OUTLINE BUSINESS CASE FOR THE REVIEW OF CHILDREN'S HOMES – EXTERNAL PLACEMENTS.

Report of the Deputy Chief Executive

1. MATTER FOR CONSIDERATION

1.1. The purpose of this report is to set out the business case for the delivery of additional internal residential placement sufficiency in Stockport. This expansion in capacity is required to meet increasing demand due to rising numbers and complexity of children in care and to reduce our spend on external placements.

2. BACKGROUND & CONTEXT

2.1. Improving outcomes for children in care is a key priority for the council as their corporate parents. Stockport currently has 465 Children in Care (*Q2 Children's services Analysis Tool (ChAT, 2022*). Historically, Stockport has had a stable children in care population, however the pandemic has seen rates rise by 26% from 368 children in care in 31 March 2020 (58 per 10,000) to the current 465 children in care (73 per 10,000 (SN 70.1 / Eng 67) with a future increasing trend trajectory. This is in line with the growth trend nationally of increasing numbers of children coming into care (ADCS, 2022).

2.2. Stockport has a range of internal placement provisions to meet local sufficiency, such as a fostering service, supported lodgings scheme, short breaks and respite, 2 x 5-bed (+2-bed Annex) registered children's homes (Broadfields and Dial Park) and 3x 16-+ trainer flats. In summary, of the 465 children in care, 63% are placed in internal foster care, 8% are placed with parents, 8% in independent foster care, 2% in internal children's homes, 9% placed in external children's homes with 8% children placed in other settings (Q2 ChAT, 2022).

Placement type (open CLA)	Own LA	Private	Other	Total
Foster placement	275	39	9	323
Placed for adoption	2	0	6	8
Placed with parents	1	0	34	35
Independent living	0	0	0	0
Residential employment	0	0	0	0
Residential accommodation	4	34	0	38
Secure Children's Homes	0	1	0	1
Children's Homes	9	37	6	52
Residential Care Home	0	0	0	0
NHS/Health Trust	0	0	0	0
Family Centre	0	1	0	1
Young Offender Institution	0	0	0	0
Residential school	0	2	0	2
Other placements	0	0	5	5
Temporary placement	0	0	0	0
Total placements	291	114	60	465

(Source: ChAT Q2 2022)

2.3. The increase and pace of demand since the covid-19 pandemic has meant that local internal sufficiency has been quickly saturated and this has increased reliance on the use of substitute Independent Fostering Agencies (IFA) and external residential placements. In 2020 we had 29 Children placed with IFA's and 46 children placed with external residential providers (17 in Children's homes, 12 joint funded placements and 17 in 16+ placements). However, we have had a significant increase with current figures showing 45 children placed in IFA's and 80 children placed with residential providers (41 in children's homes, 6 joint funded provisions, 33 in 16+ provisions) (IPEP Tracker, 31/10/22).

2.4. The children in care external placement budget is £8,622,742 (£6,861,863 Residential + £1,760,879 Foster Care) and currently has a projected deficit of £3,136,451. In addition to increasing numbers of children in care, there has been significant rises in the average placement costs per week, year on year, of external providers. The benchmarking comparison data shows the year-on-year increases of the average weekly costs for commissioning external residential placements:

	2017/2018	**2018/2019**	**2019/2020**	**2020/2021**	**2021/2022**
External Placement Average Weekly costs	£2,778pw	£3,500pw	£3,900pa	£4,100pw	£4,800pw

The chart shows Stockport's increasing average costs for placements with IFA's, residential children's homes and 16+ semi-independent living provisions (SaILS) over the past years. Between December 2018 to September 2022 placement costs have increased by 37% over this period, but this is mainly (up to now) due to increased complexity rather than inflationary increases and includes both on and off contract providers. In terms of actual price inflation increases this is anticipated to further increase placement costs from 23/24 onwards.

However, given the saturated marketplace providers are charging bed prices more than £13,000+ per week and the Association of Directors Children's Services states 'private providers are over-inflating prices and profiteering from vulnerable children and cash strapped councils' (ADCS, 2020a). For example, during the pandemic in 2020, the annex (office) on the Broadfields site was opened as a 2-bed home specifically for 2 children out of area where immediate notice was given, and placement offers received where at £12k per week. The bed price at the annex was £4k delivering cost avoidance savings for the council of £416k per annum per child (£832k).

