

Classification: Open	Decision Type: Key
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Report to:	Cabinet	Date: 6 th November 2024
Subject:	Acquisition of properties for Children’s Homes Operations	
Report of	Deputy Leader and Cabinet Member for Children and Young People	
	Leader and Cabinet Member for Strategic Growth	

Summary

1. The report seeks approval to purchase residential properties within the locality of Bury to accommodate children who are cared for by the local authority. The report seeks approval of £1.5m for the purchase and refurbishment of up to two properties, in order to make them fit for purpose as new children’s homes.
2. Each of these two homes will provide places for up to 3 children per property, with live in staff and on-site managerial support. Together the new houses will provide up to 6 additional places for children within a home style environment within the locality of Bury. The new provision has the potential to avoid the cost of private sector placements by c£475k per annum assuming full occupancy.
3. A strategy for how the two properties will be repaired and managed will be developed in due course and in line with the Future Assets Plan (FAP) and broader estates management plans.
4. This report sets out the rationale and risks related to increasing number of Care Experienced Children (CEC), the cost, inefficiency and suitability of privately run accommodation and provides an alternative in-house delivery model offering improved quality and better value for money. The report will also set out how the council proposes to run the children’s homes and the benefits this model will bring to the social, education and economic prospects of children in care by being placed in their local communities, as well as the associated workforce efficiencies.

Recommendation(s)

5. Approve the proposal to enter into negotiations for the in-principle purchase of two 5/6-bedroomed homes to be converted as required to residential children’s homes for residential placements for up to 6 children and associated staffing sleeping and office quarters.
6. Approve capital expenditure of up to £1.5m (assuming no external grant funding becomes available) for the purchase and refurbishment of the homes in (2.0) alongside associated operational management and transformation

activity within Children and Young People's Services to implement the proposed improvements and new management model.

7. Should grant monies be identified, prior to implementation, provide delegation to Executive Director of Children and Young People's Services and Director of Finance to accept any grant funding for the acquisitions should it become available following this approval.
8. To provide delegated authority to the Executive Director of Place in consultation with the Executive Director of Children and Young People's Services and Director of Finance, alongside the Portfolio Holder for Children and Young People to oversee selection of property for new children's homes and associated legal agreements.
9. Note that the Council will undertake a procurement in respect of necessary refurbishment works at the purchased properties to appoint contractors and enter into legal agreements for the refurbishment of the premises. The value of these works is such that they may be awarded in accordance with the officers' scheme of delegation.
10. Note the introduction of proposed operational service changes which will require authorisation through standard HR processes alongside the implementation of the overall project. This will include creating the proposed staffing structure (subject to Job Evaluation) and resources alongside prevention-based transformation activity.

3. Reasons for recommendation(s)

11. The purchase of a maximum of 2 new homes within the locality of Bury to accommodate placements up to 6 Care Experienced Children and enable the Council to play an active role in the lives of its cared for children and meet its duty as Corporate Parents.
12. Deliver Bury's Children's and Young People's plan Outcome 3 to allow Children, young people and families to get the support they need locally to where they live.
13. The approach will improve quality of provision by giving more effective control to Bury Council over all aspects of service delivery, whilst also reducing the unit cost of the operation substantially.
14. Reduce the dependence of Bury Council on Private Sector residential provision, whilst establishing greater competitive tension in the market more generally. It is hoped that provision of this additional capacity will influence Private Sector providers to adjust unit costs to more realistic levels and will build on activity ongoing in neighbouring Authorities and the Region.
15. Support the Council's duty to find the most appropriate care setting for each child, by diversifying the current residential offer in the market-place.
16. Enable the Council to take a proactive approach to supporting Care Experienced Children as recommended by Bury's Corporate Parenting Board and the Children in Care Council (CICC), enabling children in its care to reach their potential.
17. To align Bury's 'LAC Sufficiency' approach to the GM Children's Sufficiency Strategy launched in 2020 - to find the right placement for a child or young person at the right time.
18. To increase placements in the locality and reduce the need to place children outside of Bury leading to better social, education and economic outcomes and improving workforce efficiency.
19. Enable further improvement in the quality of plans and planning for children, and greater choice of placements for children when they come into care as recommended in the 2021 Ofsted inspection.
20. Reduce dependency on Private Sector delivery of residential care recognising significant price rises in the private sector; and allow Bury to secure a stronger foothold in the market with a local solution which offers better value for money.
21. Local provision will ensure a balance in securing the right placement mix for children in care with associated cost savings as recognised in the council Medium Term Financial Strategy (MTFS).

