



## CABINET

22 OCTOBER 2019

### REVIEW OF THE OLD VICARAGE CHILDREN'S HOME PROVISION

Portfolio Holder:	Councillor Mrs Josie Iles, Portfolio Holder – Children's Services (Lead Member)
Report from:	Ian Sutherland, Director of People – Children & Adults Services James Williams, Director of Public Health
Author:	Jackie Brown, Head of Business Change (People)

#### Summary

This report provides information relating to the Old Vicarage Children's Home for young people experiencing emotional and behavioural difficulties, and its sustainability in the current economic climate.

The report seeks approval to proceed with consultations in respect of closing this provision and engaging an expert consultant to explore the potential for alternative types of provision which would offer savings and preventive care, thereby improving the outcomes for the children and young people of Medway.

#### 1. Budget and Policy Framework

- 1.1 This report supports the Council Plan priority "Supporting Medway's people to realise their potential". It promotes the following way of working: "Giving value for money".
- 1.2 The information in this report provides Cabinet Members with an overview of the service and the proposal to proceed with consultation regarding the future type of service provided by the Old Vicarage.

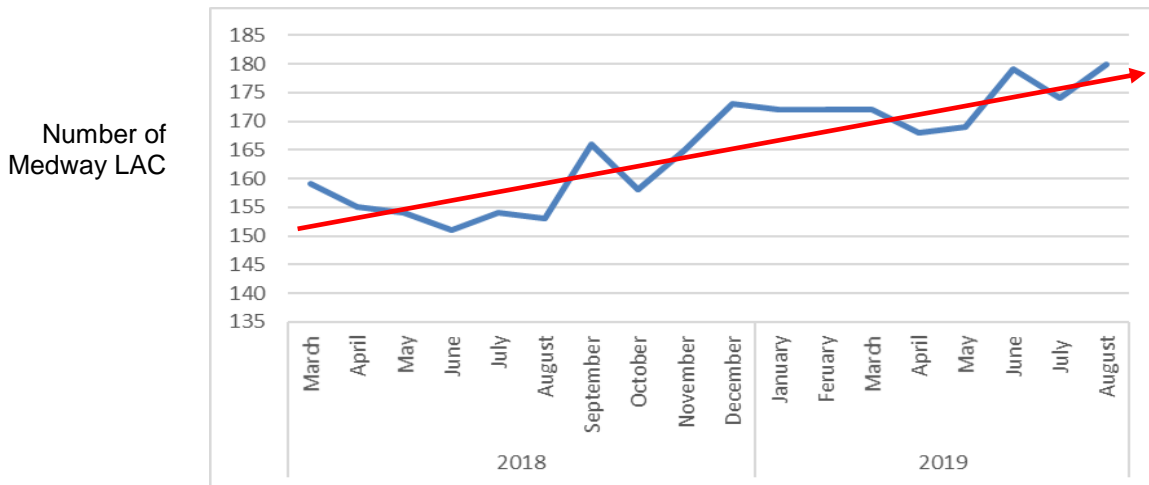
#### 2. Background

- 2.1 The Old Vicarage is an established eight-bedded residential unit for children and young people located in the village of Upnor within Medway. The home is a large detached property in a rural area. It provides a medium to long-term residential service for up to eight young people aged 12-18. The service is for Medway children only with low level emotional and behavioural difficulties.

