

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Lead Member for Children's Services
Date:	26 March 2024
Title:	Proposal to Enter into an Agreement with Hampshire and Isle of Wight Integrated Care Board under Section 75 of the NHS Act 2006
Report From:	Director of Children's Services

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Purpose of this Report

1. The purpose of this report is to seek approval to enter into an agreement under Section 75 of the NHS Act 2006 with Hampshire and Isle of Wight Integrated Care Board (ICB). The Section 75 Agreement will enable us to operate a multi-agency integrated residential children's home providing care for children with significant mental health, emotional, and behavioural needs, and who typically or often require a high level of support to maintain their safety and placement stability. The home will be supported by both social care and health staff managed by the County Council.

Recommendation(s)

2. That the Executive Member for Children's Services authorises the Director of Children's Services to enter into an agreement with Hampshire and Isle of Wight Integrated Care Board under Section 75 of the NHS Act 2006 to jointly operate a residential children's home for children with complex needs and behaviours. The Section 75 Agreement will provide for Joint Commissioning, Integrated Management and the establishment of a Pooled Fund.

Executive Summary

3. This paper is seeking approval from the Executive Member for Children's Services to enter into a jointly funded partnership arrangement to provide a multi-disciplinary team of social care, education and health professionals to meet the needs of the children placed at Hockley House.
4. The initial Section 75 Agreement will be for a period of three years with the option to extend annually up to five years. The intention is that the agreement will continue thereafter, subject to the annual review. A termination clause has been incorporated into the Section 75 Agreement together with an exit

strategy should either organisation need to exercise this. Currently the projected annual revenue budget for Hockley House, that will be confirmed in the Section 75 Agreement, is £2.078m and therefore the share of the contribution to the S75 Pooled Fund from the County Council will be £1.039m. If the service is unable to deliver as planned, the County Council has developed a contingency plan to operate an alternative service to meet the needs of another cohort of our care population.

5. An Operations Panel will review all referrals and admissions of children into the home and scrutinise their progress against their placement plan. The Operations Panel will meet monthly and comprise of key officers from the County Council, the ICB and the NHS provider trust employing the relevant operational staff. The Operations Panel will report to a Partnership Board which will provide governance and both strategic and administrative decision making. The Partnership Board will report to the well-established Joint Commissioning Board (JCB).
6. Hockley House has been commissioned as an Ofsted registered children's home to provide services for children with significant mental health, emotional, and behavioural needs, and who typically or often require a high level of support to maintain their safety and placement stability. There is a significant shortage nationally to meet the needs of this cohort of children as noted in the conclusions of the Ofsted research and analysis paper, 'How local authorities and children's homes can achieve stability and permanence for children with complex needs', published 16th January 2024.
7. The design of the home provides the opportunity to safely accommodate up to three children with their own living space. The home has the flexibility to operate as a three-bedroom family home, as well as having the facility to be partitioned off to individual living spaces to support the needs of children placed on a Deprivation of Liberty Order (DoL), or who cannot be safely accommodated alongside other children without impacting on the other children living in the home. The home has additional design features incorporated into the home that significantly reduces the risk of children harming themselves or others, as well as supporting their independence and transition planning from the home.

Contextual information

8. The opportunity to repurpose the former Registry Office in Romsey into a residential children's home for children with significant mental health, emotional, and behavioural needs arose from a match funding opportunity with the Department for Education (DfE). The purpose of the match funding was for the local authority to look at innovative ways to meet the needs of a cohort of children with complex behaviours that challenge and who are difficult to place. This need was also noted in the recent research and analysis paper published by Ofsted which looked at how local authorities can achieve stability and permanence for children who exhibit complex needs and behaviours that challenge. These children can be difficult to place, which can

lead to them being placed in accommodation that doesn't best meet their needs.

9. The difficulty with placing children with complex needs and behaviours that challenge, safely alongside other children is intended to be mitigated by the innovative design of the home which should enable children to be supported to live independently or as part of a family group. The design of the home should also enable the implementation of Deprivation of Liberty Orders when required, without negatively impacting on other children living in the home.
10. The joint partnership approach to delivering residential care at Hockley House is intended to enable a multi-disciplinary team to provide residential, therapeutic, health care and learning to meet the mental health, emotional, and behavioural needs of the children placed at the home.
11. The purpose of entering into a Section 75 Agreement is that it is considered to be the most efficient mechanism for funding and managing the service. Having such an agreement in place supports a focus on service delivery rather than who is funding it. A Section 75 Agreement would enable partners to prioritise service development and improvement issues rather than the funding required for each and every child. A Section 75 Agreement provides security of funding over an extended period of time and it facilitates the differentiation between commissioning arrangements and service delivery.