22. The Capital Board have approved £1.5m (assuming no grant funding becomes available) to acquire and renovate up to two properties, subject to cabinet approval.
23. To allow up to two properties for the intended use to be purchased via delegated powers and immediately secure suitable properties when they come to market.

Alternative options considered and rejected

24. **Do nothing** – continue to be reliant on external privately run children's homes including out of borough placements. This option was rejected as the Council is currently dependent on and susceptible to inflated placement costs, which offer poor value for money.
25. **Public/Private Partnership Vehicle** – Would require setting up a Joint Venture and jointly holding responsibility for purchasing / renovating suitable properties. The Council's control would be diluted, and a JV arrangement would require complex legal agreements and greater operational oversight and management. arrangements. For these reasons the option was rejected.
26. **VCSE** – This would require significant market shaping and thus discounted due to the time needed identify suitable providers and undertake the necessary due diligence to ensure quality in practice standards.

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Background

27. As with similar activity in the Adult Social Care operation; a significant percentage of children social care residential provision is delivered by private

providers. Currently the Council works closely with the 23 private providers of residential care within the borough and across the NW region to provide a home for some of its care experienced children.

28. Nationally there are significant challenges with the availability of suitable placements for children in care, as documented in both the recent care review, "Stable Homes, Built on Love", and in a Competition and Market Authority (CMA) review of the residential care sector which stated:-

'a shortage of appropriate places in children's homes and with foster carers, meaning that some children are not getting the right care from their placement. Some children are also being placed too far away from where they previously lived or in placements that require them to be separated from their siblings. This shortage also means that high prices are often being paid by local authorities, who are responsible for placing children in appropriate settings.'

29. Like many Local Authorities, Bury is also affected by a shortfall in the availability of placements and there has been an increase in the number of children placed in high-cost external placements, some of which are based outside of the borough. The average cost per week of a child's residential placement in the North-West stands at £5,832 at the end of Quarter 1 2024/25, having been £4,155 four years previously: a 40% increase.
30. Children's Services is working with its partners to reduce the number of children coming to care. It is on a journey of improvement and is making positive progress, as recently recognised by Ofsted. For example; Bury was the first authority in Greater Manchester to implement the 'Family Safeguarding' model of practice and have established one support constellation using the Mockingbird approach to foster care (where an experienced foster carer acts a hub of experience supporting a number of linked less-experienced carers).
31. The ongoing enhancement of Early Help and Social Care services will better support children to stay with their family wherever it is safe to do so. Work is also ongoing to increase the number of foster carers locally with an active recruitment campaign, which has resulted in a net increase of 7 fostering households (14 new recruited, 7 retiring/ceasing) during 2023/24. It is however a challenging time to recruit foster carers as all families are affected by the longer-term effects of the cost of living crisis and the availability of spare bedrooms has declined. Guided by its Children and Young People's plan, the Council is now looking to advance innovative practice in its approach to Care Experienced Children, play a greater active role in the lives of its children thereby fulfilling its duty as Corporate Parents.
32. Bury's Children and Young people plan 2021-2024 aims to improve the lives of children, young people and families in the borough and sets out a call for action to ensure children and young people live happy, healthy lives in their families and communities. The plan is explicit in setting out a clear priority around Bury's children and young people getting the support they need local

to where they live. The Bury 2030 Strategy around neighbourhood team working and the development of the new Neighbourhood Delivery model, including further development of a preventative approach “at place” means that the proposed locally led residential provision will be supported by neighbourhood-based services. Therefore, children in these placements will benefit from accessing help and support when they need it locally.