- 2.2 Ofsted has assessed the service as outstanding and in line with children's homes regulations it is subject to a monthly independent visit, the aim of which is to inspect and monitor the service.
- 2.3 At present, there are four vacancies available and while there is a demand for residential placements, the profile of referrals does not meet the requirements of the Old Vicarage that are defined in its Statement of Purpose. We are exploring interim measures with neighbouring authorities to fill some of the vacant places, recognising that we cannot always place Medway children within the area. The common prohibiting factor is that young people need to be placed outside of Medway for their own safety. Common themes relate to gang affiliation, drug running, county lines, risk of child sexual exploitation and proximity to birth family.
- 2.4 There have been recent occasions where the service has offered placements for young people who meet this profile and within a short space of time, the placement has disrupted and destabilised the unit for the young people in permanent residence. Furthermore, placing children in the provision who do not meet the profile of the home creates a risk when inspected by Ofsted as they do not fit the profile mentioned in the Statement of Purpose. We need a provision that meets the needs of these children.
- 2.5 Medway's recent ILACS (Inspection of Local Authority Children's Services) in July 2019 concluded that too many vulnerable children and young people in need of statutory help and protection wait too long for intervention. This not only delays entry to care, but contributes to the complexity of identifying suitable placements for young people with high levels of need. This reflects the current trend whereby the Old Vicarage is unable to meet the needs of the evolving demand. Increasingly, too many young people need to be placed outside of Medway, often at considerable distance and expense.
- 2.6 One area to consider is how we can reduce the number of children who become Looked After Children (LAC), increase the number of children who cease to be LAC and prevent the escalation of needs for all LAC. On average across the country, LAC achieve worse outcomes than non-LAC. As Corporate Parents, it is important that Medway Council does everything it can to give our Children a good start in life.
- 2.7 The aim of reviewing the Old Vicarage provision is to ensure that LAC placements are available and align to their needs, are less likely to break down, and that those placements support those children to achieve better outcomes. The number of LAC is increasing – with an increase of 4% per year in England and 5% per year in Medway (please see fig 1 below). The number of LAC with complex needs is increasing – with a higher proportion of LAC in Medway with SDQ (Strengths and Difficulties Questionnaire) scores which indicate a cause for concern. The costs of residential placements for LAC with complex needs is increasing – with an increase of 24.6% during the last 12 months.

Fig 1: Medway Looked After Children 2018-2019

The graph shows the number of Looked After Children in Medway in 2018-2019, and the upward trajectory (in red).



- 2.8 Within this context, it is practical to review the current purpose of the Old Vicarage and explore the various types of provision that could be provided.
- 2.9 The Council's current forecast overspend of over £6 million in 2019/2020 also has significant ramifications for all areas of Medway Council's provision, with a risk of 20% increase in placements in 2020/2021.
- 2.10 The staff establishment of the Old Vicarage comprises of a registered manager, deputy manager, three team leaders, nine residential care workers (and three employed on a casual basis).

### 3. Options

- 3.1 The current Old Vicarage Statement of Purpose states that:

*The home should be able to adapt and be multi-functional. If the current cohort of young people changes, so too must the home's function.*

There is scope for the Old Vicarage to be repurposed to address Medway's changing need, meeting the needs of our complex children.

- 3.2 Given the monthly costs (approximately £59,000), and the reduced cohort, it is proposed to close the Old Vicarage in its current form and with its current purpose, with a closing date of 7 February 2020. As this proposal directly affects service users and staff, consultations are essential.
- 3.3 A Diversity Impact Assessment (DIA) has been completed for this stage of the process and is set out in Appendix 1 to this report. Following consultation the DIA will be reviewed and will be presented to Cabinet on 14 January 2020.
- 3.4 If the outcome of the consultation is to close the provision, the current residents will continue to be supported into independent living at an appropriate time via their pathway plans.
- 3.5 Should the outcome of the consultation be to close the provision, it is further proposed to commission an expert analysis of the type of provision that Medway should offer, to be conducted in the months following the closure.

