



Report for:
ACTION

Item Number:

Contains Confidential or Exempt Information	Yes – part Appendix 1 is exempt from disclosure by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972)
Title	Ealing Service for Children with Additional Needs Accommodation
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Portfolio(s)	Cllr Kamaljit Nagpal, Cabinet Member for a Fairer Start
For Consideration By	Cabinet
Date to be Considered	8 th December 2021
Implementation Date if Not Called In	21 st December 2021
Affected Wards	All
Keywords/Index	Ealing Service for Children with Additional Needs (ESCAN)

Purpose of Report:

The report considers options for future accommodation for the Ealing Service for Children with Additional Needs and approves the principle of the Council entering into a new 10-year lease with a 5 year break for Carmelita House.

1. Recommendations

It is recommended that Cabinet:

- 1.1 Notes the current position with regard to accommodation for the Ealing Service for Children with Additional Needs and options for future accommodation as set out in paragraph 3.7 below.
- 1.2 Approves the principle of the Council entering into a new 10-year lease at Carmelita House with a 5 year break either with the West London NHS Trust (the Trust) as a co-lessee or by means of a separate licence agreement with the Trust.
- 1.3 Delegates authority to the Director of Growth and Sustainability to negotiate the terms of the lease and authorise the completion of that lease following consultation with the Portfolio holder for a Fairer Start, the Portfolio holder for Good Growth, the Assistant Director Planning Resources and Service Development and the Director of Legal & Democratic Services.

- 1.4 In the event that the Trust does not enter into the new lease, delegates authority to the Director of Growth and Sustainability to negotiate the terms and authorise the Council to enter into an agreement with West London NHS Trust to allow them to continue to share occupation and costs of Carmelita House with the Council in order to deliver integrated services.
- 1.5 That the financial, accounting, tax implications and cost recoveries from the NHS Trust of any final decision regarding the lease are subject to consultation with the Chief Finance Officer.

2. Reason for Decisions and Options Considered

2.1 Ealing Service for Children with Additional Needs (ESCAN) is currently based at Carmelita House. The Council's existing lease on Carmelita House ends on 13 May 2022. Officers have considered options for future accommodation as set out in paragraph 3.7 below. Officers have also consulted internal and external partners and had regard to the Council's accommodation strategy. Engagement around alternative models and sites has led to a shared view that the Carmelita House site offers value and flexibility. If the Council did not take up a new lease on Carmelita House, the Council staff would need to be accommodated elsewhere which could impact on the quality of both Council and Trust services, and outcomes for children and young people with additional needs and their families.

3. Key Implications

3.1 Ealing Service for Children with Additional Needs (ESCAN) is a multi-agency service run by the NHS and Ealing Council that gives both families and professionals a single point of contact for information, referrals, assessments and appropriate help for children and young people with special educational needs and disabilities living in the London Borough of Ealing. This service is currently based at Carmelita House, 21-22 The Mall, Ealing, London, W5 2PJ.

3.2 ESCAN is a key feature of the Council's Local Area Offer and strategic delivery model in relation to Ealing's statutory responsibilities for children and young people 0-25 years with special educational needs and disabilities. This was recognised in the 2019 Local area SEND inspection which can be found here:

<https://reports.ofsted.gov.uk/provider/44/80493> The report findings set out that, while there remain challenges, the service is highly valued by parents:

'The support provided to families by key workers to coordinate packages of care is highly regarded by those who access specialist teams working in Ealing Services for Children with Additional Needs (ESCAN), family nursing and the child development unit. Inspectors heard from some parents about how invaluable this has been and how colocation is helping to embed the 'tell it once' approach. However, some feel that changes in staffing mean that they have to repeat their story to new staff. Some parents told inspectors that they feel overwhelmed by the amount of coordination they have to do themselves to be able to support their child in accessing services'.

3.3 Demand for the Council services that form part of ESCAN (Children with Disabilities, SENAS, Educational Psychology) is ongoing and increasing. The number of children and young people with Education, Health and Care Plans continues to rise, with a further 10% increase to 2,956 plans in January 2021. Growth in Ealing has been similar to both the London and national averages over

the past year (10%) and the past three years (34%). Children with EHC plans now represent 3.1% of the age 3-24 population. This has increased from 2.3% in 2018.

