

REPORT TO: POLICY COMMITTEE ON 30 APRIL 2008

SUBJECT: DEVELOPMENT OF NCH RESIDENTIAL PROVISION

BY: DIRECTOR OF COMMUNITY SERVICES

1. REASON FOR REPORT

- 1.1 To invite the Committee to consider a recommendation from the Education and Social Services Committee dated 9 April 2008 (para 7 of the minute refers) seeking approval to continue funding of the 'satellite unit' linked operationally to Forres Children's Home through a Service Level Agreement between the Council and NCH (Scotland).
- 1.2 This arrangement has been negotiated using current partnership arrangements for care within Community Services. This sourcing arrangement is, however, under review given the changes to the national and sectoral procurement practices and as such should only be in place for a limited period of time until the new contracting team can establish new working practices for this complex area.
- 1.3 This report is submitted to Committee in terms of Section A 10 of the Council's Administrative Scheme to deal with a recommendation from another Committee relating to procurement matters.

2. RECOMMENDATION

- 2.1 **It is recommended that the Committee agree to approve funding of the 'satellite unit' linked operationally to Forres Children's Home through a Service Level Agreement between the Council and NCH (Scotland).**

3. BACKGROUND

- 3.1 A report providing full background information to the establishment of the pilot project was tabled at Education and Social Service Committee on 22 August 2007 (para 43 of the minute refers).
- 3.2 The Committee approved an increase in NCH residential provision until 31 March 2008 through the establishment of the 'satellite unit' linked operationally to Forres Children's Home and that a progress report would be submitted to Education & Social Services Committee in early 2008.
- 3.3 The progress report was presented to Education and Social Services Committee on 9 April 2008 (para 7 of the minute refers).

4. SUMMARY OF IMPLICATIONS

(a) Service Improvement Plan 2007/8

There is a clear coherence between the proposal in this report and Service Priority 4.1 of the Community Services Department's Service Development and Improvement Plan in reducing out of area placements.

(b) Policy and Legal

There is a relationship between the proposal and the duty placed on local authorities in the Children (Scotland) Act 1995 'to safeguard and promote the welfare of children in need.'

(c) Resources (Financial, Risks, Staffing and Property)

The financial implications are referred to in Section 4(d) of this report.

The key risk issues relate to the:-

- (i) responsibility placed on the Council to accommodate vulnerable and challenging children and young people whose needs dictate that they should be looked-after away from home; and
- (ii) to reduce the additional impact on area social work teams of managing distant out of area placements and local Additional Resource Packages (without the necessary support infrastructure).

There are no direct staffing or property implications for the Council.

(d) Financial

The use of Additional Resource Packages (ARP's) are a 'spend to save' initiative designed to reduce expenditure on out of area placements. The cost has been met from the out of area budget.

The addition of a residential component to the ARP infrastructure will add additional costs to some such arrangements. However, this is designed to offset the use of distant placements and the time spent residentially will be minimised within the ARP's themselves.

The comparative data through the NCH Satellite pilot is that the direct placement cost per month per child has been £12,300 against an average equivalent of £14,400 for the out of area alternatives.

The existence of local temporary alternatives reduces the risk of out of area placement being made by Children's Hearings due to that being the only option available to them. Such placements made by Hearings may be made on a temporary basis initially but often develop into long-term arrangements.

Based on the pilot it is estimated that the maximum cost of utilising the satellite unit for a year would be £148k.

The continuation of the satellite unit linked operationally to Forres Children's Home will be included in a Service Level Agreement between the Council and NCH (Scotland) covering residential care services as a whole.

(e) Consultations

Consultations have taken place with Katrina McGillivray, Senior Personnel Adviser; Margaret Wilson, Head of Financial Services; Roddy Burns, Chief Legal Officer and Eric Scarborough, Head of Educational Support Services.

5. CONCLUSION

- 5.1 The proposal contained in this report builds on the experience gained in managing vulnerable and challenging young people in Moray as an alternative to out of area placements. It forms part of a series of systemic changes to children's services designed to meet our key aim of 'protecting and promoting the welfare of children and young people in need in Moray in partnership with children, their families, communities and others providing services'.**

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Background Papers: With author
Ref: Pilot Development of NCH Residential Provision