

Corporate Management Team
3 November 2011

Director: Gill Rollings, Executive Director, Children, Families and Learning

Subject: Residential Care for Children

Matter for Consideration

1. To brief CMT on progress/options for establishing additional local residential provision for children with disabilities, specialist needs and emotional and behavioural problems.

Background Information and Key Issues

2. A key feature of the overspending on placement costs for Looked After Children, those with specialist needs/disabilities and those with emotional and behavioural problems relates to residential care. This reflects high levels of demand, low levels of local provision and the consequent 'spot purchasing' of places to meet the needs of individual children. Other Tees Valley LAs are experiencing similar difficulties. A range of Middlesbrough and Tees Valley wide options are therefore being progressed.
3. This paper reports progress and actions in hand to meet demand at reduced cost. A parallel paper will be prepared in relation to the wide range of activities already in place and being developed to manage demand and reduce capacity pressures. Both will be used to advise Executive and Scrutiny when the Quarter 2 budget position is explored.
4. The priority groups being considered for residential care (by Middlesbrough and Tees Valley LAs) are:
 - highly specialist individual care;
 - care for those with emotional, behavioural and development problems;
 - short term/emergency care.

Alternative Use of Gleneagles

5. Gleneagles has been used as a centre for respite care for children with specialist needs since 2002. It has played a key role in managing demand for longer term residential care by enabling parents/carers to look after children with disabilities at home either permanently or for a much longer period that would have been possible without respite care and support from the Home Care Team.
6. Over the last 2-3 years, alternative short break and direct payment services have been developed through the Aiming High initiative. These have proved flexible, successful and increasingly popular with parents. Gleneagles remains a key element of respite services, particularly for children and young people with

significant needs. Any reduction in this provision needs to be set alongside the financial benefits of providing alternative longer term residential care.

7. Placements for children and young people with specialist/individual needs currently cost an average of £185k per annum. Substantial savings could be made from transferring a small number of such children to local/less costly provision. This would be both in terms of placement costs and the time spent by staff on monitoring/visits to distant locations.
8. An initial assessment has been undertaken on conversion of Gleneagles to provide residential rather than respite either partially or exclusively. Such a change would require investment in adaptations to create a 'home' environment in line with regulations. Full conversion may not be practical and consideration will also be given to future use of an ex-children's home close to Gleneagles and currently occupied by the Domestic Violence Unit.
9. Two potential small groups of young people have been identified amongst current placements with needs which are similar enough to be met in a single home. Work is also progressing on options for staffing structure for full or partial residential use.

Cross LA Tendering Exercise

10. All Tees Valley DCSs have committed to a shared exercise to identify priorities and options for establishing local residential provision. A cross LA group is being led by Hartlepool officers with direct input from the Director of Children, Families and Learning and potential support from NEPO.
11. Priorities for a new year tendering exercise have been identified as indicated in paragraph two. Work is underway to establish levels of demand and needs. Two LAs have identified potential buildings for conversion and Durham LA has agreed to participate in the exercise and expressed an interest as a potential provider. A number of other potential providers are showing interest.
12. A parallel exercise is taking place on Tyneside and experiences will be shared/lessons learned.

Five Rivers Contract

13. The ten year contract with Five Rivers for non-specialist/short term residential care in Middlesbrough ends in December 2011. The services provided by Five Rivers over the last two years has improved as a result of contract negotiations and an improved placement/usage rate has been achieved. Original plans to retender this provision from January 2012 have been shelved in the light of the Tees Valley initiative. Negotiations are underway to secure a reduction in contract cost for 2012/13 as part of an extension to the contract for nine months until September 2012.
14. Any future contract for the non-specialist care provided by Five Rivers will provide an opportunity to use alternative sites/homes. This could produce a substantial capital receipt from two of the current homes.

Recommendations/Required Guidance

15. To note activities underway with regard to reducing the cost of residential care.
16. To consider adapting a 'BSF style' approach to supporting and monitoring progress in the future.

Lead Officer: Gill Rollings