

## CABINET

<b>Date of Meeting</b>	Tuesday, 23 <sup>rd</sup> July 2024
<b>Report Subject</b>	Care Closer to Home: Placement Commissioning Strategy for Looked After Children
<b>Cabinet Member</b>	Deputy Leader of the Council and Cabinet Member for Social Services and Wellbeing
<b>Report Author</b>	Chief Officer (Social Services)
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

Flintshire County Council has a strategic vision to provide sufficient local good quality accommodation to meet the needs of our looked after children. Our 'Care Closer to Home: Placement Commissioning Strategy' sets out our intention to invest in the development of in house fostering, residential care and to forge effective partnerships with high quality providers that operate not for profit principles. This approach is consistent with Welsh Government's commitment to:

- eliminate private profit from the care of looked after children
- grow the Foster Wales public sector fostering brand

This report confirms progress in delivering the first phase of our 'Care Closer to Home' strategy and proposes our approach to updating the 'Care Closer to Home' Strategy within the context of the Health and Social Care (Wales) Bill that was laid before the Senedd Cymru on 20 May 2024.

The Health and Social Care (Wales) Bill contains eliminating profit provisions which will restrict the making of profit in the provision of care home services provided wholly or mainly to children, secure accommodation services, and fostering services. This will necessitate local authorities to upscale internal provision to meet demand and sustained collaborative working with existing and new 'not for profit' providers as the landscape for supporting looked after children in Wales changes.

The report proposes a workshop for Elected Members to outline the new legislation, the context of current placement commissioning (often referred to as Out of County Placements) and to explore options for developing our strategic approach for placement commissioning and further development of in-house

placement provision. The outcome will inform the development of an updated phase 2 'Care Closer to Home' Strategy.

## RECOMMENDATIONS

1	Cabinet approves progress to deliver phase one of our 'Care Closer to Home' strategy.
2	Cabinet supports a workshop for Elected Members in September/ October 2024 to outline the new legislation, the context of current placement commissioning (often referred to as Out of County Placements) and to explore options for developing a strategic approach for placement commissioning and further development of in-house placement provision.

## REPORT DETAILS

<b>1.00</b>	<b>The National Context</b>
1.01	The Welsh Government's Programme for Government contains a number of commitments relating to a new vision for Children's Social Care. At its heart, Welsh Government wants to see fewer children and young people entering care. For those children in care, the ambition is for them to remain close to home so they can continue to be part of their community and for their stay in care to be as short as possible, consistent with meeting the needs of the young person.
1.02	The Programme for Government contains a commitment to eliminate private profit from the care of looked after children. Welsh Government is of the view that it is not right that some private companies who run services for looked after children can make significant profits from the children they care for. Eliminating profit from care is about transitioning to a not-for-profit model of care in Wales, focussing on values and not finances. It is about fundamentally changing how we care for children and their families as part of a network of local, community-based services that have the welfare of the young person as the absolute priority. The aim is to ensure that public money invested in accommodation for care experienced children is not extracted as profit, but instead is reinvested back into the system to support better outcomes, services, and professional development.
1.03	On 20 May 2024 the Health and Social Care (Wales) Bill was laid before the Senedd Cymru. The intention is for the relevant provisions of the Bill to be brought into effect so that independent providers of children's homes and fostering agencies must be registered with Care Inspectorate Wales (CIW) as a 'not for profit entity'. Under the Bill no new for-profit provider would be able to register with CIW after April 2026. All current providers would have to move to a not-for-profit position by April 2027.
1.04	A not-for-profit entity will be defined as:

	<p>(a) a charitable company limited by guarantee without a share capital,  (b) a charitable incorporated organisation,  (c) a charitable registered society, or  (d) a community interest company limited by guarantee without a share capital</p>
1.05	<p>These models all satisfy the principle that there must be no payment of dividends to shareholders or members and that the trading surpluses should be reinvested into the service (including building appropriate reserves and capital expenditure). A not-for-profit entity will also be required to have objects or purposes that primarily relate to the welfare of children or such other public good as the Welsh Ministers determine.</p> <p>To ensure the policy is not undermined by practices which go against its spirit and intention, thus defeating the purpose of the legislative changes, the Bill will also provide that unreasonable or inappropriate payments made by a not-for-profit entity can be taken into account by Welsh Ministers when deciding if a provider is a fit and proper person to be registered.</p>
1.06	<p>To mitigate disruption to the lives of children in existing residential and foster care placements, transitional arrangements will allow a registered for-profit provider of a restricted children's service (a legacy provider) to continue operating after the provisions have come into force, subject to conditions imposed by regulations. Welsh Ministers will have a power, exercised through regulations, to bring the registration of legacy providers to an end at an appropriate time.</p>
1.07	<p>A national Programme Board has been established to take forward the implementation of the Health and Social Care (Wales) Bill with workstreams and associated task and finish groups. Flintshire are an active member of the 'local authority' workstream.</p>
1.08	<p>The Health and Social Care (Wales) Bill will fetter our ability to commission freely with providers of certain business models outside of Wales as well as in country and locally. This policy will, and is already, changing the landscape of placement options for our children and young people, therefore, local authorities must proactively identify opportunities for change and manage the emerging risks. The Council is committed to the national policy intent. The implementation timeline is, however, very challenging and will necessitate significant planning to transition safely for our children and young people.</p>
1.09	<p>Funding has been made available to local authorities to support the development of in house fostering and residential care. Locally this funding has been used to support the delivery of phase one of our care Closer to Home Strategy and will contribute to phase two. However, it is clear local authorities will require significant investment to underpin this ambitious generational change management programme. Ensuring the allocation of sufficient funding for this programme is set within the context of extreme budgetary pressures across local government.</p>

1.10	<b>The Local Context</b>
1.11	It is an explicit expectation of national policy that local authorities upscale their internal service provision to rebalance and reduce reliance on externally commissioned services. Flintshire's 'Care Closer to Home' strategy sets our ambition to develop high quality services, in a sustainable way, whilst recognising that we will still commission externally where there is lack of sufficiency or where the best interests of our children looked after require an alternative model of care to best meet their needs.
1.12	<p>The Care Closer to Home Strategy was developed to respond to specific challenges in commissioning placements and has been updated to reflect current and, anticipated, service needs. These can be summarised as:</p> <ul style="list-style-type: none"> <li>• Gaps in foster care provision particularly in relation to support for older children, sibling groups, and parent and child placements</li> <li>• Gaps in local residential care include placements for teenagers who often have complex needs, underlying trauma, and can show behaviours of concern</li> <li>• The need for independent supported living for young people and care leavers aged 16-25. Placement options for children 16+ are extremely limited and can necessitate bespoke arrangements that operate without registration</li> <li>• The need for immediate placements for young people who have been remanded to local authority accommodation</li> <li>• Sufficient placements for disabled children as part of a wider support and respite package</li> <li>• Sourcing residential placements that provide appropriate specialist provision to meet educational needs</li> <li>• Significant workforce recruitment and retention pressures which can impede the scale and pace of in-house residential expansion</li> </ul>
1.13	The introduction of the Health and Social Care (Wales) Bill will require the local authority to refresh and update its Care Closer to Home Placement Commissioning Strategy to consider the impact of what will be a fundamental shift, from an open market to a restricted market. As part of this work it is proposed that in September / October 2024 we hold a focused workshop for Elected Members to outline the new legislation, the context of current placement commissioning (often referred to as Out of County Placements) and to explore options for developing our strategic approach for placement commissioning and further development of in-house placement provision. The outcome will inform the development of an updated phase 2 'Care Closer to Home' Strategy.
1.14	<p><b>Care Closer to Home – Phase One Delivery</b></p> <p>The Care Closer to Home strategy sets our ambition to expand local authority fostering and residential care placements. Progress in year one is summarised below.</p>
1.15	<b>Fostering</b>