- 3.4 The Council currently shares the site with the Trust who occupy under a licence. This was recently renegotiated and expires in May 2022 at the same time as the existing lease. The West London NHS Trust share occupation of Carmelita House with the Council in order to deliver integrated services. The Trust contribute towards rent and running costs of the building, reducing the Council's spend at the property. They have indicated that they are keen to continue the arrangement under the proposed new lease for a period of up to 10 years.
- 3.5 The Council's Occupational Health Services (to all Ealing employees) have been located on the top floor of Carmelita House since they vacated from Ealing Town Hall as part of the Town Hall decant. Entering into a new lease on Carmelita House would also enable Occupational Health to continue to use this space to deliver this service.
- 3.6 The Council services that form part of ESCAN (Children with Disabilities, SENAS, Educational Psychology) currently total around 70 employees. The Family Information Service, Parenting Services and Early Years Services are also being considered for relocation to Carmelita House as part of the Perceval House decant. These services total around a further 40 staff. Should the Council enter into a new lease, the future occupation of the building will need to give consideration to both the New ways of working and any ongoing COVID 19 requirements with regards to social distancing as this would significantly reduce occupancy levels.
- 3.7 In delivering the Council's statutory responsibilities and related accommodation of teams the following options have been considered:

Option 1 – Cease co-location, and proceed as a virtually integrated service, requiring the Council and separately the NHS Trust to each secure their own accommodation. The Council's services could be considered for Perceval House relocation through this process. However, there is concern that there may be limitations around customer access, and the service believes this would be a significant challenge to families, a risk to the Council's reputation and it would reduce the quality of the local offer. In the worst case this may put at risk the current areas of strength set out by the Ofsted report and further exacerbate areas requiring improvement:

Overall, leaders are taking effective action and have demonstrated that they have the capacity to continue to make improvement. Leaders are open and honest in recognising their strengths and weaknesses in implementing the SEN reforms. They use a wide range of information across education, health and care to inform their self-evaluation. It is detailed, and in most respects accurate. However, leaders have underestimated the level of dissatisfaction of parents and carers.

Option 2 – Co-locate services elsewhere (including Perceval House) delivering an integrated service, requiring the Council and Trust to secure alternative accommodation. This approach would result in disruption to services users during any period of relocation. Existing Perceval House development plans do not accommodate the specific health, clinical and customer facing requirements, and to include these requirements in the design would have a detrimental impact on the existing business plan which delivers new Council accommodation through the creation of residential units. It is also apparent that Perceval House scheme timescales are not aligned as a possible alternative in the short to medium term.

Option 3 – Continue to co-locate at Carmelita House as an integrated service. This approach would avoid disruption to services users and is considered to represent commercial value for money. This is the recommended option. Details can be found in confidential appendix A. A 10 year lease with a break at 5 years could allow the Council flexibility to seek alternative co-location opportunities within the medium term which, with options including the redeveloped Perceval House. The current lease expires on 13 May 2022. Unless a new lease is agreed with the landlord, the Council (and the Trust) must vacate the premises by this date. The lease could be entered into either with the West London NHS Trust (the Trust) as a co-lessee or by means of a separate licence agreement with the Trust

Option 1 and 2, if taken forward, would not preclude the Council entering into a new lease for Carmelita House and using the site for an alternative purpose.

3.8 Under any option, the Council is committed to delivering the best outcomes for children, young people and their families and continue to work towards the Council's overarching new ways of working to ensure efficient cost effective use of accommodation.

3.9 If Option 3 was taken forward without the Trust as co-lessee and the Trust subsequently took the decision not to enter into a new licence, the Council would be liable for the full cost of the Carmelita House lease. The risk of this is set out in confidential appendix A.

4. Financial implications

4.1 The financial implications of the proposal are set out in the confidential appendix A, which gives further detail on the current lease arrangement with the landlord and the share funding arrangement with the NHS.

4.2 The budget for ESCAN accommodation is funded from the General Fund. The gross budget is sufficient to recover to fund the overall gross costs of the lease with 50% of the rental and running costs funded by the NHS under the present arrangement.

4.3 The proposal to enter into a new lease arrangement will need to be contained within the existing budget and contributions from the NHS and this needs to include any Stamp Duty Land Tax consequences from the transaction.

