As the home is an established part of the community with strong links to local resources, we would aspire to relocate close to the existing home. A full detailed project initiation document will be completed if agreement is received to ensure a positive and smooth transition for the children and staff to new premises.

There are no direct cost savings linked to this project, although the vacating of the home on Logan Road, will enable the Council to sell the full plot of land. However, the opportunity to enhance the support we offer to children and their families, will improve outcomes, and may decrease costs in the long-term to Adult Services & the NHS.

DfE (2022) *'Where children need specialist residential or therapeutic care, this should be provided as close to where they come from as possible'*.

There is no direct financial saving to be made from these improvements. Running costs would remain the same as they are now, albeit we would expect a new build to be in line with the Council's Green Agenda and

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<sup>7</sup> Coventry Childcare procedures online: Preparing for Adulthood – supporting children to transition, People Directorate Protocol [https://coventrychildcare.proceduresonline.com/files/pre\\_adulthood\\_supp\\_ch\\_transit.pdf](https://coventrychildcare.proceduresonline.com/files/pre_adulthood_supp_ch_transit.pdf)



be superior to the current property regarding energy efficiency, and there would be the added expenditure of repayment of any capital financing.

A high-level business case has been provided below to understand the additional cost of financial borrowing for these improvements.

The preference of the leadership team at this moment in time is to build a purpose-built facility for these disabled children, and the business case is based on the costs estimated to achieve that goal.

If this facility was relocated to another building, there is the potential that sale proceeds of BPH could provide the project with a capital receipt to reduce the reliance on borrowing. However, this is unknown, and for the purpose of the business case the value of this capital receipt is estimated at £200,000.

### **Capital Assumption**

The current business case estimates a total project cost for a 5-bed facility.

- This estimate is based on the following assumptions:
  - All staff and running costs remain constant
  - Based on relocating the service to a newly built property (the most expensive option)
  - Build uses the detailed designs from CWD Home Project 1, therefore enabling a in professional fees
  - Council land not available, land being purchased set at agreed threshold.
  - Inflation in build costs @ 6.8%
  - Capital receipt received for the sale of BPH

### **Revenue Assumptions**

Current assumptions are the full value of the project (less assumed capital receipts) will be financed from capital borrowing over a 30-year period. All operational costs will be funded by existing revenue budgets within the service, replacing current operating costs, however the additional cost to repay capital financing will need to be met from the overarching savings of this wider strategy, attributed to the other homes within this proposal.

#### ***8.4 Additional resource implications***

The challenges already identified in section 5 of this document will continue to be addressed and the expansion of the Council's residential portfolio will require additional investment to provide care for up to 20 additional children and support to an additional 75+ staff.

Neighbouring local authorities are beginning to invest in opening new homes, as many rely completely on the private market and commissioning residential placements. This is likely to impact the workforce, with increased opportunities in the region for experienced residential staff, therefore becoming the preferred employer of staff, offering high support and high challenge must be achieved.

The opening of new homes requires a high level of resources, not only from Children's Services, but also across the wider council. During the residential redesign additional support was received from the Transformation Team, with oversight by the Transformation Board. There were challenges for the Operational Lead to oversee the opening of new homes, alongside the modernisation of the residential services, while also managing the Placement Team.

In January 2021, additional support was put in place, allowing the Operational Lead to focus on the residential services, alongside an additional senior professional support officer to support with service wide improvements. To deliver this new strategy effectively and given the expansion of regulatory services, this arrangement will need to be made permanent with ongoing funding for the Operational Lead and the Senior Professional Officer included in the infrastructure costs of this strategy.

The financial benefits from opening a new home take several months to achieve as staff must be in post prior to registration being received by Ofsted. Children move in over a period of months, to allow each child to settle within the home and establish attachments with the staff caring for them. In addition, the creation of a new team to care for children in each home requires high levels of training and support, along with team building opportunities. With the proposed plan to open an additional 5 homes over the next 3 years, there will be a high level of demand on resources, with limited current capacity to successfully achieve this.

Therefore, in addition to the capital financial investment to open new homes identified above, there is an additional need to strengthen the infrastructure of support to successfully achieve this and ensure continuous improvements.