33. The Greater Manchester GM Children’s Sufficiency Strategy, supported by the Local Government Association (LGA) and Children’s Homes Association (CHA) recognises that local authorities have become increasingly dependent on private sector provision to respond to rising numbers of children in care and increasing complexity of need. The lack of diversity in the market and growing reliance on the private sector is both costly and unsustainable, as it places a significant burden on children’s social care budgets with local authorities having little choice to accept inflated placement costs.
34. For the Council to fulfil its role as a corporate parent, Care Experienced Children require suitable safe accommodation locally in communities they know, where this is appropriate.
35. With growing demand for residential places for children in care and children with increasing complexity of need, the Council has proactively developed a business case for change to both provide good support to its children and young people and to provide value for money to the local tax-payer. The business case explored different delivery options; culminating in a preferred delivery vehicle of the Council acquiring and operating its own residential homes.
36. The in-house provision would be staffed by a new Bury based workforce and guided by local quality of practice standards and links into other local agencies and services. It is envisaged such provision would sit alongside long-term prevention-based services, with the priority for children to continue to reside with families where it is safe to do so.

Rationale for Children’s Homes - Better Outcomes

37. The number of children in care nationally has been rising every year for the past 15 years, increasing by 41% across that period; and by 11% in the past 5 years. The rise in Bury has been less – up by 22% since 2009 and 7% since 2018, but it is still significant. Much national and local activity is seeking to address this ongoing rise. Recognising the scale of the problem, both Rochdale and Stockport Councils have recently decided to diversify its children’s home market by entering this space with their own in-house provision, as have the GM local authorities collectively through Project Skyline and the plans to create 24 new residential places, spread across 10 homes.
38. Given rising demand levels, coupled with inflated placement costs from April 2024 in particular (on average across the NW this rose by 3.5% between March and June 2024), there is a significant, current and pressing need to

diversify the offer and increase the amount of placements to meet the needs of our Care Experienced Children within the locality of Bury.

39. Considerable work is taking place to prevent children from entering care via the Early Help and Children's Social Care services, which regularly reviews the continuum of need and risk levels of children entering the service. For most children and their parents this intervention is effective and prevents most children entering care. As can be seen above, Bury's rise in the number of children entering and remaining in care is lower than the national average.
40. Bury's adoption of the 'Family Safeguarding model' is intended to improve the quality of the work undertaken with families – providing holistic interventions that address adult issues through the use of multi-disciplinary teams. This model has been effective in other local authorities in England and has been endorsed by the DfE, with Bury's implementation being supported by one of the progenitors of the approach: Hertfordshire County Council. The model has been independently evaluated by academics and the DfE's Innovation unit. The evaluation indicated improved outcomes for children and parents by successfully reducing risk of harm to children and thereby reducing the number of children entering care. The cost avoidance and savings associated with reduced numbers of child protection plans and numbers of children being taken into care is significant. The long-term strategy to prevention-based services including the emerging Keeping Families Together programme (aimed at particularly vulnerable adolescents and children with disabilities) is expected to further reduce the turnover of placements. Additional capacity to offer operational oversight of this area and the proposed children's homes is being considered in tandem (see Table 1) to ensure an overarching strategy to both aspects of work.
41. For some children despite the effectiveness of early prevention-based interventions the risk of harm in their family home can-not be sufficiently mitigated and as such require removal from their parents' care. These children, with the agreement of family courts, become 'looked after' by the council as children in (public) care.
42. Once a child enters public care, the local authority must find the most appropriate alternative home for each child. Most children in the council's care are cared for in a family home – a foster home either with members of their extended family or as part of another foster carer's family household. The Mockingbird approach to supporting foster carers is designed to enable more children to be cared for in such a foster home, to support the stability of those homes, by providing foster carers with on-going expert support and advice from a skilled peer.
43. However, where there are either no suitable foster care placements available, or where the needs of a child are such that they cannot be met within a family home setting, this can lead to children being cared for in residential (children's) homes.