We have exhausted internal opportunities to utilise existing sites to optimum capacity. Stockport does have placements more than the average costings that are for children with complex needs and mental health and who are placed at distance away from their families, schools, and communities, and this impacts on children's care planning, as well as resulting in higher placement costs which places significant pressure on the budget. The table below shows some examples of children we have placed at distance and their placement costs:

ID	**Weekly Rate**	**22/23 Forecast per annum**

Child 1	£8,500	£431,071
Child 2	£6,995	£364,739
Child 3	£6,792	£354,154
Child 4	£6,609	£343,668
Child 5	£6,170	£315,551
Child 6	£5,950	£310,250

The introduction of the mandatory national transfer scheme in July 2021, for the fair dispersal of unaccompanied asylum-seeking children (UASC) across the country, has exacerbated the increase and pace of children coming in care and increasing the pressures on placements nationwide. Stockport UASC numbers have increased over the past 12 months from 1 child to current 21 children. The 0.07% quota of child population (equating to 45 children) has been increased to 0.1% (equating to 60 children) for the council's quota allocation, with a significant shortfall in the Home Office funding allocation per child, placing increased pressures on council budgets. There are significant financial and resource implications for the council post 18 when UASC become care leavers, particularly with a lack of available and affordable housing in the borough. This has resulted in UASC care leavers remaining in their 16+ placements post 18 and potentially blocking provision for younger 16+ children in care, and potentially extending the placements of children placed in expensive children's homes. The recent change with the reducing of the transfer deadline to 5 working days has placed further pressures and demands for placements nationally.

Stockport is an importer of children in care with 267 children in care placed in Stockport by other local authorities (OLAs) (*903 Return, 2020-21*), in addition to Stockport's 465 children in care. Stockport had the highest net gain of OLAs in across Greater Manchester, this is due to the number of IFAs and private children's homes operating in Stockport. Stockport places a high percentage (43.5%) of our commissioned residential placements within the borough. However, we still only use a small percentage (8%) of available residential placements in Stockport. There are a significant number of Greater Manchester local authorities placing in Stockport with Manchester being the highest. However, there is almost a quarter of independent residential placements in Stockport purchased by local authorities from outside the Greater Manchester region which has significant impact on the Council's resources, schools, and health services.

The benefits of securing additional internal children's homes are both better value for money and greater quality of provision. Stockport's current children homes Dial Park and Broadfields are rated Good by Ofsted with children saying they feel “safe and happy living in the home”. Key partners report “The staff...are wonderful and have the needs of the children in their care at the heart of everything they do.” and Ofsted finding that staff “work therapeutically and restoratively with children to help them learn from their experiences.” (Dial Park). This evidences our ability to provide excellent, child centred care and the benefits gained from the integrated relationships brought from being closely located to the Stockport services they access for better outcomes for our children in care. Staff are also able to support a “No Wrong Door” Approach which means investing in building relationships with family members and progressing rehabilitation back home or move to foster placements. Often this work can be blocked by private providers who are financially motivated to keep children in residential placements regardless of the agreed care plan for them. The average bed price of our own children’s homes is cheaper (circa £1.2-0.8 k less per child per week but potentially much higher for children with complex needs) than the average external residential bed price so this will also bring significant cost savings.

In summary, this business case is needed to redress the local sufficiency challenges by building children homes capacity in Stockport to respond to the changing sufficiency needs enabling the authority to manage and contain more of the demand around highly complex placements internally and reduce spend for the council. This business case proposes the development of new local sufficiency within the borough of 1 x 5-bed children’s home (Emotional, Behavioural Difficulties) and 2 x 3 bed children’s home for children with complex needs.

3. STRATEGIC FIT & ALIGNMENT WITH CORPORATE PRIORITIES

3.1. This business case is aligned to the key priorities outlined in the Council’s Borough Plan to ‘Equip children in care with the skills needed to live a fulfilling, successful and rewarding life through delivery of the Corporate Parenting Strategy’ as their corporate parents (p24); the Children & Young People's Strategy (p8) and the Corporate Parenting Strategy so that we ‘ensure all our looked after children and young people are provided with the best possible care and support, in placements that are in or as close as possible to Stockport’ (p2).

3.2. The Children Act 1989 sets out an explicit requirement for local authorities to provide or procure placements for children in care. This duty requires “local authorities to take steps that secure, so far as reasonably practicable, sufficient accommodation within the authority’s area which meets the needs of children that the local authority is looking after (‘Sufficiency Duty’),” either through direct provision or commissioned services (*Stockport Council Sufficiency Strategy, 2020-23)*.