**Increase in additional service wide resources :**

- a) Formal agreement for the Operational Lead for Residential and senior professional support officer to be made permanent, to reflect the significant increase in service delivery and staff support needed to open the new homes.
- b) Immediate creation of a Service manager post, who will:
  - Lead on the ongoing recruitment of all posts and those needed for the two approved new homes, based upon their phased opening dates.
  - Support the Operational Lead in the project management and co-ordination of opening the new homes.
  - Oversee and implement the workforce and training strategy: directly offering training and engaging in ‘train the trainer’ opportunities to broaden the scope of training that is available for all staff to enhance restorative practice and trauma informed/ ‘therapeutic’ care. E.g., DDP, PACE, Pillars of Parenting, pending the recruitment and appointment of the Development Officer.
  - Identify costs associated with commissioned training to inform a service wide training budget, where specialist training cannot be sourced/ provided through other means. Submit a business case for an ongoing training budget.
  - Undertake additional quality assurance tasks to inform improvements in practice.
  - Induct new registered managers into the residential services and support them in applying to Ofsted for their registration.
  - Provide additional management support across the homes for unplanned absences of a manager.
  - Supervise, coach and mentor the new managers on an ongoing basis and ensure the embedding of good practice, policies, procedures, Signs of Safety and relationship-based practice in the ‘Coventry way’.
- c) An additional service manager be appointed in approximately 12 months, to support the opening of the additional 3 additional homes in this proposal.
  - The supervision and day to day support to managers within all the homes, will be transferred to the service managers, with the Operational Lead remaining in the statutory role of Responsible Individual (RI) and undertaking supervision of both. Each service manager will have a lead area, being Quality assurance & workforce development and lead for practice improvements.
  - The service managers will split the responsibility of the oversight of the homes 6:4. The 6:4 split is based upon the additional complexity and support that is needed in relation to the oversight and management of the short stay/ same day provision. In the absence of the manager, the service

manager will support the deputy to ensure a robust response to children and their families, who may be in crisis remains effective.

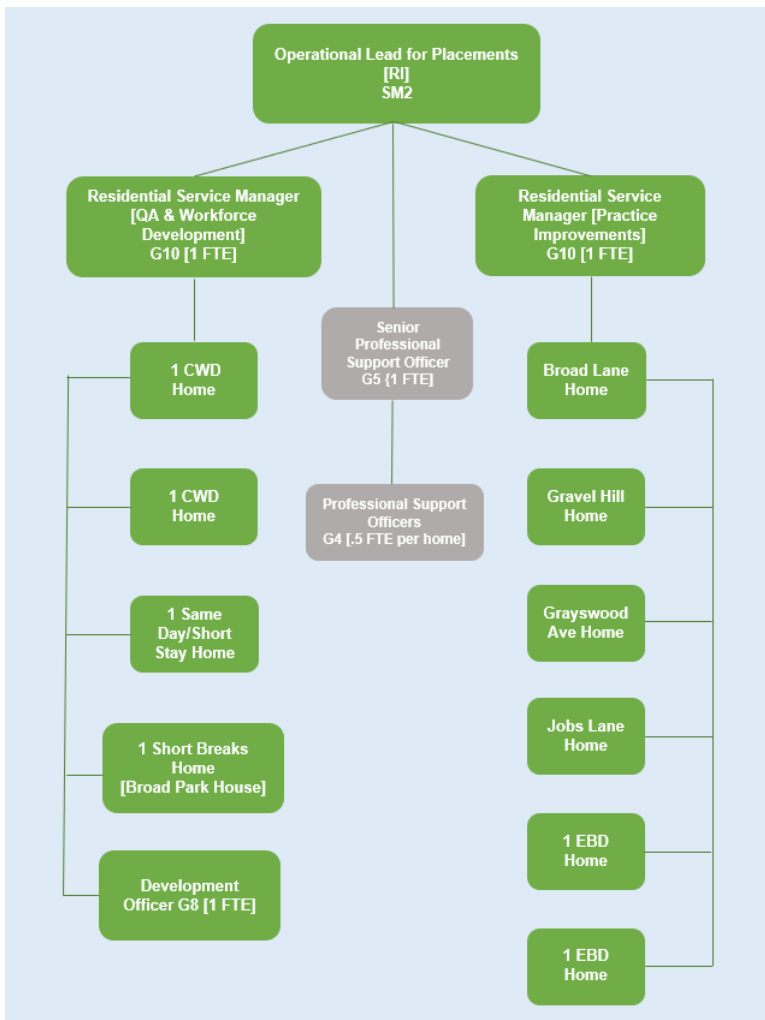
- Contingency planning to cover unplanned absences of managers is critical, to ensure practice and performance remains robust and that the Childrens Homes Regulations (2015) can be adhered to and therefore the additional service manager roles can effectively support this, if needed.

The Costs of all the infrastructure posts have been calculated into the budget for the overarching proposal for the new homes:

It will take a minimum of 3 months to recruit to new posts from point of approval, with the aspiration for the first service manager to be in post in the summer of 2023.

With the additional capacity for quality assurance and improvements, training and development, alongside a strong career pathway, our homes will provide the best care possible, with evidence provided to Ofsted to judge them as 'outstanding' children's homes.

The diagram below shows the intended management structure of the roles within the Internal Residential service



## 9. Financial implications

In summary, if all projects reach completion and achieve the expected savings, the full year impact on the service will be savings compared to the cost of current provision.