44. Some local authorities operate residential children's homes themselves; however the proportion of places within the public sector has contracted over the past 5 years and local authority homes in the North-West only currently make up 8% of the homes within the region (89% are privately run, with the remaining 3% provided by the voluntary/faith sector). Bury withdrew from providing residential homes for children over a decade ago and therefore all children placed in a residential home are placed in a privately run home.
45. Placing children outside of their home borough has been shown to create greater inequalities in a child's social, education and economic progress and contrary to the priority's 2 and 3 in the Children and Young People's Plan which state:
- Children and young people live happy, healthy lives in their families and communities and;
 - Children and young people have a good education and leave school with the best education outcomes and skills to succeed as adults and make a positive contribution [with inclusive learning opportunities available to all]
46. According to the DfE Children "Looked After" dataset, in 2023 Bury had 50% of its cared for children placed in privately run children's homes within the Borough, which is lower than the 58.8% average for all Greater Manchester (GM). However, for those children placed outside of the borough (11%) such placements were **over 20 miles** away from their home borough, which is higher than the GM average of 8.3% and the second highest of all the GM Authorities after Tameside (12%).
47. Placing children within their home locality is particularly beneficial to the care outcomes of Care Experienced Children and the supporting workforce as Bury based placements would:
- Create conditions for a greater oversight of care
 - Allows children to be closer to their friendship and kinship contacts and an element of stability if/when children transfer into and out of care.
 - Allows education outcomes for our most vulnerable children to be inclusive and improved from continuity of learning in their local schools.
 - Greater potential for Care Experienced Children to make positive choices upon leaving school, e.g education, or employment.
 - Allows social workers and other support staff to operate more efficiently and effectively, thereby improving Quality of Practice with more time for assessments and less time expended travelling to placements further afield.
 - Better enables partner agencies, particularly in Health and Education and learning to fulfil their corporate parenting responsibilities and respond flexibly to emerging and presenting needs.
 - Allows Bury's children to benefit from Local Authority staff and those of its partner agencies exhibiting Let's do it values and contribute to and benefit from resilient communities.

Conversely out of borough placements can lead to inconsistent and fragmented learning and greater difficulty in accessing support services, loss of identity, lack of stability and detachment from other important social relationships. Equally the lengthy travel time needed to visit children out of borough placements places additional pressure on the workforce supporting such children and may impede an ability to manage caseloads, planning time and assessment leading in turn to lack of job satisfaction and retention issues – all areas of improvement identified in the 2022 Practice Improvement Plan.

Value for Money (VfM) and unit cost advantages

48. The average unit cost of an external children's home placement is higher than the cost of the proposed internal Council led provision. There is a compelling case in demonstrating revenue savings to delivering council run homes in house. A place at a Children's Home run by the council costs significantly less than placements purchased from the private sector.

49. Out of Borough placements have been associated with higher costs due to the increased level of social worker activity needed to visit the placement. A Local Government Association (LGA) report on high-cost children's social care placements surveyed 124 Local Councils. 30% of them listed out of area placements as a factor in the high-costs of some of these placements (the mean of the highest costing placements surveyed was £21,050 a week).

50. At present, the weekly unit cost of private placements, per child, per week is £5,897 with a total per annum cost of over £1.8m for 6 children.

50. Via the proposed Council run children's home offer, the Council is proposing to place 6 children in the in-house provision with an estimated average weekly unit cost saving of £1,520 per child and a potential maximum annual saving of nearly £4.8m assuming full occupancy (from year 2 onwards once the homes are fully registered).

However, to take into consideration void periods, occupancy of the homes is unlikely to be sustained at 100% for a myriad of reasons but most notably the ability to consistently 'match' children within the setting, savings have been calculated at **94%** occupancy compared to the current average cost of private sector placements, which will facilitate the estimated delivery of the MTFS revenue saving of £400,000 in 2026/27. The actual weekly savings will vary depending on the actual private sector placement costs of the children entering the new provision. Consideration of the cohorts of children suitable for the placements and cohesion of such groupings will be made by social worker staff to minimise potential for placement breakdown.