	<p>Our priority is that our internal capacity and range of fostering services will grow significantly to rebalance our reliance on external commissioning. We will offer children looked after families who will care for them well, allowing them to feel loved, with a sense of belonging.</p>
1.16	<p>The current foster carer profile is that as of the 31st of March 2024 we have 98 Foster Carers in total which consists of:</p> <ul style="list-style-type: none"> <li>• 36 Connected Persons Foster Carers Approved. (with 5 being assessed).</li> <li>• 45 General Foster Carers (2 being assessed)</li> <li>• 17 Respite and Emergency Foster Carers (1 being assessed)</li> </ul> <p>This is an increase from 88 Foster Carers as of the 31<sup>st</sup> March 2023.</p> <p>However, we know that placement demand exceeds placement capacity. Our data forecasting identifies that to be self-sufficient we would need to recruit 59 foster carers over the next three years within a highly competitive market with finite foster carers.</p>
1.17	<p>To support the development of Foster Care in Flintshire we will:</p> <ol style="list-style-type: none"> <li>a) recruit more fosters carers with a particular focus on supporting children aged 10-15 and parent and expanding child placements</li> <li>b) continue to grow and develop our Special Guardian offer</li> <li>c) expand our Foster Bear initiative</li> <li>d) work with quality providers that are seeking to transition to not-for-profit models to maximise local placement stability and choice</li> <li>e) work with third sector providers to identify how we can work in partnership to support children with specific needs locally</li> </ol>
1.18	<p>Flintshire is proud to be part of the local authority Maethu Cymru: Foster Wales family. Maethu Cymru is a collaborative network of fostering services from all 22 Local Authorities across Wales. At a national level, Maethu Cymru aims to build the presence and processes that will help all Local Authorities recruit more foster carers.</p>
1.19	<p>The Maethu Cymru approach brings together national, regional and local resources to enhance our capacity and expertise to recruit and support local authority foster carers. The approach is supported through strong regional working. In North Wales we have created an integrated regional approach which compliments local expertise. Across the region the number of people making enquiries about becoming a foster carer has reduced and we have therefore focused on increasing interest and improving the quality of enquiries. To achieve this, we worked with specialist marketing and digital agencies to develop integrated marketing campaigns and digital media plans for the North Wales region.</p>
1.20	<p>Welsh Government grant funding has been provided to support enhanced marketing and recruitment activity within local authorities. In November 2023 we were able to use this grant funding to enhance workforce capacity to support our marketing and recruitment work to increase the number of general foster carers aligned to service need.</p>

1.21	An area of significant growth for the Fostering team is work relating to connected persons. Connected persons are a relative, friend or another person connected with a child who are assessed and approved by the local authority as a foster carer for the child(ren). Connected persons carers are provided full parity with our general foster carers.
1.22	Positively, there has been a continued increase in the number approved of connected persons, who now make up 40% of approved foster carers in Flintshire. The number of viability assessments for connected persons has to be met within existing resources and can impact on our capacity to recruit and assess general foster carers. The increase in connected person has also necessitated our Special Guardianship work to grow and expand to meet the increasing demand.
1.23	<b>Special Guardianship</b>
1.24	Special Guardianship is an order made by the Family Court that places a child or young person to live with someone other than their parent(s) on a long-term basis. The person(s) with whom a child is placed will become the child's Special Guardian.
1.25	The support provided through Special Guardianship Orders (SGO) has continued to grow and develop, with 11 SGO's granted last financial year. A dedicated SGO support service has been implemented with an inbox to direct support needs for a more streamlined response.
1.26	The service developed a bilingual website which provides in-depth information and a contact form for any queries. The service is involved in discussions about Special Guardianship from the outset of the Local Authority's involvement with children and families, identifying whether Special Guardianship is appropriate prior to the child(ren) becoming "looked after".
1.27	We have developed a bi-lingual fact sheet which embeds the information we provide to families. The service has two full-time social workers who undertake assessments and a Childrens Services Assistant who provides support to the families in the following 12 months. The support has proved helpful, with several minor issues being resolved quickly.
1.28	The SGO service provides information and support to Special Guardian's with a Newsletter developed twice a year providing information about upcoming training events, contact details for the team and literature/ articles of importance. The finance team maintain annual contact with Special Guardian's to ensure accurate financial support to families. Dedicated coffee mornings or support groups have been considered however feedback to date is that this would not be utilised, this offer will be kept under review.
1.29	The Team is developing relationships with other agencies and neighbouring Local Authorities for the support needs of families who reside outside Flintshire. Social workers attend bi-monthly Special Interest Groups and are actively involved in the development of Special Guardianship support in Wales.