In addition to the potential savings identified above, there is also a commercial benefit to the Council of adding additional properties to its portfolio of assets.

### 9.2 Preferred timeline assumed in 5-year cost projections:

The preferred timeline for these proposals is set out below, which impact on the annual budget requirements of this strategy. However, it must be noted that the actual plan for bringing new homes into the programme will be influenced by continued assessment of service priorities and needs analysis as well as grant funding opportunities to support capital borrowing pressures, the impact of the property market availability and prices within the city.

Home	Planned Start Date	Planned Project Duration	Planned Completion Date
Children with disabilities (CWD) Home 2	August 2023	22 months	June 2025
Emotional and Behavioural Difficulties (EBD) 1	April 2024	8 months	December 2024
Emotional and Behavioural Difficulties (EBD) 2	August 2025	8 months	April 2026
Short Breaks Home with CWD	October 2024	24 months	October 2026

### 9.3 Impact on Medium term financial strategy (MTFS)

Within the budget setting process for 2023/24, Children's Services identified the development of an Internal Residential Strategy to commit savings towards the Corporate MTFS in future years.

The prioritisation of these projects has shifted from this 2023/24 budget setting estimate due to DfE grant opportunities and exploration of the external property market. It is also possible to include more detail regarding investment costs and short-term budget pressures attributed to implementation periods when opening a new home.

There is an updated 5-year financial plan surrounding this strategy and compares this to the figures included within the MTFS.

This will be kept under continuous review by the Project Board and will be subject to change if any of the projects change their prioritisation in the timeline or incur any slippage.

By the end of 2027/2028 financial year, this strategy proposes an overall annual saving which increases the existing commitment to the MTFS, assuming all timelines and business case financials remain as proposed within this paper.

However, 2023/24 sees an additional revenue investment requirement due to implementation costs incurred by the homes during the first year of opening, plus initial infrastructure costs.

2024/25 sees savings realised by the Short Stay home, however these are offset by the implementation costs of both the CWD 1 home and the EBD 1 Home.

2025/26 realises savings across all three of these homes (Short Stay, CWD1 & EBD1) and recognises the initial costs of CWD 2.

## 9.4 Financial Risks, Assumptions and Sensitivities

### Summary of financial assumptions and sensitivities.

- **Interest rates on capital borrowing.** The financial model assumes that capital borrowing will remain at an interest rate of 4.5% for the entire project. If the interest rate increases by 1%, then the finance costs will increase by £1,000 per year for each £100k of borrowing.
- **Capital spend.** The cost of purchasing or building properties is based on recent data on property prices and build cost. Where properties will be built or purchased in the future, there has been some allowance made for future price increases. However, the true cost will depend on the rate of price inflation over the project length.
- **Occupancy levels.** The future occupancy level of the internal homes is estimated at between 75% and 92.0%, the actual figure depends on the type of internal home. This is in line with occupancy levels achieved across CCC's existing internal residential homes. The occupancy rates can have a significant impact on savings,
- **Internal residential mix.** Once all internal homes are open, the maximum internal occupancy for looked after children will be 36. However, the true occupancy will always be lower than this due to voids and the nature of the short-term residential home, which is included within the assumptions set out in the business case for each home.

Based on residential numbers as at the end of March 2023, this would give a mix of residential provision as follows:

Residential type	Beds
Internal homes	36
Block beds	11
Framework/spot	24
	<b>71</b>

This is from a total number of children looked after (excluding UASC) at the end of March 2023 of 659.

Acknowledging the aspirational target of, no more than 10% of total looked after population within residential care, consideration needs to be given at each stage of the strategy to the level of market risk being absorbed internally held against market sufficiency pressure.

As it stands our aspiration would be to reduce numbers in residential care down to 65 (10% of total). The provision of 36 beds internally as well as 11 beds within the external block provider contract, means we are committing to 47 beds (72% of projected residential requirement) These places are at risk of delivering a financial impact if we hold vacancies and voids.

There is also the consideration that internally we will be providing 55% of our aspirational residential cohort. (50% of the current residential usage). This provides other risk factors to consider, such as the staffing risks expanded in the following point.

- **Staffing risk and resilience.** The residential workforce is a fundamental part of the strategy and is necessary to deliver a high-quality internal home provision. As staffing costs are the largest revenue expense of the project, the cost of delivery can be impacted significantly by high levels of absences. In these circumstances other internal home staff need to cover the rota and earn overtime. To account for this, an element of rota cover has been built into the model in line with CCC's other internal homes. In addition, training and development budgets have been provided to each home to help support their staff.
- **Opening dates.** In section 9.2 of the residential strategy there are timelines and estimated opening dates for the internal homes. This informs the project cashflow and the impact on the medium-term financial strategy (section 9.3). There are many external factors that can impact the delivery of the residential strategy including time taken to identify appropriate properties or land, the conveyancing

process, legal and planning issues, Ofsted registration and recruitment of residential workers. Any changes to the timelines will impact the project cashflow and savings timings. The impacts may be positive if home openings are accelerated or negative if there are delays.

