

## **CHILDREN AND YOUNG PEOPLE SCRUTINY COMMITTEE**

### **Minutes of a meeting of the Children and Young People Scrutiny Committee held on Tuesday, 12<sup>th</sup> March 2013, held at 6.00pm in Meeting Room 3, Darby House, Telford.**

**PRESENT:** Councillors M. Ion (Chair), G. Green, J. Greenaway, A. Mackenzie, M. Smith, C. Turley and Co-optees S. Ali. E. Ofori and S. Rayner.

**Attending:** C. Jones, Assistant Director Family & Cohesion Services; V. McKay, Group Manager Commissioning, Procurement & Brokerage (CYP); A. Mason, Chair Telford & Wrekin Safeguarding Children Board; S. Jones, Scrutiny Officer.

#### **CYPSC-27 MINUTES**

**RESOLVED** – that the minutes of the meeting of the Children and Young People Scrutiny Committee held on 8<sup>th</sup> January 2013 be confirmed and signed by the Chairman.

#### **CYPSC-28 APOLOGIES FOR ABSENCE**

Cllrs. J. Loveridge and Co-optees A. Atkinson, R. Aveley, S. Harris, M. Ward.

#### **CYPSC-29 DECLARATIONS OF INTEREST**

None

#### **CYPSC-30 USE OF JIGSAW HOUSES**

The Cabinet report on the Use of Jigsaw Houses had been circulated with the agenda for the meeting and the Chair invited the officers present to give a short overview. The Assistant Director introduced the report saying it had been through Cabinet on 31<sup>st</sup> January and that it related to the use of the Jigsaw Houses, one of which the members had visited previously. Work had been done to look at the use of the Jigsaw houses as there had been an issue with the houses not being used to their full capacity.

The Service Delivery Manager for Commissioning then summarised the main points in the report, outlining the existing and future proposed usage for the 4 houses. One house would be used as a resource centre, one for supported accommodation (potentially providing boarding for children and young people with ASD at the Jigsaw school) and two houses as residential homes for children in care. A tender had been issued for care provision for the 2 residential homes. The overall commissioning strategy focused on increasing foster care provision but there would always be a need for residential care and the new arrangements would increase the number of

residential beds at Jigsaw from 4 to 8 which would help address the issue identified by Ofsted of too many children being placed in residential care outside the borough. The tender specification aims to reduce risk to the Council by increasing the ratio of spot to block beds to 6:2 (from 1:3), made provision for short and long-term placements and was outcome focussed with bidders required to state how they would show the progress of the children and young people. The tender had been modelled on the existing unit cost of a placement at Jigsaw and the average cost of a placement purchased through the regional framework contract. Several Expressions of Interest had been received, the tender had been issued and the deadline for submissions was 22<sup>nd</sup> April. The contract would be awarded on 27<sup>th</sup> May to come into force on 1<sup>st</sup> August. The contract period was three years with the option to extend for 2 years.

Members then asked a number of questions and were provided with the following additional information:

- In terms of whether House 1 (the resource centre) was used to full capacity, Members were told that the centre was used every day. The Safeguarding Service used it daily for different activities including parenting assessments, life story therapy, and the Family Intervention Team used rooms for young people to chill out and be safe in the evenings and at weekends and the Looked After Children nurse had appointments. There were also meetings with children in care and the Care Council taking place and it is used for contact visits.
- Members probed the figures in Section 8 of the report in more detail and in particular how costs had been modelled for the tender. Members were told that there were 144 providers on the regional framework – some local and some national providers – with varying costs. The current unit cost of a placement at Jigsaw was around £2,700 (based on a 3 block to 1 spot bed ratio and 100% utilisation of the 4 beds). The tender was for care only as the Council incurred the running costs of Jigsaw as part of the PFI contract. The tender identifies benchmarking of its current spot purchase fees for residential care. These fees fall between averages of £2,400 and £2,700 week per bed for three to four bed properties. In the case of the homes on this site, the Council funds the property and running costs of the homes. The Council therefore anticipates a weekly fee of around £2,300 per week for this tender. The tender needed to balance costs with quality of care, and to balance the need to reduce costs and minimise risk to the Council with the need to offer a degree of cost certainty to incentivise bidders. The new model would look for a higher proportion of spot beds to reduce risk (the Council only pays for spot beds when they are occupied) but meant the provider would have less certainty about recovering costs if the spot beds were underused and this could be reflected in a higher unit cost in the bids so it was a fine balance.
- The contractor would work with the Council to fill unused spot priced beds. The contract would guarantee 2 block beds. The existing 4 beds at Jigsaw had a history of full occupation over the past 12 months. Bidders would build void assumptions into their bids. There would be a six month notice period on the contract on both sides.
- The authority would try to ensure there were no spare beds but this depended on

being able to match the provision with the needs of the child and was not always a straightforward process.

- TUPE rules would apply to existing staff if it was necessary to move them to a new provider and the contractor would incur any redundancy costs.
- Members felt that if the contract was for care only and did not include running costs, they would expect the unit costs for Jigsaw to be significantly lower than the unit costs of care purchased through the regional framework contract which would include both care and running costs. Members were told that costs had been modelled for a Council owned care home – as reported previously to the Committee – and these showed that the care element of running a home was by far the greatest costs. The contract would include a cost element for administration and other items such as clothing pocket money, holidays, food etc. and the actual running costs were not massive. There had been an open tender process so that any bidder could come forward and it was not limited to providers on the framework.
- Members had some concerns that only 8 of a potential 16 beds (2 houses out of 4) were being commissioned for residential care and that this did not seem efficient when the development offered greater residential capacity. Members also wanted to know, if the contract was successful, whether consideration would be given to converting the resource centre to residential provision. Members were told that in addition to the 8 residential beds, one of the houses would be used for supported accommodation. House number 3 had potentially been earmarked as boarding accommodation for young people with ASD at the Jigsaw school. The aim was to develop Jigsaw as a school of choice for children and young people with ASD with a residential component. The houses had originally been built for residential care but experience had shown that for this model to work you needed to be careful over the mix of children and young people staying in the houses. It was felt the resource centre worked well although this did not generate an income.
- In terms of the overall projected savings, it was anticipated there could be a minimum saving of £200 per week per placement making an annual saving of around £83k. The report made cautious savings projections but it was hoped that the residential beds would be fully used and that this would help meet the target of reducing the number of out of borough residential placements by a net of 10 by the end of 2013/14.

When there were no further questions the Chair thanked to officers and remarked that members needed to balance cost issues with meeting the needs of the children and young people and that this should make a positive contribution to savings.

### **CYPSC-31 OFSTED REPORT ON FOSTERING**

The Ofsted report had been published earlier in the day but the Chair deferred the item until the next meeting as members had not had time to read the report and a response from the Council was also required for scrutiny which would take time to prepare.

**CYPSC-32 CHAIR'S UPDATE**

The Chair updated members on the work of the CYP sub-group. Meetings had been held with social workers, an Independent Reviewing Officer and foster carers. The draft scrutiny report would be presented to the Committee at the next meeting with a view to taking the report to Cabinet at the end of May. This would draw the work to a conclusion and the Committee would then move onto the next review which had been agreed as the provision of primary places.

The meeting ended at 6.50pm.

**Chairman:**.....

**Date:**.....