

Operational Decision Record

Publication Date 22/08/2023	Decision Reference Number 5010
Decision Title	
Grant funding to support the implementation of supported accommodation reforms	
Decision Value	
£246,279	
Revenue or Capital Spend?	
Revenue	
Department	
People	
Contact Officer (Name, job title, and contact details)	
Mary-Anne Cosgrove, Head of Children in Care, Care Leavers and Regulated Services, mary-anne.cosgrove@nottinghamcity.gov.uk	
Decision Taken	
<ol style="list-style-type: none"> 1. To accept the DFE grant funding to support the implementation of supported accommodation reforms; 2. To delegate authority to the Head of Children in Care, Care Leavers and Regulated Services to spend the grant funding in line with the grant terms and conditions on activity to support the implementation of the supported accommodation reforms; 3. To recruit to an Assistant Manager Supported Accommodation (Grade H)– total value of decision £46,730 rising to £49,372 after 12 months. 	
Reasons for Decision and Background Information	
<p>The Government is introducing new requirements for providers of supported accommodation for looked after children and care leavers aged 16 and 17. Providers will now be required to register and be inspected by Ofsted against new national quality standards and associated administrative requirements. Ofsted will begin registering providers from 28 April 2023, and registration will become mandatory from 28 October 2023. New inspection arrangements for supported accommodation will be introduced in April 2024.</p> <p>The changes are being implemented by The Supported Accommodation (England) Regulations 2023, which will introduce a new requirement on local authorities when placing looked after children aged 16 and 17 in placements in accordance with “other arrangements” under section 22C(6)(d) of the Children Act 1989 and when arranging accommodation for care leavers aged 16 and 17 under s.23B(8)(b) of the Children Act 1989.</p>	

From 28 October 2023, local authorities will no longer be permitted to:

- Place looked after children aged 16 and 17 in provision that is not registered with Ofsted as supported accommodation or one of the specified exceptions; or
- Arrange accommodation for care leavers aged 16 and 17 under in provision that is not registered with Ofsted as supported accommodation or one of the specified exemptions.

Local authorities will be permitted to continue placing/arranging accommodation for looked after children and care leavers aged 16 and 17 in supported accommodation after 28 October 2023 where the provider has submitted a complete application to Ofsted before 28 October 2023, until that application has been determined.

The purpose of the grant is to provide support to local authorities towards expenditure to support implementation of these changes – for its own provision and to support external providers with their registration and ability to meet inspection criteria. Local authorities can use this grant funding to offset the increased costs associated with the impact of these changes.

The planned expenditure is in line with the terms and conditions of the grant funding and is designed to support a robust implementation of the arrangements – for internal and external provision.

The appointment of an Assistant Manager Supported Accommodation is vital to ensure that the local authority can meet the requirements of the new inspection framework at its semi-independent home and satellite homes. One of the criteria will be the effectiveness of leadership and management and utilising the grant funding to appoint to this post will enable the local authority to ensure it is able to meet its requirements under the new Ofsted inspection framework for supported accommodation.

The majority of children in supported accommodation are living in accommodation with off framework providers (not with D2N2 framework, inhouse of block) who are not used to Ofsted rigour and have limited capacity to support ability to ensure compliance with the Ofsted criteria. The proposed activity will be to support external providers meet their new obligations to ensure children are receiving quality support and the local authority is able to continue to house children in legal and registered accommodation.

Other Options Considered and why these were rejected

Option One – Do not accept the grant funding. This is not a preferred option as the Department for Education has acknowledged there will be increased financial burdens due to the requirement for all supported accommodation to be registered and then inspected. The activity to implement the changes would have to take place, and additional costs would be incurred, but the local authority would have to meet these additional burdens from its existing budgets. This would be

unbudgeted spend and would place a significant pressure on existing service budgets.

Option two – Do nothing – Do not accept the grant funding or undertake the activity to comply with the Supported Accommodation (England) Regulations 2023. This is not a preferred option. The changes and associated requirements under the Supported Accommodation (England) Regulations 2023 will be implemented. If the local authority does not ensure its own provision or those of other providers are registered the local authority will no longer be able to house 16 and 17 year olds in this accommodation, placing an increasing pressure on its available accommodation for children in care. If the provision is registered but not able to meet the new inspection criteria, this would mean that the accommodation is not meeting the needs of children and would carry a significant reputational risk and increased scrutiny from the regulator.

Reasons why this decision is classified as operational

The reason this decision is classified as operational is that this spend is within the agreed budget – DFE grant money – and is planned spend within this financial year to meet DGE grant conditions. It would not require any additional budget. The total value of the decision would fall below £300,000.

Additional Information

Finance Observations

The decision seeks to accept and spend s31 DFE grant funding related to the Implementation of Supported Accommodation Reforms for 2023/24 to the value of £0.246m. The element of the grant related to 2023/24 will be paid in 2x instalments in Apr/Oct 2023.

Future DFE funding is expected to cover expenditure for FY 2024/25 but the value of the additional funding has not yet been confirmed by Government.

The service should ensure that grant conditions are adhered to in order to maximise grant spend and minimise the risk of any grant clawback. The service will need to liaise with Finance in order to ensure the NCC grant register is updated with all relevant information and supporting documentation to ensure that NCC grant requirements and any budgeting, or year-end requirements relating to carry-forward/reserves are followed correctly.

It is advised that the service create internal systems to capture all grant spend ie specific cost centre or analysis coding for easy identification.

A GdeH post has been earmarked from the allocated funding in order to assist with Supported Accommodation reforms. With on-costs, the call on the grant would be £0.047m per annum at current payscales – any outstanding pay award or progression would increase the call on the grant and the remaining allocation for non-pay spend would need to be adjusted down accordingly.

It must be noted that creation of the post is fully **grant dependent** – it is assumed DFE funding in 2024/25 will cover any continuation of the role. If the grant ceases in Mar 2025, then the post would be either:

- Disestablished - any exit costs related to the post would need to be considered within the grant funding allocated or;
- Permanently established either by;
 - Seeking alternative external funding;
 - Reallocating existing resource allocation to establish on a permanent basis within paymodel;
 - As a last option, seeking permanent budget through the 25/26+ MTFP process as a pressure.

Tania Clayton Perez, Senior Commercial Business Partner, July 2023

Decision Maker (Name and Job Title)

Catherine Underwood, Corporate Director for People

Scheme of Delegation Reference Number

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Date Decision Taken

22/08/2023