- **Grant opportunities.** CCC has already been successful in securing grants of £1.6m that will help support the residential strategy as outlined in section 4.3. There is still a possibility that further grant opportunities will arise over the course of the residential strategy. If CCC successful bids and is awarded further grants that supports this, they may positively impact on the cost of delivering the strategy and increase savings.

## 10. Strategy Governance

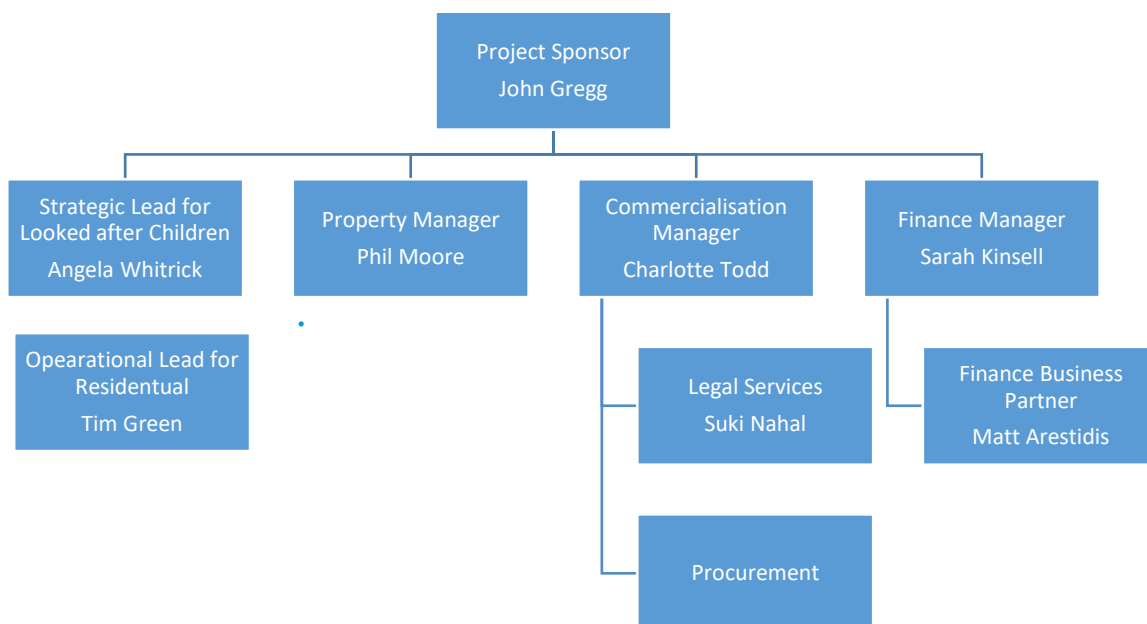
A project of this scale and complexity requires clear project governance that aligns to the Councils corporate policies and processes. **10.1 Project Sponsor & Leadership**

The Project shall be owned and sponsored by the Children’s Services directorate, with the Director of Children’s Services as Project Sponsor.

The Project Sponsors shall be responsible for ensuring appropriate engagement with the political stakeholders, and to promote the Project through the political governance processes. There will be regular reports on progress to the Lead member for Children’s Services and Corporate Parenting Board.

The Project will require input from colleagues in the property, commercial, procurement, finance and legal departments.

### 10.2 Project Structure



### 10.3 Project Board

A Project Board shall be formed, with membership as shown in the Project Structure or otherwise agreed by the Project Sponsor. The Board shall meet at least monthly and report to the Project Sponsor when appropriate.

Additional resources may be required as the project progresses, for instance external expertise in legal, financing and project management. The need for additional resources will be agreed by the project board.

### 10.4 Decision Delegation

This paper sets out the maximum financial liability in respect of the strategy proposed that will deliver outcomes as described in this paper. The project team acknowledge the need to be agile in terms of decisions that will need to be made during the progression of the strategy and its project and the manner in which funds are spent to achieve objects. For example, decisions will need to be made relating to the best use of money when considering the cost of a new build property versus purchasing a property on the open market and refurbishing to ensure the home provides the children with fit for purpose, nurturing environment.

Therefore, this paper requests that the allocated funds pursuant to the proposals set out in this paper are delegated to suitable officers.

Delegated authority is to be given to the Chief Operating Officer (S151 Officer) and the Director of Children's Services, following consultation with the Cabinet Member for Children and Young People, to finalise and agree the detailed business case and project outcomes. The authority under this delegation shall also include the power to enter into the necessary legal agreements and subsequently the power to negotiate and agree any such variations as is deemed necessary to the terms of the loan facility and ancillary documents.



