

Decision Pathway – Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 05 September 2023

TITLE	Development of External Residential Children’s Homes	
Ward(s)	All	
Author: Gail Rogers	Job title: Head of Service Children’s Commissioning	
Cabinet lead: Cllr Asher Craig, Cabinet Member for Children’s Services, Education and Equalities	Executive Director lead: Abi Gbago Executive Director Children and Education	
Proposal origin: BCC Staff		
Decision maker: Cabinet Member Decision forum: Cabinet		
Purpose of Report: There are three elements of this paper in relation to approving our development of children’s residential placements, including: <ol style="list-style-type: none"> 1. The procuring and award of a Strategic Partner (or Partners) to deliver Children’s Homes, foster placements and 16+ accommodation at a maximum cost of £3.5m per year. 2. The procuring and award of a provider(s) to run up to two bespoke homes for our most complex children at a maximum cost of £2m per year. 3. The procuring and award of a provider(s) to develop a crisis home at a maximum cost of £750,000 per year. 		
Evidence Base: <ol style="list-style-type: none"> 1. DfE data shows that the South-West region has just 7% of all Children’s Homes and 6% of places, making it the joint lowest region nationally, alongside London. There is one independent Children’s Home in Bristol, and 11 within 20 miles. Market shaping tells us that the cost of accommodation in Bristol is a barrier and providers are looking for more collaborative ways of working with us such as jointly funded homes. 2. Over the past 3 years Bristol has had an increasing percentage of children in care placed at 20 miles or more away from home from 21% in 2019/20 to 25% in July 2023, the national performance for this measure is 17%. For our children in external children’s homes, this figure rises to 70%. There has also been an increased reliance on using residential placements with placement numbers up from 45 in April 2020 to 62 in July 2023. 3. There are currently 726 children in care (CiC) and this figure is predicted to rise to between 736 and 790 children by the end of 2023/4, a CiC population of 763 would be an increase of 5% from Bristol’s current care population. We are already struggling to find placements to meet the needs of our most complex children, and this will be further compounded by the increase of children in care. As a result of the severe sufficiency shortage two children have had to be placed in unregulated provision this year. 4. This is being addressed through our transformation programme Our Families. The programme aims to deliver increased sufficiency of high-quality placements within the local area, thus securing better outcomes for our children in their own communities; leading to fewer children and young people are placed out of area. 5. As part of this, Bristol City Council submitted a successful bid to the DfE Children’s Homes Capital Funding 		

Programme in 2022. The bid addresses gaps in sufficiency locally and nationally for two cohorts of children with complex care needs through:

- i. Programme 1: A Tier 3.5 home to support children with mental health needs to live in the community through a collaborative model of delivery with Health, Education and Social Care. These children will have experienced acute Health settings and require clinical and social care to enable discharge and/or to prevent hospital admission and re-admission.
 - ii. Programme 2: A new home for adolescent boys aged 15-17+ with challenging and aggressive behaviour. This will provide a therapeutic treatment setting for restorative care, for young men with criminal justice involvement and where exploitation is part of their risk profile. The home will include two self-contained pods in the grounds as preparation for independent living.
6. The project will create the two new Children's Homes out of existing BCC-owned buildings in order to provide bed spaces for eight children and two carers.
7. We will commission a strategic partner to run the homes, and the local authority will have responsibility for working in partnership with the Provider to ensure that we are meeting the needs of the children and young people. The services have been co-designed with Health, Education and Social Care and we will ensure the contractual arrangements in place are flexible to meet any changing demographic of children and young people's needs.
8. In January 2023 Cabinet delegated authority to Executive Director of Children and Education to take all steps necessary to procure and award the contract(s) necessary for the implementation of a Tier 3.5 and an Adolescent Males Children's Home and commission a provider to run the homes and to invoke any subsequent extensions/variations specifically defined in the contract(s) being awarded. We are seeking approval to expand the remit of this partnership to include foster placements for step down where appropriate and 16+ supported accommodation for move on, as well as the two homes. These will be developed in order to ensure a step down and move on pathway for children. This will be developed once the homes are up and running.
9. We are proposing the contract is set up as a single provider framework with a contract length of an initial term of seven years, with two options to extend for a further two years plus one. For procurement purposes only we are proposing to set a maximum contract value of £35m across 10 years. This is because we must set a maximum contract price under procurement regulations, however in using a framework contract there is no obligation to spend to that level as a framework does not itself commit either party to purchase. In setting an increased upper contract limit, it provides maximum flexibility to utilise this arrangement with the successful provider should we wish to grow our local provision or attract additional grant funding for this area. Committed funding for the two children's homes will be £15m across ten years, we seek that authority is delegated to the Executive Director for Children and Education for the release of further funds as services are to be scaled up.
10. In addition we are also seeking to go out to tender for a provider to develop up to two bespoke children's home to meet the needs of our most complex young people in the city who we have been unable to place with external providers. We expect the cost of this to be a maximum of £2m per year due to the highly specialist care required for these young people, we will receive health funding contributions to this cost.
11. We are seeking approval to tender for a provider to develop a crisis home at a maximum cost of £750,000 per year. This home will take children being placed in emergencies, where little is known about the young person and therefore a period of assessment is required both to settle and assess their needs for onwards referrals. These young people currently often end up in either very high cost external placements, or in unregulated provision.