51. It should be noted assumed savings in high placement costs have already been built into the council's MTFS, as has growth in the spend on this area, given the recent growth in use of residential homes and their unit cost.

52. Given the growth in the number of children entering care and into residential homes over recent years, locally, regionally, and nationally, there is a strong

financial case to avoid further cost of external placements as part of a Cost Mitigation Strategy for children's social care budgeting.

53. Whilst the Council is participating in the GM Skyline project and has identified a property in borough for use as a GM Children's Home, this provision will be available to children in care across all of GM, not just Bury children. The in-house provision will differ by providing a home for Bury children in care in need of a residential placement.
54. This recognises that the cost to the Council would be more if it continues to rely exclusively on private sector placements, given the expected increase in demand and unit cost; and despite the effectiveness of prevention-based services.
55. Given the pressure of steadily increasing demand pressure on care home places, it is imperative that quality places are delivered at the lowest possible unit cost, releasing resources to cope with additional demand elsewhere in the system, especially in timely preventative work.

Key information

56. Bury's Children and Young People Plan 2021-2024, which was co-produced with local stakeholder groups and children and young people aims to ensure children and young people live happy, healthy lives in their families and communities with support they need local to where they live.
57. The proposed new children's homes delivered will enable more children to grow up surrounded by their support networks, in communities they know, be educated in a fair and equal manner and have the skills and knowledge required to make well informed choices upon leaving school. If this model is successful, it is anticipated that it could be scaled up to provide more placements, improved outcomes and greater economies of scale with cost savings, subject to separate approval with a particular focus on children in care with disabilities.
58. The current budget pressures on children's social care are significant and related predominantly to the rise in the number of children in residential placements and the rise in unit costs for those placements - compounded by a reduction in foster care placements nationally and regionally over recent years.
59. The creation of a maximum of 2 new children's homes will provide 6 residential places, with social care provided through council services and delivered in accordance with Let's Do It! vision for our communities. It will deliver both value for money, improve workforce efficiency, while providing good homes for some of our most vulnerable children and young people with better wraparound care available from local agencies.

60. It should be noted that the Council's Future Asset Plan (FAP) has been reviewed and no such suitable properties exist that could be repurposed for this use; however should existing land/property within the council's estate become surplus, an assessment of suitability will be made and may preclude the need to acquire properties in.

61. Working together with planning policy, development management and land and property colleagues, properties will be identified using a defined and pre-agreed property and location criteria to ensure:

- effective resettlement and cohesion within existing communities
- accessibility and proximity to services
- access to public transport.
- Avoiding proximity to other potential negative influences
- Avoiding locations/proximity to existing private children's homes*

**A mapping exercise has been undertaken in order to refine potential suitable locations thereby avoiding the possibility of overstimulating communities with the same/similar type of provision.*

62. Expertise in children's services will look to ensure children identified for the in-house provision is appropriately matched, taking into account age, needs, complexity and other circumstances, to create a family-feel living environment for each of the children and, maximise potential for a stable and successful placement over the long term.

63. Upon suitable properties being identified, planning requirements will be discussed with the council's planning team.

64. The above criteria is not exhaustive and will be agreed locally and consulted upon with local partners such as GMP and the approach to identification of properties is expected to emulate the GM Skyline, which Children's Services have already committed to.

65. Given that local authorities in GM and wider are bringing forward their own in-house provision coupled with growth in private sector residential sector, it is anticipated that recruiting the requisite workforce of 21FTE will be challenging as the demand is high for fully trained staff operating in this field, with the number of job opportunities exceeding the number of candidates available to fill such positions. With this in mind, the council has factored in a recruitment and retention budget to compete and stimulate interest amongst an already crowded market. Should the council not be able to attract the right level of staffing contingent with the required skills and experience, the properties will be returned to market.