4.4 The financial, accounting, tax implications and cost recoveries from the NHS Trust of any final decision regarding the lease are subject to consultation with the Chief Finance Officer,

5. Legal

5.1 The Council has the power to enter into a lease for the purposes of any of their functions under section 120 of the Local Government Act 1972.

5.2 Section 10 of the Children Act 2004 requires the Council to make arrangements to promote co-operation between itself and the NHS to improve, amongst other things, the physical, mental and emotional well-being of children within its area. Part 3 of the 1989 Act sets out the Council's powers and duties to support services for children in need and their families. Section 17 of the 1989 Act provides that the

Council has a general duty to safeguard and promote the welfare of “children in need” in their area.

5.3 Any change in provision or services should be considered in accordance with the public sector equalities duty to eliminate unlawful conduct under the Equalities Act 2010. The duty is set out at Section 149 of the Equality Act 2010. It requires the Council, when exercising its functions, to have ‘due regard’ to the need to eliminate discrimination (both direct and indirect discrimination), harassment and victimization and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who share a ‘protected characteristic’ and those who do not share that protected characteristic.

6. Value for Money

6.1 See confidential appendix A.

7. Sustainability Impact Appraisal

7.1 The Council, through its accommodation strategy, seeks to deliver improved energy efficiency, renewables, active travel, and electric vehicle facilities.

8. Risk Management

8.1 The lease would be negotiated to limit the risk to the Council. Further details can be found in confidential appendix A

9. Community Safety

9.1 The Carmelita House office space is configured to meet the community safety requirements of the customer facing elements of the service.

10. Links to the 3 Key Priorities for the Borough

10.1 This proposal would contribute to “fighting inequality” by enabling the delivery of integrated services between the Council and the NHS for children with additional needs.

10.2 The proposal will aim to contribute to “tackling the climate crisis” by seeking to negotiate with the landlord around improved energy efficiency / renewables and electric vehicle charging points as conditions on the new lease.

11. Equalities, Human Rights and Community Cohesion

11.1 An Equalities Analysis Assessment would be undertaken should the option to cease co-location or move the service be taken forward.

12. Staffing/Workforce and Accommodation implications

12.1 Mitigation actions to be considered in minimising disruption to Ealing Service for Children with Additional Needs. Along with an ongoing commitment to ‘New Ways Of Working’ delivering flexibility to staff in working from the office, remotely, or from home.

12.2 Improvements to the quality of the accommodation would be sought through the negotiations.

13. Property and Assets

13.1 Entering into a new lease would enable the Council's continued shared occupation of Carmelita House.

14. Any other implications

14.1 None

15. Consultation

15.1 Early consultation with the key stakeholders in the Trust. Extensive consultation with service users would be required should the option to cease co-location or move the service be taken forward.

16. Timetable for Implementation

16.1 Should the option to agree a new lease be taken forward, negotiations would take place between December 2021 and April 2022 and the lease would commence in May 2022. If an alternative option is taken forward there will need to be comprehensive planning over a period of time, in consultation with key stakeholders.

17. Appendices

Appendix A – Confidential financial information

18. Background Information

None

Consultation

Name of consultee	Post held	Date sent to consultee	Date response received	Comments appear in paragraph:
Internal				
Cllr Kamaljit Nagpal	Cabinet Member for A Fairer Start	14.10.21		
Cllr Shital Manro	Cabinet Member for Good Growth	14.10.21		
Judith Finlay	Executive Director Children, Adults and Public Health	14.10.21		
Lucy Taylor	Executive Director, Place	14.10.21		
Carolyn Fair	Director, Children and Families	14.10.21		
Charles Barnard	AD Early Years, Prevention, Youth Services, and SEND	14.10.21		
Jackie Adams	Head of Legal Services (Commercial)	6.10.21	7.10.21	Throughout
Justin Morley	Head of Legal Services (Litigation)	7.10.21	12.10.21	5
Ross Brown	Chief Finance Officer	14.10.21		
Russell Dyer	Assistant Director of Accountancy	14.10.21	28.10.21	1.5

Report History

Decision type:	Urgency item?
Key decision	No
Report no.:	Report author and contact for queries:
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