



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

CABINET

10 July 2023

Report of the Executive Director - Children's Services

Children's Services Spire Lodge Capital Budget
(Cabinet Member for Children and Families)

1. Divisions Affected

1.1 All Divisions

2. Key Decision

- 2.1 This is a key decision because it is likely to:
- a) result in the Council incurring expenditure which is, or savings which are significant having regard to the budget for the service or function concerned. It will result in the Council incurring expenditure totalling £1.136m; and
 - b) be significant in terms of its effect on communities living or working in an area comprising two or more electoral areas in the County.

3. Purpose

- 3.1 To approve the allocation of £600,433 from the unallocated balances of the Children's Homes Improvements funding and £536,000 from contingency reserves to the Spire Lodge replacement project at the Ashbrook Site (adjacent to Ashgate Croft School (Chesterfield))

4. Information and Analysis

- 4.1 Original costs were provided in 2016 and 2018 based upon an incomplete feasibility study. The reports identified a significant back log

of maintenance and poor building condition requiring replacement, as well as a facility that was not able to meet current and future service needs to support children with disabilities and families across Derbyshire.

- 4.1.1 2016 Cabinet paper extract, Spire Lodge - £1.9m, based upon £1.8m capital borrowing and £0.1m capital receipts.

‘Spire lodge is the poorest facility the Authority has that houses children with disabilities. It has a backlog of maintenance in excess of £150,000. Further improvements would be required to meet current standards but there would remain fundamental deficiencies. This project is to provide a purpose-built facility on a new site’.

- 4.1.2 2018 Cabinet paper extract, Spire Lodge - £2.225m.

‘The existing facilities at The Outback and Spire Lodge are not suitable to meet the need of disabled children with more challenging behaviour and complex needs. The proposed integrated Spire Lodge facility will enable children with these needs to be accommodated by the authority. Children with these needs are currently placed in private, often out of county facilities, that can cost up to £500,000 per child. Typically, these children require support packages costing £300,000-£350,000 per year. This scheme will deliver cost efficiencies. The two additional high needs long term beds will generate an annual saving to the authority of £200,000. A business case demonstrating this is being finalised’.

- 4.2 Since 2018 further investigation into demands on specialist services, build sites options and build design have been completed. An update was provided to Cabinet on 11 March 2021 supporting a public consultation in 2021. Finalised build design has now been completed, resulting in a new feasibility study that will ensure services can meet future preventative as well as responsive need, costed currently at £5.5m. Funding of £4.125m has been previously approved by Cabinet for this project: £1.9m approved 21 January 2016 from the 2016/17 Capital Strategy, £2.225m approved 25 January 2018 from the 2018/19 Capital Strategy. Totalling £4.125m budget, creating a short fall of £1.375m.

- 4.3 Funding previously approved by Cabinet for this project:
£1.9m approved, 21 January 2016 from the 2016/17 Capital Strategy.
£2.225m approved, 25 January 2018 from the 2018/19 Capital Strategy.
Total £4.125m budget.

The following unallocated balances from Childrens Homes Improvements funding is available to be meet some of the funding shortfall:

2018-19 - £10,000 (£100,000 approved by Cabinet 26/7/18)
2019-20 – £90,433 (£100,000 approved by Cabinet 11/7/19)
2020-21 - £250,000 (approved by Cabinet 23/1/20)
2021-22 - £250,000 (approved by Cabinet 21/1/21)
Total unallocated balance of £600,433

It is proposed £536,000 be met from contingency reserves. Totalling additional funding for the project of £1.136m.
If approved this will increase the available total budget to £5.26m.

Work is on-going to value engineer the project to identify savings for the remaining shortfall of £238,567, from the current £5.5m costing. If the value engineering works are unable to identify the required savings, then a further request for capital will be made.