- 3.6 Discussions with the Children's Heads of Services have identified that there are various types of provision which could be explored, for example:
- 3.6.1 Provide a number of in-house crisis beds, which are blocked-out and staffed by highly skilled staff/foster carers. These would cater for high-end breakdowns and would be designed to break the 'vicious circle' by creating time and space for the right long-term placement to be found. If we placed our more challenging young people in this type of provision who are currently placed in provisions at a cost of £6,000 to £10,000 a week (average £416,000 a year) and managed them earlier (before crisis), the placement savings could be significant.
  - 3.6.2 Pilot a 12-week assessment placement (targeting LAC who are likely to have multiple placement breakdowns) to provide support and improve the quality of their future permanent placement. As an example, we have reviewed 4 children that could be placed in this proposed provision. Their average weekly cost of £4,943.75 in their current placement equates to £19,775 per month or £257,075 per year (per child), a total of £1,028,300 for the 4 placements. The proposed provision would provide the children with the relevant support and appropriate intervention to enable them to return home or move into the right placement which could significantly reduce ongoing costs.
  - 3.6.3 Develop an approach in line with the No Wrong Door Model adopted by North Yorkshire County Council. This would require developing an integrated multidisciplinary model of care for complex and hard to engage adolescents, with the children's residential home at the heart of practice. Ideally, this would entail bringing a range of services and professionals together to holistically meet the needs of an evolving cohort of young people. An evaluation of No Wrong Door Model by the DfE (2017), suggests this model significantly contributed to young people remaining out of the care system. Considerable changes were noted with minimal out of area placements, reduced placement moves and improved emotional health and wellbeing of young people.
  - 3.6.4 Explore options for an Edge of Care Model: Medway can evidence that every time we have had an edge of care service, such as Functional Family Therapy and SMART, we have seen a reduction in children coming into care. When funding for these areas has been removed, we have seen costs for placements and outcomes for children get worse. The impact of reducing Children's Services budgets has been significant. In Medway, this has resulted in the closure of children's centres and reductions in youth services.
  - 3.6.5 Consider the Hampshire model of in-house provision. In 2014, Hampshire County Council agreed a Residential Strategy to replace four of the existing homes with six purpose-built homes (one of which was rebuilt on the site of one of the old homes). The new builds are in the centre of communities and were opened between June 2017 and December 2018. One of the two existing homes now provides emergency and/or short to medium-term residential care and assessment for up to five young people. The additional capacity enhances the prospect of children who need to be Looked After remaining in the county and allows the Authority to exert greater control over non-county spend/ provision.

#### 4. Advice and analysis

- 4.1 A four-week consultation process will be required for staff affected by the proposed closure.
- 4.2 A four-week public consultation will also be carried out with interested parties. The Council's Legal Department has confirmed that this period is not unreasonable given that the number of people affected is small and they will be directly consulted.
- 4.3 Discussions with the Commissioner, appointed by the Secretary of State, have taken place to ensure that she is in agreement with this proposal.
- 4.4 A Diversity Impact Assessment (DIA) has been completed for this stage of the process and is set out in Appendix 1 to this report. Following consultation the DIA will be reviewed.

#### 5. Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
Public opinion: the Council could be criticised for proposing the closure of a provision rated Outstanding/Good when Children's Services are deemed Inadequate.	Whilst it is recognised that the Council needs to periodically review its provisions to achieve the best outcomes for its children and young people, the proposed closure of this provision is not likely to be well received by Medway residents and the local press.	<p>The completion of the proposed consultation will not avoid this risk, but will ensure that Medway residents, stakeholders and partner organisations have the opportunity to challenge the proposal.</p> <p>Should the outcome of the consultation on the proposal lead to a decision to close the provision, the ability to advise that a meaningful consultation has been carried out will enable the Local Authority to respond appropriately to any queries or complaints.</p> <p>In addition, the Council recognises Ofsted's criticisms that children and young people are waiting too long for intervention. (section 2.6 of this report): reviewing our provision addresses this issue.</p>	B2

The proposed closure of this service may not be received well.	The closure of the provision may cause anxiety for service users, their parents/carers and families.	The proposed consultation will include meetings with those affected, where alternative and appropriate services can be discussed.	B2
The proposed closure will deem employees' roles at risk.	The proposed closure will deem that the staff in the provision will no longer have roles at this service.	The proposed consultation will include meetings with staff, HR and Union Representatives. Alternative employment opportunities within the Council will be reviewed.	B2

## 6. Consultation

- 6.1 It is proposed to hold a public consultation exercise for four weeks to inform people about the proposed closure and to invite views so that the Council can better understand the direct impact of the changes.
- 6.2 The consultation will include contacting and notifying:
- Old Vicarage residents and their parents/carers
  - Staff at the provision.
- 6.3 Letters will be sent to parents/carers of service users who live at the provision. The letter will advise them of the proposal and invite them to group meetings to discuss the proposal and enable questions to be answered.
- 6.4 In addition to the group meetings, people will be offered meetings on a one-to-one basis, giving the opportunity to discuss the proposal and answer questions on an individual basis.
- 6.5 The staff consultation will be carried out in accordance with the Council's Organisational Change Policy and Procedure.
- 6.6 There will also be the opportunity for the wider public to express their views through a survey on the Council website.