1.30	<p><b>Foster Bear</b></p> <p>Flintshire have developed and launched an innovative approach to raise awareness, educate and recruit foster carers through Foster Bear.</p>
1.31	<p>The aim of the Foster Bear campaign is to raise awareness of local authority fostering and outline the urgency to recruit more foster carers in Flintshire. The initiative involves strong partnership working with schools to introduce the concept of being looked after and the important role of fostering is supporting children and young people.</p>
1.32	<p>Working with Education, lesson plans have been developed to introduce foster bear and children are given the opportunity to take Foster Bear home for a weekend during which they will look after and care for the bear. The children also receive a Foster Bear Booklet full of fun activities for them to complete in class and in which to record their weekend adventures.</p>
1.33	<p>Children's families have the opportunity to participate in the campaign by sharing photographs and stories on social media to show how Foster Bear has experienced life in their family, using the hashtag <b>#fosterbear</b>.</p>
1.34	<p>To date we have worked with 13 primary schools on our foster bear initiative. This has led to one family becoming approved foster carers, another case in the final stages of determination and a third family have recently expressed an interest. The initiative is having the dual outcome of raising awareness and understanding about being looked after as well as reaching out to potential foster carers in our local communities.</p>
1.35	<p><b>Working with Fostering Providers to Meet Local Need</b></p>
1.36	<p>Our assessment is that third sector fostering services and those who plan to move to 'not for profit' models will remain part of strategy to provide high quality placements for Flintshire looked after children. Over the next 12 months we will develop initial tentative conversations with Providers about their intentions, within the context of the eliminating profit agenda. These will explore where there may be opportunities to work collaboratively, including where we may need specialist services.</p>
1.37	<p><b>Priority for Residential Care</b></p>
1.38	<p>The priority area for all young people who need residential care is that they are looked after, close to home, in high quality settings where they can thrive, and that they are looked after by a stable, resilient, skilful and well supported staff group of carers.</p>
1.39	<p>As of the 31<sup>st</sup> March 2024 there were 35 children supported in commissioned residential care and seven supported through in-house provision. During 2023/2024 we have seen an overall increase in the number of independent residential care homes operating in Flintshire but a continued shortage of residential care homes that:</p>

	<ul style="list-style-type: none"> <li>• deliver models of care targeted at the needs of children and young people at the highest end of the continuum of need, with undiagnosed learning disabilities, neurodiversity, complex trauma, and mental health needs,</li> <li>• offer integrated health, education, and social care packages, delivered through evidence-based models of care,</li> <li>• take emergency same day admissions,</li> <li>• are resilient to physical violence and aggression, high levels of property damage, frequent absconding linked to criminalisation and/or exploitation and self-harm.</li> </ul>
1.40	<p>It is clear that we need to align need and provision. Our priorities are to:</p> <ol style="list-style-type: none"> <li>i) develop clear expansion plans for in house residential care and the associated therapeutic model</li> <li>ii) work with local providers who wish to move to not for profit models and seek opportunities for maximising placement choice for Flintshire children</li> <li>iii) develop the workforce to ensure sufficient numbers of well trained and supported staff</li> </ol>
1.41	<b>Expanding In House Residential Care</b>
1.42	<p>In 2023/2024 we have registered and opened:</p> <ul style="list-style-type: none"> <li>• Tŷ Nyth – a home supporting family reunification</li> <li>• Y Dderwen – a home providing long term placements</li> <li>• 2 Small Group Home – providing bespoke solo placements for children with complex needs</li> </ul>
1.43	This is in addition to the two long terms beds that we developed as part of our support at Arosfa Residential Home for children with disabilities.
1.44	We also have Mesen Fach which has been developed as an emergency placement and we are in the process of recruiting the workforce to enable us to move forward with our registration application to CIW.
1.45	Currently we have seven looked after children supported through our in House provision and our ambition is to expand our capacity. This will require integrated work with Health to ensure we develop an appropriate therapeutic model that will meet the support needs of children in the new developments. We will also work with Education to ensure that the pathways for accessing locally based education and training is fully developed.
1.46	<b>Working with Local Providers</b>
1.47	<p>There are four steps we will be taking to inform our expansion programme:</p> <ol style="list-style-type: none"> <li>1. Forecast the number of children requiring residential care in the next three to five years through our Care Closer to Home Placement Strategy</li> <li>2. Quantify the anticipated capacity within current local authority provision over this timeline</li> </ol>