3.3. This business case is aligned to the council’s MTFP priorities seeking to reduce the children’s external placement budget deficit of £3,189,382 as part of the MTFP recovery plan.

3.4. This business case is further aligned to the Greater Manchester (GM) Children's Sufficiency Strategy 2020-22 that highlights the challenges faced by Local Authority's across the region with insufficient placements capacity. Greater Manchester Combined Authority (GMCA) have established a 'Greater Manchester creating supply sufficiency group' who have proposed a GM sufficiency business case that is focused on capacity-building, not cost-saving by developing 6 (3 or 4 bed) EBD homes and 3 (2 bed) Mental Health/ Complex Care Homes across GM *(Greater Manchester Children's Homes Delivery Plan, 2022).* Further information is being awaited on this programme.

4. STRATEGIC BUSINESS CASE DRIVERS

4.1. The financial resources deployed to Children and Families Services total £41.130m and the forecast at Quarter 2 is a deficit of £3.943m. m. The projection for children in care external placements budget is a deficit of £3,189,382. This includes costs for placements identified as COVID related in 2021/22 which are continuing into 2022/23 at a cost of £2.443m. This area represents 62% of the overall deficit in this portfolio. The key strategic drivers for this business case that has led to the external placements budget deficit include:

- Increasing numbers of children in care, reporting 465 at quarter 2 end (Q1 450). Current Rate increased to 73 per 10,000 (SN 70.1 / Eng 67).
- Local placement sufficiency saturation with increasing demand for alternative external residential placements, often at distance and higher costs
- increasing children's needs and complexity post covid requiring residential care, with a particular increase in younger children e.g., from aged 7/8 yrs. old
- Increasing number of UASC, reporting 21 Q2 end (Q1 16).
- Increasing external placement costs exacerbated by Inflation pressures, living wage and cost of living for those on and off contract frameworks
- Providers choosing not to be on framework agreements without inflation-linked uplifts, and going off contract at higher placements costs
- Recruitment challenges, sickness absence and burnout with greater competition and external providers often paying higher wages
- Sufficiency saturation and crisis nationally (exacerbated by the recruitment crisis)
- Increase in new and inexperienced providers leading to placement disruptions or Requires Improvement and inadequate Ofsted gradings
- Situations where no placements have been offered for children nationwide following extensive searching for individuals as unable to meet their needs

4.2. There has been an increase in the external placements budget due to the 5-bed internal provision at Broadfields being closed for the first quarter. Broadfields has now re-opened and currently has two young people in placement, one of the young people moved from a high-costs £8,500 per week external residential placement realising a saving of £284,000 for the remainder of the financial year.

There are further phased admissions being planned to reach full occupancy at Broadfields by March 2023.

4.3. Modelling for future years based on the current trajectory of new external placements over the next 3 years indicates a requirement in the MTFP of £3.7m to continue to respond to demand if children are placed externally. A recovery plan has been developed to reduce the in-year deficit and consequently the future year MTFP requirement, this is being kept under regular review. This business case is a key priority within the MTFP recovery plan.

5. OUTLINE BUSINESS CASE

5.1. The development of the strategic business case drivers above has led to the following options to be explored through to Outline Business Case (OBC) stage:

- Option 1 – Do nothing: Under this option the Council would continue to deliver its sufficiency provision as it currently does, with external private placements being used over and above its current directly delivered capacity at high costs.
- Option 2: Increase internal residential provision: Under this option the Council would, in the short term, seek to deliver increased sufficiency to directly deliver increased provision.
- Option 3: Develop long term solutions to address sufficiency needs. This would consist of the expansion of the current purpose-built stock of children's homes via the construction of new assets.
- Option 4 – block commissioning with external provider. However, given the market conditions and demand providers may not be interested in block commissioning arrangements.

5.2. ***Options Detail***

5.3. Option 2 would involve the Council looking to purchase domestic properties on the open market. These properties would then be converted into additional provision as part of a package of capital investment to make them suitable for use and compliant with national standards. A change of use planning application is likely to be required for each property.

5.4. Following service provision analysis, it has been identified that the optimal properties for conversion and best value would be to provide accommodation for either three or five children requiring the selection of four- or six-bedroom properties.

Bed price	No of Beds	External Placements comparative average costs
£2,405	5 bed	Between £2,800-£2,900 up to £3,400 per week
£3,006	4 bed	Between £3,500 - £4,000 per week
£4,008	3 bed	Between £4,500 - £6,000 per week
£6,013	2 bed	Private home for 2 bed - £5,800 per week
£12,025	Solo	Between £10,000 - £11,500 per week

Current demand analysis suggests that 2x three placement properties and 1x five placement property is required urgently should this option be taken forward.