66. Moreover, prior to becoming fully operational, both residential homes will require full registration with Ofsted and will be inspected prior to opening. Achieving the necessary quality standard of provision with the correct staffing and operational management arrangements is a rigorous process and Ofsted will need to be fully satisfied via a dedicated inspection that the homes are

safe to operate. Furthermore, the ongoing inspection framework for children's homes once they are established and operational is detailed and exacting and requires considerable ongoing diligence and focus. Children's homes are inspected at least annually (more frequently if the home is not judged to be good or outstanding) and all inspections are unannounced.

67. Capital funding of £1.5m for acquiring the homes will be accessed via Prudential Borrowing (PWLB) and has been approved as capital expenditure by Capital Board.

Unit Cost Operational Savings

Table 1 below summarises the annual revenue costs of operating two children's homes by Bury Council, supporting 6 children. It also includes assumed capital expenditure for the purchase and fit-out of the homes (inclusive of internal capital fees (e.g. project management/legal/surveyor costs). This total cost of acquisitions including refurbishment costs has been budgeted at £1.5m.

67. It is assumed that a Prudential Borrowing facility will be utilised to fund the development via the Public Works Loan Board. Annual revenue financing costs associated with PWLB capital have been estimated based on current interest rates.

Table 1: Estimated Costs of internal operations

68. Having evaluated the staffing structure, to ensure effective and safe operational oversight and management of the provision, 21 FTE is required. This has been benchmarked with comparable provision in neighbouring boroughs and private sector providers.

*It should be noted that the creation of the Head of Residential Services will also assume management responsibilities over a wider portfolio of work including short stays, short term respite breaks and edge of care work to provide additional capacity in these areas. Should the model be scaled up, greater economies of scale will be made as the Head of Residential Services will assume this broader portfolio of properties with the below unit cost further reducing.

*The below posts are subject to Job Evaluation.

Resource	Capital Cost Total £'s	Revenue Cost (£pa)	Notes
Direct Costs:			[Based on 6 children]
Care home staff (2 homes):			
Head of Residential Services*		£90,647	Chief Officer: A
Registered Manager x2 FTE*		£151,533	Grade: SM1
Assistant Manager x 2 FTE*		£121,065	Grade: G13
Residential Childcare Worker* x 17 FTE (8.5 FTE per home)		£749,148	Grade: 9

Recruitment/retention incentives		£50,000 (£1,162,394)	
Overhead:			
PWLB Borrowing	£1.5m	£85k ¹	Based on £1.5m capex. £1.5m assumes schedule of works inc. £150k to refurbish homes with furniture/white goods/fittings.
Non-staffing costs		£122,000	Operating costs, sundries and expenses, utility bills, replacement furniture, Includes annual emergency repairs & planned works.
TOTAL	£1.5m	£1,369,394	
Total cost per child, per week		£4,377	Assumes 100% occupancy
Occupancy Rate to break-even point (break-even including delivery of budgeted MTFS revenue saving of £400,000)		94%	Assumes Sept 24 average unit cost of private sector alternative (see table 2)

¹ Based on £1.5m Capex borrowed over 50 years.

69. Table 2 below illustrates the cost of external placements sourced from the Private Sector market at current rates. It identifies the estimated cost profile established in Table 1 as a comparison and summarises annual savings based on unit cost differential.

Table 2: Annualised and Unit Cost Comparison (Bury Council Vs External Placement)

Cost item	Unit Cost (£'s per child, per week)	Annualised Cost (£'s per annum)
Average <u>external</u> (Private Sector) price per bed, per week	£5,897	£1,839,864
Est. Unit Cost of Council Operated Facility (See Table 1)	£4,377	£1,369,394
Cost saving (Bury Council vs average external placement)	£1,520	£475,517

Average 'High-Cost Placement' can be as high as £21k per child per week, £404k per annum, however this table focuses on like for like comparison and estimated net savings.

70. Note: unit cost of external unit placements is variable and an upward trajectory. Current estimate is 10% upward pressure per year (Placements NW benchmarking data October 24)

For the purposes of occupancy, to break even (with costs expended in private sector placements), 94% occupancy level or above is required. Given year 1 will require set up and Ofsted registration, 94% occupancy can only be assumed from year 2 (once the properties are fully registered and operationally compliant). It also recognises there will be times when the Council will be carrying voids.