Finance

12. Hockley House has been refurbished from the former Registry Office in Romsey to a three-bedroom children's home. The refurbishment costs have been met through a combination of match funding by the Department for Education (DfE) and contributions from Children's Services Capital Programme. The land and building represent a significant contribution from the County Council to the project with the total financial contribution being £1m. Our health partners have not financially contributed to the capital build costs of the home, which remains the property of Hampshire County Council if the project comes to an end and the Section 75 Agreement is terminated.
13. The initial matched capital funding from the DfE was £787,000, with an additional uplift in funding of £110,000 secured in recognition of the impact of the increased inflationary costs on building materials and construction costs.
14. The Section 75 Agreement ensures that the operational running costs of Hockley House will be shared equitably through the implementation of a pooled fund between Hampshire County Council Children's Services and Hampshire and Isle of Wight Integrated Care Board in accordance with the Section 75 Agreement. The agreement requires the annual revenue funding for the service to be split equally between the partners. Currently the projected annual revenue budget for Hockley House, that will be confirmed in the Section 75 Agreement, is £2.078m and therefore the share of the contribution from the County Council to the Pooled Fund will be £1.039m.

This funding will be redirected from the Children's Services Children in Care Placement budget which already funds children's placements as Hockley House is intended to provide more suitable and more cost effective placements for the described cohort of children.

Performance

15. A Partnership Board comprising senior officers from Hampshire County Council and Hampshire and Isle of Wight Integrated Care Board (with clearly defined terms of reference) will be established in line with the Section 75 Agreement to provide strategic oversight of the operational running of the home and compliance with the framework set out in the agreement. The Partnership Board will review the operational running costs of the home in line with the forecast budget spending and manage any variances to the forecast budget. The Partnership Board will report directly to the well-established Joint Commissioning Board.

Consultation and Equalities

16. An equality impact assessment 541 has been undertaken which includes non-statutory consultation with the local residents, key stakeholders and children who have lived experience of residential care. There were no significant equality concerns raised in respect of the protected characteristics of the children or staff who will live or work at Hockley House.
17. The feedback from the non-statutory consultation has helped inform the design of the building and landscaping to reduce the impact on local residents. A small focus group of looked after children with lived experience have also been involved in choosing the interior design features and soft furnishings for the home. The children were also involved in determining the name of the home.

Climate Change Impact Assessment

18. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience impacts of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
19. The climate change tools were not applicable because this is a financial report to enter into a contractual partnership agreement with an external organisation and therefore does not require a climate change assessment. The decisions in this report are financial, and mainly relate to the partnership agreement to operate a residential children's home and therefore have a neutral impact on climate change.

Data protection

20. Data Protection Impact Assessment, Information Sharing Agreement and Access to Systems are an integral part of the Section 75 process and will be in place to safeguard the integrity of personal data handled by all staff who are subject of this Section 75 Agreement.

Staffing

21. The staffing costs for the operational running of the home will be met equally by both organisations, notwithstanding that some of the health colleagues may be seconded across from their own organisation to ensure the operational effectiveness of the home.
22. In the event of the partnership arrangement coming to a natural, or early conclusion, any redeployment or redundancy costs would be the responsibility of the organisation that directly employs the affected staff.
23. There is a dedicated training and induction programme for all staff.

Conclusions

24. The establishment of a children's home to meet the significant mental health, emotional, and behavioural needs of our children aligns with the headline findings from the Hampshire Children and Young People's Plan 2022-25. The plan noted concerns about the mental health of children and young people being seen as a main cause for concern in Hampshire and this service is part of our approach to meeting that need.
25. This partnership agreement under Section 75 of the NHS Act 2006 enables a multi-disciplinary in-house team of social care, education and health professionals to provide a therapeutic approach to meet the needs of the children placed at Hockley House.
26. The Section 75 Agreement is overseen by the Partnership Board in-year, and subject of an annual review to ensure it continues to meet the operational aims and outcomes of the service, allowing for remedial action to be taken where required.
27. The Section 75 Agreement enables the provision of a multi-disciplinary team of professionals to support the needs of the children placed at Hockley House. Consequently, the Section 75 Agreement seeks to protect the Local Authorities interests and minimise any potential financial or reputational risks to Hampshire County Council. A contingency plan has been developed and can be activated should the partnership arrangement not deliver, further mitigating any risk to the County Council of developing the service and entering into this agreement.