5.5. Option 3 would look to provide additional sufficiency though the development of new purpose-built accommodation. The optimal solution in this case would be to use sites the Council currently has in its ownership and look to construct the new facilities in these locations. Early work has begun to scope out the potential scale of such developments. To bring these schemes forward fully planning consent would be needed.

5.6. Option 4 would seek to procure block commissioning arrangements with a provider/s via the CHEST. However, the feedback from the soft marketing testing exercise for block commissioning arrangements within the current market conditions has been low, as providers can command higher prices by spot purchase.

5.7. ***Options Analysis***

5.8. It is clear from the background information, and in the context of the MTFP challenge and the need for the delivery of the recovery plan, that Option 1 "do-nothing" would not be a sustainable or desirable outcome, nor would it address any of the strategic aims of the Business Case. This option has therefore been excluded from further analysis.

5.9. Options 2 and 3 would both provide additional capacity and would therefore meet the needs of the overall strategic drivers to increase sufficiency, therefore further analysis of these two options has taken place.

5.10. Option 3 would deliver high quality accommodation for children, due to it being focused on a purpose-built new build solution. However, it is likely that the delivery of this provision would take longer to achieve than Option 2 due to the need to design and obtain full planning consent for such as development. This option is therefore less likely to assist in the delivery of the recovery plan in the short term, but in the context of delivering a long-term solution still has significant merits.

5.11. Option 2 would deliver new high-quality capacity; however, the conversion of existing domestic premises could potentially result in compromises on design as this solution would not be bespoke. Option 2 is likely to be deliverable in a significantly shorter timeframe than Option 3 due to the properties already being in existence it is therefore significantly more likely to assist in achieving the aim of the recovery plan in the short term.

5.12. It is therefore proposed that Options 2 and 3 are both taken forward. The initial focus would be on the delivery of Option 2, with development of Option 3 taking place in parallel and being subject to a further future business case once detailed studies of this option have been concluded.

6. FINANCIAL ANALYSIS

6.1. Capital Costs: There are two drivers for the capital costs relating to the scheme, with the first relating to the purchase of appropriate properties. Market analysis has taken place of potential properties throughout Stockport and estimated ranges of capital outlay are between £220k to £450k per dwelling depending on location, current property size and its condition. At this stage is it not possible to define a specific capital cost for each property, however it is envisaged that appropriate properties can be sources within this range.

6.2. The second capital cost driver relates to the initial cost of refurbishment and conversion into an appropriate setting. At this stage it is not possible to provide an exact estimate for such work due to the likely variance in the quality of property that could be sourced, however the Council has undertaken significant refurbishment work to its two existing children homes recently. Estimates for conversion therefore range from £100k per property for those in good condition to £250k for properties that are purchased in poorer condition and need more significant intervention and increased refurbishment works.

6.3. Operational Building Costs: Operational costs from a build perspective are those related to utilities, council tax, insurance, and other running costs. These have been estimated based on the current children's homes, ranging from £15k-£25k depending on a number of factors including building size. In addition, allowances have been made for routine lifecycle maintenance of the property at £10k per year (inflated in line with current MTFP assumptions) and more significant light touch refurbishment work every five years of a further £25k

6.4. Based on the estimated costs of the delivery and conversion it is proposed that funding of up to £1.8m is granted in capital allocation to allow the delivery of up to three properties. This funding would be used to complete the purchase and conversion process.

6.5. Operational Revenue Costs:

6.6. Staffing Costs: It is anticipated that the revenue costs would be the same to run a 5 bed and 3 bed children home.

The staffing structure for each respective home would consist of:

- 1x Registered Manager (MB4)
- 0.2x Service Leader (MB2)
- 1x Deputy (SO1)
- 1x Senior RSW (Scale 6 + 2)
- 8x Residential Support Workers (Scale 5+2)
- 0.5x Domestic
- 0.2x Finance officer (Scale 5)
- 0.2 x Clinical Psychologist

There would be additional staffing costs for allowances and enhancements, such as staff sleep-in payments, cover for any sickness absence, additional staffing needs estimated at £36,000.

There is recent case law regarding regular overtime payments and employees receiving average payments that is being further considered by human resources. Should these payments be required, this could increase staffing costs by estimated £7.5k per year.