5. Consultation

- 5.1 Review of short break disability services was carried out by public consultation between October and December 2021 and extensive wider stakeholder engagement during 2020 and 2021. Identifying demand for short break disability services and 58% preference for the new Spire Lodge build to be located at the Ashbrook site option.

6. Alternative Options Considered

- 6.1 Do nothing, inadequate funding would be available to progress the project.
- 6.2 Alternative build sites and feasibility studies have been completed which identified the Ashbrook site as the preferred option financially and operationally.

7. Implications

- 7.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

8. Background Papers

- 8.1 These are held in the Children's Services Development Section.
- 8.2 2016/17 Capital Strategy, £1.9m approved by Cabinet on 21 January 2016.
2018/19 Capital Strategy, £2.225m approved by Cabinet on 25 January 2018.

8.3 Derbyshire Short Break Principles Proposal, approved by Cabinet on 11 March 2021.

9. Appendices

9.1 Appendix 1 – Implications

10. Recommendation(s)

That Cabinet:

- a) Approves the allocation £600,433 from the unallocated balances of the Children's Homes Improvements funding and £536,000 from contingency reserves to the Spire Lodge replacement project.

11. Reasons for Recommendation(s)

11.1 To enable the on-going development to replace Spire Lodge with a flagship build that supports future service demands and family needs as well as provide emergency provision and crisis support.

12. Is it necessary to waive the call in period?

12.1 No

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Implications

Financial

1.1 The financial considerations are as explained in section 4.2 / 4.3 of the report.

1.2 The funding balance is as set out in the table below:

Year	Capital Balance £	Cabinet date	Original purpose
2016-2017	1,900,000	21/01/2016	Spire Lodge replacement
2018-2019	2,225,000	25/01/2018	Spire Lodge replacement
2018-2019	10,000	26/07/2018	CS CHs Improvements balance
2019-2020	90,433	11/07/2019	CS CHs Improvements balance
2020-2021	250,000	23/01/2020	CS CHs Improvements balance
2021-2022	250,000	21/01/2021	CS CHs Improvements balance
contingency reserves	536,000		contingency reserves
TOTAL	5,261,433		
	238,567		On-going potential value engineering
TOTAL	5,500,000		Current costing estimate

1.3 All goods, works and services required to undertake the identified projects in the report will be procured and awarded in accordance with the Council's Financial Regulations.

Legal

2.1 The Breaks for Carers of Disabled Children Regulations 2011 requires local authorities to have regard to the needs of carers:
Regulation 3 provides that a local authority must-

- (a) have regard to the needs of those carers who would be unable to provide care unless breaks for caring were given to them; and

- (b) have regard to the needs of those carers who would be able to provide care for their disabled child more effectively if breaks from caring were given to them to allow them to:
- (i) undertake education, training or any regular leisure activity,
 - (ii) meet the needs of other children in the family more effectively, or
 - (iii) carry out day to day tasks which they must perform in order to run their household'

2.2 Under regulation 4
a local authority must provide, so far as is reasonably practicable, a range of services which are sufficient to assist carers to continue to provide care or to do so more effectively.

These range of services must include:

- day-time care in the homes of disabled children or elsewhere
- overnight care in the homes of disabled children or elsewhere
- educational or leisure activities for disabled children outside their homes
- services available to assist carers in the evenings, at weekends and during the school holidays.

2.3 The Children Act 1989 also requires the Local Authority to provide a range of support services for children and includes a specific duty under section 20 to provide accommodation for children

2.4 The funding allocations are made in accordance with the local authority's financial regulations.

Human Resources

3.1 Any impact upon Derbyshire workforce will be investigated fully and reported as appropriate. Considerations will be made and shared with Cabinet when appropriate.

Information Technology

4.1 None

Equalities Impact

5.1 The proposed scheme will provide specialist provision for children with disabilities and their families pupils to access support appropriate to their needs. Reflected within the Short Break Programme Equality Impact Assessment.

Corporate objectives and priorities for change

6.1 Not applicable

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

7.1 Not applicable