71. Annual staffing for an estimated 2 new homes is given above. Costs include both staffing costs and costs associated with maintenance and servicing of the homes (Non-staffing).

In the data above unit costs calculated on forecasted costs of the proposed new homes compared to current external residential placements. There is, however, a large spread in the costs of external placements and the cost savings could be much bigger where very costly external placements can be brought back into new Council managed homes.

72. With this in mind, a cashable revenue saving of £400k per annum has been reflected in the updated Medium-Term Financial Strategy.

73. The proposed two new children's homes and locations will be carefully identified using set criteria and operated by the Council in accordance with its practice standards, consideration of existing communities and Let's Do It! values. The proposal has been widely consulted upon within Children's Social Care, Fostering Service, Land and Property and Planning, as well as with practitioners operating in the children's home field to gain insight and support and ensure Bury can deliver a best in class in house residential model for its Care Experienced Children.

74. Like other local authorities, Bury has seen an increase in the number of children that are cared for. This is due to increasing complexity of children and family needs, and the impact on families of increasing child poverty, coupled with a reduction in foster care placements. It is now important that the Council acts to provide residential care within the locality of Bury. An in-house offer will provide equality of opportunity for Care Experienced Children, improve social and education outcomes whilst avoiding costly placements and workforce inefficiencies arising from out of borough placements. Finally, the proposal if approved, will give Bury a greater foothold and influence in the residential market and diversify the wider market offer.

75. The proposed funding strategy for the operation of two children's home facilities in-house demonstrates a significant unit cost saving against the costs available within the Private Sector. Outturn cost will need to be verified upon completion of the project, however it is clear there are significant financial benefits to adopting this approach at scale.

Links with the Corporate Priorities:

Please summarise how this links to the Let's Do It Strategy.

1. **LET'S** Look after our children in or close to their home borough, through provision of residential care services within Bury by:

LOCAL:

2. **Providing fit for purpose, safe and attractive residential care accommodation at the heart of our communities – where it is most needed.**

3. According to the DfE Children “Looked After” dataset, in 2023 Bury had 50% of its cared for children placed in the locality of Bury.
4. Positively, this is lower than the 58.8% average for all Greater Manchester (GM) Authorities. However, Bury also had 11% of its cared for children in placements outside of the Borough (20 miles or more) which is higher than the GM average of 8.3% and the second highest of all the GM Authorities after Tameside (12%).
5. Out of Borough placements have been associated with higher costs due to the increased Level of Social Worker activity and time needed to visit the placement. An LGA report on high-cost children’s social care placements surveyed 124 Local Councils. 30% of them listed out of area placements as a factor in the high-costs of some of these placements (the mean of the highest costing placements surveyed was £21,050 a week).
6. In addition to the cost of out of borough placements, the creation of new children’s homes will provide additional residential places (3 placements per property), with social care provided through council services, will deliver both value for money and better wraparound care for some of the most vulnerable children in Bury.
7. Importantly being placed locally in or near to Bury will enable such children and young people will benefit from the neighbourhood hub model and support services. It will also facilitate educational and social outcomes with learning to take place at local schools and contact with friends and family to be sustained. Local provision will reduce travel time and costs of family contact visits as well as reducing operational cost and time of social workers travelling outside of borough.
8. Together the new houses will provide up to 6 additional places for cared for children within a home style environment, meaning Bury children can continue to live locally in the communities they know supporting their identity and local connection to the friends and kinship groups.
9. Children transitioning into adulthood will be better integrated into their local work places as a result of local education pathways.
10. **ENTERPRISING:**
 - Reducing unit costs and improve productivity in service delivery for residential care placements within the Care Experienced Children (CEC) cohorts.
 - Acquiring our own residential care delivery assets and reducing reliance on the Private Sector.

- Improving commissioning leverage in care placements.
- Insulating Bury Council from excessive profit margins by Private Sector entities.

TOGETHER:

- Involving our children in the heart of the service design process.
- Recruiting the best care delivery and management staffing resources in the UK, trained in Bury’s Let’s do it values.
- Providing sufficient capacity to provide sustainable internal residential service delivery for CEC user cohorts over the short to medium run timescale.