Total staffing costs are - £495,462

Running costs

In addition to staffing costs, running costs are required to run the home. The running costs include:

- £42k pa - food, clothing, birthdays/ activities, festive celebrations
- £7k pa - Holidays
- £20k pa – general repairs & maintenance
- £6k pa for a Home's Car
- £22k-£49k – Borrowing costs dependent on capital costs incurred
- £3,850k for Ofsted registration (based on a 5-bed building)
- £16k for Training costs and Independent Reg 44 Officer costs

Total running costs are - £116,850-£143,850

This would be combined total revenue cost of £612,312-£639,312.

6.7 Draft financial analysis has been conducted on a discounted cashflow basis to assess the viability of option 2 and the relative impact that could be delivered from both a 3 bed and 5 bed property. This entailed analysis incorporating all annual revenue costs (including assumptions on inflation) and annual borrowing repayments for the capital expenditure (based on the assumption that the funding for the scheme will be sourced via prudential borrowing) and comparing the annual costs against potential external placement savings that would be realised by each property.

6.8 For each of the two property sizes, optimistic (where capital outlay and revenue costs are at the lowest estimates and placement savings at the highest envisaged) and pessimistic scenarios (with capital outlay at its highest and placement savings at their lowest envisaged) were prepared, along with a middle ground Realistic scenario to provide some sensitivity analysis regarding the viability of the scheme.

6.9 The Net Present Value (NPV) of each of the scenarios is illustrated in the table below. This illustrates that given current assumptions all building sizes and scenarios make a positive return over the modelled 25-year period.

Building Size Rooms	Scenario	NPV
3	Optimistic	10,886,845
	Realistic	7,672,471
	Pessimistic	4,515,284
5	Optimistic	9,341,398
	Realistic	7,068,384
	Pessimistic	4,852,557

6.10 As one of the key drivers of the proposed scheme is to deliver annual savings against the current pressure being borne by the service, the table below also illustrates the envisaged savings that each property size/scenario would achieve in the first 10 years of operation based on current assumptions. This illustrates that based on current assumptions including an anticipated occupation rate of 95%, all building sizes and scenarios would create savings when compared to the current anticipated external placement costs over the next 10 years except for the first year. This is due to the first year reflecting the anticipation of the building only becoming operational 9 months into the financial year – should this be brought earlier into the year the position of year 1 would improve.

Building Size Rooms	Scenario	First 10 year cashflow benefit									
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
3	Optimistic	26,073	352,354	377,951	404,784	401,321	462,376	493,250	525,587	559,453	556,483
	Realistic	-14,328	214,986	235,478	257,001	248,015	303,327	328,226	354,352	381,757	372,068
	Pessimistic	-51,259	81,089	96,474	112,687	98,179	147,747	166,673	186,586	207,530	191,122
5	Optimistic	4,166	286,705	309,829	334,090	327,952	386,225	414,204	443,533	474,269	468,045
	Realistic	-29,528	187,656	207,338	228,020	218,160	272,562	296,515	321,657	348,039	337,285
	Pessimistic	-59,752	92,077	108,318	125,420	111,838	162,369	182,296	203,251	225,278	209,996

6.11 As such, the current draft financial analysis points to the scheme being viable and able to achieve savings under the current assumptions. As an example, should the current preferred mix of 2 x 3 placement properties and 1 x 5 placement property be brought forward, the potential savings achievable in Year 2 (i.e. the first full year of operation) would range from £0.254m to £0.991m from pessimistic to optimistic scenarios, with the realistic scenario creating a saving of £0.618m.

6.12 It is also worth noting that current assumptions anticipate placement inflation increasing at a higher rate over the coming years than internal staffing inflation cost rises. Therefore, the analysis shows that the anticipated saving will continue to increase in future years.

7. KEY RISKS / ISSUES

7.1. There are some risks that need to be explored in detail through the next stages of the case for change. There are risks inherent with any major change programme. However, it would be prudent of the Council to address this at the start and work on a mitigation strategy during the next six months work programme.

7.2. Acquisition of properties: Identification of suitable properties: Property values in Stockport are historically high and it could provide challenging to identify and purchase properties in suitable timescales. This risk will be mitigated through market intelligence and building strong relationships with local agents to ensure.

7.3. Community/political issues: There may be local objection to the type of scheme for young people. To mitigate this a robust system of identification and analysis will be put in place to ensure selected properties are identified based on qualitative and quantitative data. This system will be co-created in consolation between Estates, Childrens Services, the Corporate Leadership Team and lead members from Cabinet. Refer to Appendix 2 & 3 for draft selection documents.