<p>Cabinet Member / Officer Recommendations:</p> <p>That Cabinet:</p> <ol style="list-style-type: none"> 1. Authorise the Executive Director People in consultation with Cabinet Member for Children, Education and Equalities to take all steps required to procure and award the contract(s) necessary for the implementation of a strategic partner to develop children’s homes, 16+ supported accommodation and foster places up to a maximum cost of £35m across ten years. 2. Authorise the Executive Director People in consultation with Cabinet Member for Children, Education and Equalities to take all steps required to procure and award the contract(s) necessary for two bespoke children’s homes up to a maximum cost of £2m per year. 3. Authorise the Executive Director People in consultation with Cabinet Member for Children, Education and Equalities to take all steps required to procure and award the contract(s) necessary for a crisis home up to a maximum cost of £750,000 per year. 4. Authorise the Executive Director People to take all steps required to invoke any subsequent extensions/variations specifically defined in the contract(s) being awarded, up to the maximum budget envelope outlined in this report.
<p>Corporate Strategy alignment:</p> <ol style="list-style-type: none"> 1. CYP1 Child Friendly City – Children and young people will be cared for and supported in the City they have grown up in and will be supported to overcome adverse childhood experiences. 2. CYP2 Supported to Thrive - Children and young people will be supported to thrive, by ensuring there are sufficient
<p>City Benefits:</p> <ol style="list-style-type: none"> 1. Children and Young People in care will remain within Bristol – thus securing better outcomes for our children in their own communities. Less children will be placed in high cost out of area placements. 2. Greater value for the public purse by reducing bed blocking in tier 4 provision where children are fit for discharge but remain in hospital due to a lack of suitable placement being sourced.
<p>Consultation Details:</p> <ol style="list-style-type: none"> 1. The model of care has been developed in consultation with staff across children’s services, health, education and partner local authorities (South Glos and North Somerset). Young people will be involved in the development of the service once a delivery provider has been awarded.
<p>Background Documents:</p> <p>DfE Capital Funding - Tier 3.5 and Adolescent Males Childrens Homes.pdf (bristol.gov.uk)</p>

Revenue Cost	£40.5m £35m over 10 years +5.5m over 2 years	Source of Revenue Funding	Children’s Placements Budgets
Capital Cost	£n/a	Source of Capital Funding	n/a
One off cost <input type="checkbox"/>	Ongoing cost <input checked="" type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

<p>Required information to be completed by Financial/Legal/ICT/ HR partners:</p> <p>1. Finance Advice: The delivery partner model will commit the authority to £1.5m per year for 8 beds with contracts providing a further £2m per year flexibility for fostering and post-16 places over a 10 year contract period The report also seeks approval for two be-spoke homes to be created specifically for high complex needs young people at a cost of £2m per year and a crisis home for £0.75m per year on shorter 1+1 year contracts These options will provide efficiencies and cost savings against current cost of provision for the cohort that aims to</p>
--

target.		
Finance Business Partner: Andrew Osei, Finance Business Partner 27 July 2023		
2. Legal Advice: The procurement process must be conducted in line with the 2015 Procurement Regulations and the Councils own procurement rules. Legal services will advise and assist officers with regard to the conduct of the procurement process and the resulting contractual arrangements.		
Legal Team Leader: Husinara Jones, Team Manager/Solicitor 12 July 2023		
3. Implications on IT: I.T. are supportive and available to aid in progressing relevant work and can be engaged through the existing work request process.		
IT Team Leader: Alex Simpson, Lead Enterprise Architect 13 July 2023		
4. HR Advice: The report is seeking approval to procure and award a Strategic Partner (or Partners) to deliver Children's Homes, foster placements and 16+ accommodation and there are no significant HR issues arising from this report for Bristol City Council employees.		
HR Partner: Lorna Laing, HR Business Partner 12 July 2023		
EDM Sign-off	Abi Gbago Executive Director Children and Education	19/07/2023
Cabinet Member sign-off	Cllr Asher Craig Deputy Mayor Cabinet Member for Children's Services, Education and Equalities	24/07/2023
For Key Decisions - Mayor's Office sign-off	Mayor's Office	07/08/2023

Appendix A – Further essential background / detail on the proposal	NO
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	NO
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO