

Divisions Affected - All

CABINET - 20 APRIL 2021

Reprovision of Maltfield House Children's Home Report by Corporate Director Children's Services

RECOMMENDATION

1. **The Cabinet is RECOMMENDED to**

Approve the proposal to change the design specification of the new build children's home from six to four beds

Executive Summary

2. Maltfield House children's home in Headington closed in 2019. In spring 2019 an outline business case was signed off to build a replacement 6 bedded children's home in a new location, funded through prudential borrowing. An OCC site has been secured. A refreshed needs assessment of children we care for completed in 2020 identified that children are presenting with more complex needs which, due to the complexity of matching children, are best met in smaller units. To reflect this, it is proposed that the design of the building is changed to provide four placements, rather than the original six. The prudential borrowing was based on forecasted occupancy rates of a six-bed provision. It is proposed that the provision is reduced by two beds/placements. In February 2021 full council agreed a provision of £3m from the Capital Strategy Programme to fund the new build re-provision of Maltfield.

Background

3. Maltfield House children's home in Headington closed in April 2019 due to the deterioration in the fabric of the building and issues with the fire safety systems. A refurbishment of the building was not deemed appropriate because of the structure and layout of the building and concerns about the site location which posed contextual safeguarding risks in respect of community drug use and the exploitation of children. The risk of exploitation of children due to the location had also been a concern raised in the home's Ofsted inspection and monitoring visits.
4. The Capital Programme Update Report to Cabinet in July 2018 *approved the commencement of the re-provision of Maltfield House with a £3m budget.*
5. A stage one outline business case was signed off in March 2019 by CIPB to build a 'replacement' 6 bedded children's home in another location. An OCC

owned site has since been identified and confirmed as suitable, subject to planning permission.

6. In March 2019 a business case for the re-provision of Maltfield Children's Home was discussed by Informal Cabinet. This business case proposed that the cost of the capital borrowing to build the new home would be funded by revenue savings. The calculation for how these savings were to be achieved was based upon the difference between the costs of procuring a children's home placement externally versus the unit cost of providing one locally.

Review of 2019 business case

7. As the project proceeded to contract award gateway at the end of 2020 the original business case was reviewed to ensure that it was still relevant and viable. Progress of the project was paused at this time and remains paused.

Two significant developments were identified in the review:

8. **The occupancy rates in the business case that enabled a revenue surplus to be achieved were overly optimistic.** OCC's two children's homes have achieved occupancy rates of 66-74% over the past 5 years, below the anticipated rate of 90% in the original business case. It was thought, at the time, that by building a new children's home in a more appropriate location and by changing its use to mixed gender, that the occupancy rate would improve. However, the Moors six-bedded Childrens Home has since changed to mixed gender and this has not increased occupancy rates as predicted. This is due to the complexity of needs of children as outlined below, which means that matching children to be placed together (known as compatibility and impact assessments) is an ongoing challenge. Compatibility and impact assessments are also subject to scrutiny by Ofsted at inspections and monitoring visits.
9. **The refreshed needs assessment of children we care for completed in 2020 identified that children are presenting with more complex needs, which are best met in smaller residential units.** An analysis of where beds are currently commissioned from showed that the significant proportion of placements are in smaller homes of four beds or less. These smaller homes typically run at higher occupancy rates as difficulties in matching children's competing needs is reduced.
10. Smaller homes provide a more focused and settled therapeutic environment to help children heal from the trauma they have suffered. They provide an environment more akin to family-based care, removing the anxiety for children living within a home where vacant beds create the constant anticipation of new arrivals.
11. It is proposed that the scope of the building design is changed to reflect this revised insight into placement needs. Reducing the home's capacity by two placements will reduce future exposure to revenue risk, as the staffing compliment can be designed around a four-bed unit, which is likely to achieve a higher occupancy rate.