Recommendation(s)

28. That the Executive Member for Children's Services authorises the Director of Children's Services to enter into an agreement with Hampshire and Isle of Wight Integrated Care Board under Section 75 of the NHS Act 2006 to jointly operate a residential children's home for children with complex needs and behaviours. The Section 75 Agreement will provide for Joint Commissioning, Integrated Management and the establishment of a Pooled Fund.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	No
People in Hampshire live safe, healthy and independent lives:	Yes
People in Hampshire enjoy a rich and diverse environment:	No
People in Hampshire enjoy being part of strong, inclusive communities:	No

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

NHS Act 2006

Location

www.legislation.gov.uk/ukpga/2006/41/contents

EQUALITIES IMPACT ASSESSMENT:

Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

Equalities Impact Assessment:

Age	
Impact on public	Positive
Impact on staff	Positive
Rationale	The provision of Hockley House will have a positive impact for both the children we care for and the staff who support them. The home will ensure the continued availability of access to a Residential Children's Home that meets the needs of children with complex behaviours that challenge and/or significant mental health issues. The home will deliver outcomes that are specific to the child's needs, including their educational outcomes, health and physical

	<p>and emotional wellbeing. Residential care staff will act as advocates for the child(ren) and will ensure that any communication used with the child(ren) is appropriate to their age and ability.</p> <p>In order to combat discrimination, no unnecessary conditions or requirements will be applied which could have a disproportionately adverse effect on any one group. All sections of the adult population will have equal access to jobs. No applicant or employee will receive less favourable treatment because of age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage or civil partnership and pregnancy or maternity, unless a Genuine Occupational Requirement (GOR) applies.</p>
Mitigation	NA
Disability	
Impact on public	Positive
Impact on staff	Negative – Low
Rationale	<p>The home will have a positive impact for both the children we care for, and therefore, the staff who support them. The provision of a multi-disciplinary team will support the physical and mental health needs of the children and ensure the home provides Residential Care for the most suitable placements in meeting the individual physical, mental, learning, and emotional needs of the children they care for.</p> <p>The home has been designed to be able to accommodate a child with mobility issues in the ground floor bedroom. In the event of a child with mobility issues being placed at the home, consideration would need to be given to any additional mobility aids that would be required to accommodate the child.</p> <p>In order to combat discrimination, no unnecessary conditions or requirements will be applied which could have a disproportionately adverse effect on any one group. All sections of the population will have equal access to jobs. No applicant or employee will receive less</p>

	<p>favourable treatment because of age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage or civil partnership and pregnancy or maternity, unless a Genuine Occupational Requirement (GOR) applies.</p> <p>It would not be possible for a wheelchair user to work at Hockley House given the design of the building and the requirements of the role in respect of Regulation 32 (3) (c) of the Children's Homes (England) Regulations 2015.</p>
Mitigation	It would not be possible to provide mitigation to offset the requirements of the role in respect of Regulation 32 (3) (c) of the Children's Homes (England) Regulations 2015.
Gender Reassignment	
Impact on public	Positive
Impact on staff	Positive
Rationale	<p>The home will have a positive impact for both the children we care for and therefore the staff who support them. The home will ensure that the transition planning process for children considered for placement at Hockley House will identify the suitability of the placement in meeting the individual needs of the children we care for, including any needs that arise from gender reassignment.</p> <p>In order to combat discrimination, no unnecessary conditions or requirements will be applied which could have a disproportionately adverse effect on any one group. All sections of the population will have equal access to jobs. No applicant or employee will receive less favourable treatment because of age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage or civil partnership and pregnancy or maternity, unless a Genuine Occupational Requirement (GOR) applies.</p>
Mitigation	NA
Pregnancy and Maternity	