## 7. Financial implications

- 7.1 Closure of the provision will result in a reduction of £60,000 per month from February to year end 2019/2020 (£104,000 in total).
- 7.2 Redundancy costs are being calculated but are estimated at £27,230. There is potential for this to be met by a central reserve. It is assumed that staff will be paid in lieu of notice. In addition, there is a small number of staff who would be able to access their pension on the grounds of redundancy, placing a financial strain on the Council.
- 7.3 Extending the closure further from April to End of September (six months) would result in a further reduction in expenditure of £358,000 minus maintenance costs. This would allow time to engage an expert consultant to

explore potential options for the provision. The cost of such a consultant is estimated at £25,000 for a fixed period piece of work, which would mean expenditure would only be reduced by £329,000 should this be agreed.

- 7.4 A comprehensive analysis of the provision will enable the Council to provide more responsive care to a given cohort of children at risk, potentially reducing the risk at an earlier stage, which may avoid more costly intervention at a later stage. This was also recently highlighted within an independent review, identifying what Medway Council needs to do in order to improve outcomes for children at the same time as achieving savings.

## **8. Legal implications**

- 8.1 The decision on this matter should be made by Cabinet on the basis that it is a key decision in terms of finance and outcome for the children of Medway, as it will make significant savings will potentially release a capital value (Chapter 2, Article 12.3 (b) of the constitution).
- 8.2 There is an intention to consult with the service users living there and with staff members. A wider public consultation is not required but the fact that a consultation is being held will be published on the Council website so that anyone who feels they wish to comment may do so.
- 8.3 There is no statutory duty to consult regarding the purpose of the provision. There is no implied duty to consult as no promise of consultation has been made, there is no past practice of consultation of this nature and the nature and impact of the decision does not require it given the small number affected by the decision (i.e. 4 service users and a similar number of staff).
- 8.4 There is a general duty to consult under the Equality Act 2010: s149 provides a duty in respect of people suffering any of the “protected characteristics” including age, which applies in this context.
- 8.5 The Code of Practice on Consultation issued by the Department for Business, Innovation and Skills recommends that consultation should last 12 weeks but caselaw has accepted much shorter timescales for consultations, if they are reasonable in the circumstances. Given that the number of people affected is small and they will be directly consulted, four weeks is not unreasonable.

## **9. Recommendations**

- 9.1 The Cabinet is asked to instruct the Director of People – Children and Adults Services to commence a period of consultation to examine the future use of the Old Vicarage provision as set out in section 6 of the report.
- 9.2 The Cabinet is asked to agree that the outcome of consultation be reported to the Children and Young People Overview and Scrutiny Committee on 9 January 2020 for consideration and to the Cabinet on 14 January 2020 for consideration and determination.

**10. Suggested reasons for decisions**

- 10.1 As Corporate Parents, it is important that Medway Council does everything it can to give our Children a good start in life.
- 10.2 The recent inspection concluded that too many vulnerable children and young people wait too long for intervention. The Old Vicarage is unable to meet this evolving demand, and this is leading to too many young people being placed outside of Medway, often at considerable distance and expense.

**Lead officer contact**

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**Appendices**

Appendix 1: Diversity Impact Assessment

**Background papers**

None



# Diversity impact assessment

## Appendix 1

<b>TITLE</b> Name / description of the issue being assessed	Review of the Old Vicarage provision
<b>DATE</b> Date the DIA is completed	6 October 2019
<b>LEAD OFFICER</b> Name, title and dept of person responsible for carrying out the DIA.	Jackie Brown, Head of Business Change (People)
<b>1 Summary description of the proposed change</b> <ul style="list-style-type: none"> <li>• What is the change to policy / service / new project that is being proposed?</li> <li>• How does it compare with the current situation?</li> </ul>	
<p>The Old Vicarage is an established eight-bedded residential unit for children and young people located in the village of Upnor within Medway. It provides a medium to long-term residential service for up to eight young people aged 12-18.</p> <p>The home currently has four young people in placement, with four vacancies. Medway's recent inspection of children's social care service in July 2019 concluded that too many vulnerable children and young people in need of statutory help and protection wait too long for intervention. This reflects the current trend whereby the Old Vicarage is unable to meet the needs of the evolving demand.</p> <p>The Council's current forecast overspend has significant ramifications for all areas of Medway Council's provision.</p> <p>It is therefore proposed to review the current purpose of the Old Vicarage and explore the various types of provision that could be provided.</p> <p>It is recommended that we commence consultations with staff and service users to examine the future use of the Old Vicarage provision.</p> <p>The proposed consultation will include the service users of the provision.</p> <p>Consultation will also include the following staff who work at the provision:</p> <ul style="list-style-type: none"> <li>• One registered manager</li> <li>• One deputy manager</li> <li>• Three team leaders</li> <li>• Nine residential care workers</li> <li>• Three residential care workers employed on a casual basis</li> </ul>	