STRENGTHS:

- Integrating Bury Council’s multi-disciplinary directorate functions to deliver high quality cross functional continuous service improvement.
- Building on best practice from across the UK and refining lessons to a bespoke Bury model of residential care best practice.

Equality Impact and Considerations:

*Please provide an explanation of the outcome(s) of an initial or full EIA and make **specific reference regarding the protected characteristic of Looked After Children.***

A full EIA has been completed. One positive and one negative impact identified with the negative impact mitigated to neutral.

A summary of the SDG is set out below.

SDG 10: Reduced Inequalities

What is the impact of this proposal for different groups? Consider these elements:

1.Discrimination, 2. Advancing equality of opportunity and 3. Fostering good relations

11.	12.	Impact rating	13.	RAG Result	14.	Comments	
15.	Age	16.	Positive	17.	G	18.	Positive outcomes from this project would be vulnerable cared for children will better supported through their important transition years, through school and into adulthood.
19.	Disability	20.	Positive	21.	G	22.	The homes to be opened will cater for cared for children and they will be

					better supported and nearer to their kinship carers.
23.	Carers	24.	Positive	25.	G
				26.	Positive outcomes from this project would be improvements in day to day living of carers and extended families supporting cared for children.
27.	Overall RAG			28.	Green

Environmental Impact and Considerations:

Please provide an explanation of the Environmental impact of this decision. Please include the impact on both **Carbon emissions** (contact climate@bury.gov.uk for advice) and **Biodiversity** (contact c.m.wilkinson@bury.gov.uk for advice)

- An EPC certificate will be sought from the vendor of the property.
- Any modifications to the properties will comply with Nationally Described Space Standards (NDSS) and Building Regulations M4(2)
- Carbon Management Plan will be put in place for each of the properties to focus on energy efficiency of the buildings and ongoing operational carbon.
- Reduction in vehicular use and carbon emissions from in borough assessments and appointments of both social workers and children.
- Local supply chains utilised to minimise commercial vehicular use.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
Workforce recruitment and retention	<ul style="list-style-type: none"> • Specialist recruitment support to attract and retain talented and experienced workforce. • Bury's USP and staff benefits to be promoted
Matching a suitable cohort of children to cohabit at the individual properties	Detailed assessment of individual children to consider suitability of placement with other children; and if so, with which characteristics
Managing the home and sustaining a good Ofsted rating and associated reputational risk of the homes not achieving the required standard.	Recruitment of experienced, qualified residential staff to develop and run the home

Legal Implications:

The Council will need to ensure that any necessary planning permission is in place before proceeding to acquire a property.

The procurement of refurbishment works will need to be carried out in compliance with the Council's Contract Procedure Rules and the Public Contract Regulations 2015

Financial Implications:

The estimated recurrent annual saving of £400k per annum resulting from full implementation of the proposals has been included within the updated medium term financial and related budget proposals report also on the agenda. The estimated savings are necessarily based on a prudent set of assumptions, including the average weekly cost of private sector placements. Actual savings will be closely monitored and reported through the quarterly finance updates to Cabinet.

Appendices:

Please list any appended documents.

Background papers:

Please list any background documents to this report and include a hyperlink where possible.

Please include a glossary of terms, abbreviations and acronyms used in this report.

[High-cost children's social care placements survey | Local Government Association](#)

[Children's social care cost pressures and variation in unit costs \(publishing.service.gov.uk\)](#)

[Early-Help-Strategy-Final-2022-25.pdf \(bury-leaders.co.uk\)](#)

[Children-young-peoples-plan-final.pdf \(gs-microsites.net\)](#)

[Bury-Childrens-Services-Improvement-Plan.pdf \(gs-microsites.net\)](#)

Term	Meaning
Care Experienced Children (CEC)	Formerly known as Looked After Children (LAC). Children in the care of local authorities by court order.
Children's Home Association (CHA)	

Local Government Association (LGA)	
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