7.4. Cost increases to materials, property costs, finding contractors, impact on timescales: There are high levels of inflation in the construction industry and material shortages that may impact on costs and timescales. This will be mitigated though robust project management with a clear delivery strategy being developed. The robust financial case allows flexibility in delivery including range of capital input costs, providing an agile route forward.

7.5. Recruitment and Retention of staff- there is a shortage of skilled and experienced Registered Managers and Residential Support Staff, with external residential providers often paying higher wages. This will be mitigated by developing a bespoke recruitment strategy with early engagement with colleagues in HR and OD. Property purchases would be paused if staffing requirements cannot or are unlikely to be me to mitigate the risk of abortive capital outlay.

7.6. New risks may emerge after scheme opens and will be addressed as need arises.

8. NEXT STEPS

8.1. Two streams of work will need to be progressed for the next stages, which are split into:

8.2. Delivery of Option 3: Long Term – New build Developments

A RIBA Work Stage 1 Feasibility Study will commence exploring the design opportunities and constraints of two proposed new builds providing a 5 placement bedroom facility and a separate 3 placement bedroom placement facility on two council owned sites in the borough that have been identified as suitable sites for new facilities.

The RIBA Stage 1 report will include a feasibility summary and recommendations including associated costs for proposed new build development.

8.3. Delivery of Option 2: Short Term – Property Acquisition and Refurbishment.

The short-term next steps are to identify suitable properties based on the briefing and schedule of accommodation criteria that has been drawn up through engagement meetings between children's services and the Estates team.

Following identification of suitable properties, the locations of each will need to be assessed and approved by children's services. The location assessment for the registration process of the properties as children's homes will need to assess two broad issues; safeguarding criteria and accessibility of local services.

Following children's services approval, the property acquisition process can commence by the Estates team. This process would be expected to take between 8-9 weeks to complete. During this period Design & Technical Services would test feasibility and refurbishment options to ensure the properties can be appropriately remodelled to accommodate the children's home needs.

Following property acquisition, the estates and asset management team will be able to engage with and submit formal applications with planning regarding change of use applications for the refurbishment of the properties into children's homes. This process would be expected to take c.10 weeks.

During this planning period, children's services will be able to formally apply to Ofsted for children's home registration.

A design and tender period would take place during the planning and Ofsted registration period. This would also include a negotiated tender period with pre-selected contractor, concluding a design, tender and tender award process to allow refurbishment to commence on planning change of use and registration approval.

A six-week refurbishment would be allowed for property conversion and refurbishment.

8.4. This business case complements and aligns to the Post 18 Accommodation business case for care. This post 18 business case proposed to increase sufficiency and availability of supported and affordable housing for care leavers aged 18-25 years by the development of 20 NEW supported flats for care leavers (Appendix 1)

8.5. Further information is being awaited on the GM Business case for creating supply across the region.

8.6. Milestones & Decision Gateways:

Activity	**Durations**
Cabinet Approval	December 2022

Selection of Properties & Engagement	2 to 3 Months
Purchase Process	2 Months
Change of Use Planning Application	3 Months (Potential to run parallel with purchase process)
Ofsted Registration Process	3 Months (Potential to run parallel with Detailed Design)
Detailed Design & Tendering	3 Months
Delivery Phase & Build	2 to 3 months
Opening	*12 Months from Cabinet Decision*

9. RECOMMENDATION

Cabinet is recommended to:

9.1. Note the contents of this report and work undertaken to date.
9.2. Approve the capital funding to a maximum of £1.8m through prudential borrowing for the immediate purchase and conversion of up to three properties within Stockport
9.3. Delegate authority to the Deputy Chief Executive, in consultation with the relevant cabinet member, to approve the selection of suitable properties and undertake their purchase.
9.4. Delegate authority to the Deputy Chief Executive, in consultation with the relevant cabinet member, to enter into any such contracts and agreements as may be required to complete the purchase, conversion and operation of the children's homes.
9.5. Delegate authority to the Deputy Chief Executive, in consultation with the relevant cabinet member, to apply for any necessary consents associated with the delivery of the children's homes.
9.6. Delegate authority to the Deputy Chief Executive, in consultation with the relevant cabinet member, to approve necessary revenue budget changes to suppor the running of the new homes.
9.7. Delegate authority to the Deputy Chief Executive, in consultation with the relevant cabinet member, to take all necessary further steps to deliver the strategy.

10. BACKGROUND PAPERS

There are no background papers to this report.

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