Impact on public	Negative – Low
Impact on staff	Negative – Low
Rationale	<p>Children living at the home have the potential to engage in sexual activity that could lead to pregnancy.</p> <p>Should a member of staff notify us that they are or could be pregnant, precautionary measures will be put in place to ensure their safety and well-being.</p>
Mitigation	<p>There are keywork sessions and health support for the children to educate them in respect of sex and relationships and to prevent pregnancy in accordance with their Fraser competency.</p> <p>There would be a maternity risk assessment carried out for the member of staff in respect of Positive Behaviour Techniques to protect them from potential harm for the duration of their pregnancy. An occupational health referral, if required, would be submitted.</p>
Race	
Impact on public	Positive
Impact on staff	Positive
Rationale	<p>The home will have a positive impact for the children we care for and therefore the staff who support them. The home will provide suitable placements for children from diverse backgrounds and ethnicities including unaccompanied asylum-seeking children.</p> <p>The staff team will comprise of a range of colleagues from diverse backgrounds and ethnicities. The implementation of the Equality & Diversity Policy will safeguard the staff in post. The children living at the home will undertake keywork sessions if there are any concerns or incidences of racial abuse.</p>
Mitigation	NA

Religion or Belief	
Impact on public	Positive
Impact on staff	Positive
Rationale	<p>The home will have a positive impact for the children we care for and therefore for the staff who support them. The homes statement of purpose outlines how children living at the home will have their religious and cultural needs met.</p> <p>In order to combat discrimination, no unnecessary conditions or requirements will be applied which could have a disproportionately adverse effect on any one group. All sections of the population will have equal access to jobs. No applicant or employee will receive less favourable treatment because of age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage or civil partnership and pregnancy or maternity, unless a Genuine Occupational Requirement (GOR) applies.</p>
Mitigation	NA
Sex	
Impact on public	Positive
Impact on staff	Positive
Rationale	<p>The home will have a positive impact for the children we care for and therefore the staff who support them. The home will provide placements that meet the individual needs of the children we care for, including any gender specific needs, requirements, or preferences.</p> <p>Where the staffing of the home is predominantly of one sex, the manager of the home will set out how the home will promote appropriate role models of both sexes as outlined in schedule 1, para 21 of the Children's Homes (England) Regulations 2015.</p>

Mitigation	NA
Sexual Orientation	
Impact on public	Positive
Impact on staff	Positive
Rationale	The home will have a positive impact for the children we care for and therefore the staff who support them. The home will provide placements that meet the individual needs of the children we care for, including their sexual orientation.
Mitigation	NA
Marriage and Civil Partnership	
Impact on public	Neutral
Impact on staff	Negative – Low
Rationale	This is not applicable to children's services as the legal age for marriage and civil partnerships is 18 years of age; Adulthood. Staff who are married, in a civil partnership or have a close personal relationship cannot be in the position where they directly line manage their spouse, partner or close personal relation.
Mitigation	In order to safeguard the children and staff working at the home, the Close Personal Relationships Policy would be implemented, if required.
Poverty	
Impact on public	Positive
Impact on staff	Positive

Rationale	<p>The home will have a positive impact for both the children we care for and therefore the staff who support them. The home will provide placements that meet the individual needs of the children we care for. Research suggests that children in poverty may be more likely to become children we care for and are less likely to achieve their full educational potential. Children will be nurtured and supported at Hockley House to achieve positive progress and outcomes.</p> <p>The staff working at the home are employed at grade D or above which is above the living wage threshold, and are paid additional allowances for weekend working and sleep-in shifts.</p>
Mitigation	NA
Rurality	
Impact on public	Positive
Impact on staff	Positive
Rationale	<p>The home will have a positive impact for the children we care for and therefore the staff who support them. The home will increase the availability of access to Residential Children's Homes in a new location. Hockley House is a new unique resource available to all children in Hampshire wherever they come from and is centrally located to ensure they continue to have access to their local communities and homes. We will have staff and vehicles to transport children wherever they need to go within the county to maintain these connections. Location assessments are completed by children's residential homes to consider location vulnerabilities and appropriate access to communities.</p> <p>Hockley House will provide placements for children from across the local authority and as such, is located in a central location within the local authority area. Staff at the home will seek to minimise disruption to the children living at Hockley House and help them to maintain local connections where this is appropriate and safe to do so.</p>

Mitigation	NA
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