	<p>3. Engage with Providers to ascertain who will move to a not-for-profit model, or who will cease operation, and the associated impact for our looked after children, taking account of any transitional and 'best interest' exemptions that are made by Welsh Government for children already placed.</p> <p>4. Deduct outcomes from 2 and 3 from 1 (above) to ascertain the number of children who will not have provision as the priority cohort for developing services to meet their needs.</p>
1.48	Initial need analysis suggests that the expansion model will need to centre on provision where children with challenging needs are admitted into solo / small group home services, stabilised through support and then moved on to a long-term placement with other children. However, we need to have the opportunity to review the content of the Social Care Bill, which has not yet been shared, and work with Providers to understand the impact on the market to inform our gap analysis and service development plans.
1.49	<b>Workforce Recruitment and Development</b>
1.50	Strong, value-based leadership is integral to ensuring a compassionate, high quality and nurturing culture with Children's residential care. We have invested in recruiting, and developing, a management team to lead our service development in an area of service provision that is new to the local authority.
1.51	We have successfully recruited a specific Responsible Individual (RI) for Children's Services who leads our residential service and will oversee any further expansion of provision. They are leading a proactive workforce recruitment and development strategy to ensure that we have workforce sufficiency to meet CIW registration requirements.
1.52	Workforce pressures across social care and health services are well versed. Ensuring our workforce is sufficient, receive the right training and have the right skills to provide our children with the best care and support is a key issue for us. This includes foster carers and residential care staff.
1.53	We recognise that for some of our children and young people with the most complex blend of needs and presenting behaviours, models of care with high fidelity delivery models are required. Resilience across workforce to presenting behaviours is crucial to placement stability. During 2022/23 Flintshire have had to manage more young people displaying high levels of dysregulated behaviour. We are working hard to build resilience through training and support and mitigating risk of placement disruption. We have a comprehensive training offer for foster carers and have invested significant resource to upskill residential care staff in trauma informed care recovery models.
1.54	Maintaining and improving quality of service, alongside our rapid expansion of service offer will require a sustained and consistent focus on workforce recruitment and development to build the skills and knowledge of existing workforce and new recruits/carers.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>												
2.01	<p>A combination of Welsh Government grant programmes and financial investment through the Council's Medium Term Financial (MTF) Plan are being used to fund the development of the Residential Homes. The following funding was allocated from Welsh Government:</p> <table border="1"> <thead> <tr> <th>Financial Year</th> <th>Eliminate Grant allocation</th> <th>Radical Reform Grant allocation</th> </tr> </thead> <tbody> <tr> <td>2022/23</td> <td>£350,000.00</td> <td>£85,877.50</td> </tr> <tr> <td>2023/24</td> <td>£501,212.00</td> <td>£85,878.00</td> </tr> <tr> <td>2024/25</td> <td>£561,000.00</td> <td>£85,878.00</td> </tr> </tbody> </table>	Financial Year	Eliminate Grant allocation	Radical Reform Grant allocation	2022/23	£350,000.00	£85,877.50	2023/24	£501,212.00	£85,878.00	2024/25	£561,000.00	£85,878.00
Financial Year	Eliminate Grant allocation	Radical Reform Grant allocation											
2022/23	£350,000.00	£85,877.50											
2023/24	£501,212.00	£85,878.00											
2024/25	£561,000.00	£85,878.00											
2.02	<p>An allocation of £1m has been identified for further expansion of residential care through the local authority's Capital funding. However, we will require significant additional capital and revenue support from Welsh Government if we are to realise the scale of the rebalancing of care envisaged through their Programme for Government. We await clarity and confirmation of further funding streams beyond the current national three year programme which ends in 2024/2025. Any expansion plans will be informed by available funding and resources.</p>												