# Diversity impact assessment

## Appendix 1

### 2 Summary of evidence used to support this assessment

- Eg: Feedback from consultation, performance information, service user records etc.
- Eg: Comparison of service user profile with Medway Community Profile

A public consultation will be carried out for four weeks from the 19 November 2019 to 16 December 2019 and will include contacting and notifying:

- The parents and carers of the young people living at the provision.
- Staff employed at the provision.

Meetings will be held with parents/carers and staff affected.

The meetings will be held as group meetings and will also be offered on an individual basis.

### 3 What is the likely impact of the proposed change?

Is it likely to :

- Adversely impact on one or more of the protected characteristic groups?
- Advance equality of opportunity for one or more of the protected characteristic groups?
- Foster good relations between people who share a protected characteristic and those who don't?

(insert  in one or more boxes)

Protected characteristic groups (Equality Act 2010)	Adverse impact	Advance equality	Foster good relations
Age	✓		
Disability	✓		
Gender reassignment			
Marriage/civil partnership			
Pregnancy/maternity			
Race			
Religion/belief			
Sex			
Sexual orientation			
Other (eg low income groups)	✓		

# Diversity impact assessment

## Appendix 1

### 4 Summary of the likely impacts

- Who will be affected?
- How will they be affected?

- Young people living at this provision may be affected depending on the outcome of the consultation.
- Parents/Carers/Families may be affected depending on the outcome of the consultation.
- Staff working at this provision may be affected depending on the outcome of the consultation.

### 5 What actions can be taken to mitigate likely adverse impacts, improve equality of opportunity or foster good relations?

- What alternative ways can the Council provide the service?
- Are there alternative providers?
- Can demand for services be managed differently?

Depending on the outcome of the consultations, and to mitigate adverse impacts it is important that:

- All people affected are notified of the consultations in order to be able to express their views.
- A review of the service users' care and support needs under Care Act legislation are carried out by Social Workers to determine each client's eligible needs.
- Alternative provisions suitable for the Service User are identified.
- Identify whether there are any alternative suitable roles available for staff to enable them to continue working in the authority.

### 6 Action plan

- Actions to mitigate adverse impact, improve equality of opportunity or foster good relations and/or obtain new evidence

Action	Lead	Deadline or review date
Carry out consultation with affected clients, parents/carers.		
Carry out consultation with affected staff.		
Determine suitable alternative care and support packages which may be implemented depending on the outcome of the consultation.		

# Diversity impact assessment

## Appendix 1

### 7 Recommendation

The recommendation by the lead officer should be stated below. This may be:

- to proceed with the change, implementing the Action Plan if appropriate
- consider alternatives
- gather further evidence

If the recommendation is to proceed with the change and there are no actions that can be taken to mitigate likely adverse impact, it is important to state why.

The DIA will be updated after the proposed consultation is completed.

### 8 Authorisation

The authorising officer is consenting that:

- the recommendation can be implemented
- sufficient evidence has been obtained and appropriate mitigation is planned
- the Action Plan will be incorporated into the relevant Service Plan and monitored

**Assistant Director**

**Date**

Contact your Performance and Intelligence hub for advice on completing this assessment

RCC:	phone 2443	email: <a href="mailto:annamarie.lawrence@medway.gov.uk">annamarie.lawrence@medway.gov.uk</a>
C&A (Children's Social Care):	contact your usual P&I contact	
C&A (all other areas):	phone 4013	email: <a href="mailto:jackie.brown@medway.gov.uk">jackie.brown@medway.gov.uk</a>
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