12. The loss of these two placements is addressed in the placement sufficiency strategy which has been informed by the needs analysis and market analysis. The sufficiency strategy includes: Council's 2020 investment in in-house fostering; the commissioning of local residential beds; developing business cases to develop an enhanced foster care offer for 12yrs and over and small residential units. The sufficiency strategy is, by necessity, an evolving strategy that needs to respond to changes in demand and the growing complexity of needs of children we care for.

Corporate Policies and Priorities

13. The proposal supports the Vision, Values, Objectives and Strategic Priorities in the County Council's Corporate Plan, namely to:
 - strive to give every child a good start in life, and protect everyone from abuse and neglect
 - help people live safe, healthy lives and play an active part in their community

It achieves this by providing safe, local placements for children who are unable to continue to live with their families.

Financial Implications

14. The Capital Programme agreed in February 2021 included a budget of £3.0m for the provision of a new children's home. At this stage it is estimated that the capital cost of a children's home providing four placements (four children's bedrooms; two staff bedrooms & extensive living space) would be between £2.2m and £3.0m, subject to the final specification and contracts being in place. At this stage it is not recommended to reduce the budget, and any variance will be reported through capital programme monitoring reporting once there is more certainty.
15. The revenue budget agreed in February 2021 assumes that the new home will provide four placements as detailed in this report, and therefore no change is required.

Comments checked by:

Sarah Fogden, Finance Business Partner, sarah.fogden@oxfordshire.gov.uk

Legal Implications

16. Legislation and statutory guidance that set out the role of the local authority in respect of cared for children and care leavers. There are statutory obligations and guidance for the role of the Local Authority as the Corporate Parent in the Children Acts 1989 and 2004. Sections 22A to 22D of the Children Act 1989

make provision for the accommodation and maintenance of a looked after child. They provide the framework within which decisions about the most appropriate way to accommodate and maintain the child must be considered. Where accommodation is provided and there is an element of care being given, the provision must be registered and therefore regulated by Ofsted.

In order to reduce the risks of any legal challenge, the Council needs to ensure that it fully complies with all relevant legislation and obligation to consult.

Comments made by:

Sukdave Ghuman, Head of Legal, sukdave.ghuman@oxfordshire.gov.uk

Staff Implications

17. When Maltfield House closed staff were redeployed into vacancies across the Children's Social Care Residential and Edge of Care Service. The revenue budget for Maltfield is a permanent budget and will be released for the operational running of the new home when it is built. Posts will need to be recruited to. A Registered Manager will be appointed by Children's Social Care and interviewed and approved by Ofsted in accordance with regulatory requirements.

Equality & Inclusion Implications

18. The proposal to build a four-bed home will have a positive impact on local children needing to be cared for as it will increase the Council's current in-house capacity by four and will better meet children's needs than a six-bed home. Whilst this is a reduction of two placements from the original proposal, this is addressed through the wider placement sufficiency strategy.

Sustainability Implications

19. There are no sustainability implications for the change from a six- bed children's home to a four-bed children's home. The design will meet all relevant legislation and building regulations.

Risk Management

20. Overall, the original business case was optimistic in its proposal to use anticipated savings to fund the replacement children's home. The service was highly motivated to replace the asset to prevent loss of beds and exposure to an expensive external market.

21. Funding the rebuild of Maltfield from the main capital programme is a cost to the overall capital programme and will reduce flexibility for this capital to be spent elsewhere. However, the exercise has helped identify opportunities for future asset-based investments to reduce revenue costs in children's placements.
22. These opportunities are being explored by the service supported by colleagues from the new hub and spoke commissioning model. Risk parameters and income certainty will be critical in any decision to proceed to a formal appraisal and development of any future business case.

Consultations

23. Consultation has already taken place with residents local to the chosen site about the construction of a six-bed children's home. This would need to be revisited in respect of the revised design specification, however, the change would not have a negative impact on local residents. The outcome of the previous consultation was positive.

KEVIN GORDON
Corporate Director of Children's Services

Contact Officer: Lara Patel, Deputy Director Safeguarding

April 2021