<b>3.00</b>	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>
3.01	<p>The development of additional in-house residential provision will require significant funding and workforce recruitment and staff development. Further Welsh Government funding will be critical to support the further development of in-house residential care.</p>
3.02	<p>Recruitment within the social care sector is challenging and we must maintain minimum staffing ratios linked to care plans and statement of purpose, ensuring staff have the skills, training, and support to deliver quality of care. We are taking an innovative approach towards both recruitment and retention will be necessary in a competitive employment market. This will include recruiting for 'values', funding intensive training on therapeutic models for support, investment in senior residential roles to provide visible and accessible role modelling with each provision and a programme of leadership development and coaching for managers.</p>

<b>4.00</b>	<b>CONSULTATIONS REQUIRED/CARRIED OUT</b>
4.01	<p>The North Wales Population Needs Assessment (April 2022) collated stakeholder feedback relating to children's services and service providers.</p>
4.02	<p>Proposals for residential expansion will be shared at an early point with Young Voices Out Loud Group, which consists of young people who are looked after as well as care leavers, to look at the options and seek their expertise on what young people would want.</p>

4.03	We have held three workshops with local residential care providers to commence the discussions about the implications of the eliminating profit agenda and their emerging intentions to help with constructive market assessment. Providers are eager to understand the detail of the Health and Social Care (Wales) Bill to enable them to assess the implications for their operating model and to inform their intentions as to whether they move to a not-for-profit entity, focus on provision under a specific exemption, or exit the market. Once we have a clearer picture of the future of the local market, we can form our strategic developments to meet known market gaps.
4.04	It proposed that we hold a workshop for Elected Members to outline the new legislation, the context of current placement commissioning (often referred to as Out of County Placements) and to explore options for developing our strategic approach for placement commissioning and further development of in-house placement provision. This will be a joint Education and Social Services workshop. The outcome will inform the development of an updated phase 2 'Care Closer to Home' Strategy.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix 1 - Flintshire County Council Care Closer to Home Strategy

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	Health and Social Care (Wales) Bill Explanatory Memorandum <a href="https://senedd.wales/media/xiwnjbgf/pri-ld16500-em-e.pdf">https://senedd.wales/media/xiwnjbgf/pri-ld16500-em-e.pdf</a>
6.02	Health and Social Care (Wales) Bill <a href="https://senedd.wales/media/c2cpcwp4/pri-ld16500-e.pdf">https://senedd.wales/media/c2cpcwp4/pri-ld16500-e.pdf</a>

<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
7.01	<b>Contact Officer:</b> Craig Macleod, Senior Manager: Children <b>Telephone:</b> 01352 701313 <b>E-mail:</b> <a href="mailto:craig.macleod@flintshire.gov.uk">craig.macleod@flintshire.gov.uk</a>

<b>8.00</b>	<b>GLOSSARY OF TERMS</b>
8.01	<b>The Regulation and Inspection of Social Care (Wales) Act 2016 (RISCA):</b> The Act became law on 18 <sup>th</sup> January 2016 and provides the statutory framework for the regulation and inspection of social care in Wales.  <b>Responsible Individual (RI):</b> The Regulation and Inspection of Social Care (Wales) Act 2016 requires providers to designate a Responsible

Individual (RI) for each place at, from or in relation to which a regulated service is provided as part of the registration process.

**Regional Integrated Fund:** The Health & Social Care Regional Integration Fund is a five year fund from April 2022-March 2027. The fund is intended to enable integration of health and social care services.

**Medium Term Financial Strategy (MTFS):** A strategy that provides a financial framework within which financial stability can be achieved and sustained in the medium term to deliver the Council's key strategic outcomes, priorities and sustainable services.