



Arolygiaeth Gofal a Gwasanaethau Cymdeithasol Cymru
Care and Social Services Inspectorate Wales



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Her Majesty's Inspectorate
for Education and Training in Wales

**Report of the CSSIW-Estyn review of the
development and subsequent closure of the**

Hyfrydle Children's Home

September 2008

Report of the CSSIW-Estyn review of the development and subsequent closure of Hyfrydle, the implications for children and young people and the impact on other social care and educational services at Ysgol Plas Brondyffryn

Contents	Page
Introduction	1
Methodology	2
Summary of findings	4
Context	6
Terms of reference 1	8
Need	8
Funding	9
The planning phase	10
Joint planning and management within the local authority	11
Planning for partnership with the North Wales local authorities	13
Planning for partnership with the Brondyffryn Trust	14
Planning for partnership with the Welsh Assembly Government	14
Risk management	15
Progressing the project	15
Terms of reference 2	19
Chronology of events November 2007 to July 2008	19
Critical path analysis	24
Terms of reference 3	27
Terms of reference 4	31
Potential short-term impact	32
Potential longer term impact	32
Appendix 1	

Introduction

- 1 On 24 July 2008, Jane Hutt AM, Minister for Children, Education, Lifelong Learning and Skills, requested the Care and Social Services Inspectorate for Wales (CSSIW) and Estyn to undertake a review following the decision of Denbighshire County Council to close Hyfrydle children's home. The terms of reference for this review are to:
 - consider the decision making process through which it was decided to open a 52-week a year residential unit in November 2007;
 - provide a critical path analysis of the period between early November 2007 and 15 July 2008, when the decision to close was taken;
 - report on the planning which the local authority has undertaken to meet the needs of those young people already in residence, or intended to be in residence at Hyfrydle once the closure decision had been taken; and
 - reach an assessment of the potential effect of the closure of Hyfrydle on other social care and educational services provided at the Ysgol Plas Brondyffryn site.
- 2 This early review was conducted by CSSIW in relation to the exercise of social services functions is the Welsh Ministers power of review under section 94 of the Health and Social Care (Community Health and Standards) Act 2003 and by Estyn in relation to the exercise of education functions the powers are those in section 38 of the Education Act 1997.

Methodology

- 3 The review was conducted by a team of inspectors from CSSIW and Estyn and comprised:

Rhonwyn Dobbing	Inspector	CSSIW
Iona Roberts	Team Manager	CSSIW
Janice Thomas	HMI	Estyn
Sue Willan	HMI	Estyn

- 4 To ensure that the review was fully informed, the Wales Audit Office was available to provide specialist advice as required. Relevant issues arising from the review will inform the Wales Audit Office review of corporate governance in Denbighshire County Council which will take place in September 2008.
- 5 Field work was conducted over eight days between the 11 and 28 August 2008. During this time the review team scrutinised records and correspondence, including emails, minutes of meetings, reports and committee papers, relating to the four issues outlined in the terms of reference of the review.
- 6 The local authority prepared a chronology which summarised the key milestones in the development and decision making relating to commissioning of this facility and its subsequent closure. The local authority also made available a draft copy of their own independent management review of Hyfrydle to the review team.
- 7 The review team also interviewed the following officers and members:
- the chief executive;
 - interim corporate director: lifelong learning;
 - corporate director: social services and housing;
 - interim head of partnership and inclusion;
 - lead officer: additional learning needs;
 - the registered manager, Hyfrydle;
 - the head of children and family services;
 - the headteacher of Ysgol Plas Brondyffryn;
 - the leader of the council;
 - the chair of governors of Ysgol Plas Brondyffryn;
 - portfolio members for education and social services;
 - members responsible for the decision to both open and close the residential unit;
 - performance management development manager, social services and housing;
 - a Hyfrydle parent;
 - the previous responsible individual;
 - the previous deputy headteacher of Ysgol Plas Brondyffryn involved in project management of Hyfrydle, and
 - social services care management staff from Denbighshire County Council and other placing authorities.

- 8 The review team also accessed records relating to Hyfrydle held by the Welsh Assembly Government and interviewed relevant officials. The powers of the CSSIW and Estyn do not extend to evaluating the role of the Welsh Assembly Government in this project, although this report includes references to actions taken by the Welsh Assembly Government.
- 9 All those involved with the review have co-operated fully and the review team wish to express their thanks to them for their assistance.

Summary of findings

- 10 The development of Hyfrydle children's home was the final phase of an ambitious project with a vision to create a regional centre of excellence for children with autistic spectrum disorder. The full project comprised the redevelopment of a special school with residential facilities. Starting in 2000, this project was completed in 2007.
- 11 Overall the project has been successful, the exception being the development of the 52-week residential provision, Hyfrydle.
- 12 Many factors impacted on the development of the Hyfrydle project.
 - a. Seven years have elapsed between conception and completion of this project. During this time the 'landscape' changed significantly in a number of ways, including:
 - the development of alternative models of care and support for children with autistic spectrum disorder; and,
 - the emergence of expertise within the independent sector and the development of direct competition to Ysgol Plas Brondyffryn and its residential facilities.
 - b. In developing the project there has been:
 - poor project governance and communication;
 - limited market appraisal and research;
 - inadequate planning, management and review;
 - a lack of continuity in project management as a result of a high turnover of key staff;
 - the dissolution of the Brondyffryn Trust;
 - a lack of clarity amongst key stakeholders concerning responsibilities and accountabilities;
 - a lack of consistent and effective engagement between key stakeholders over the duration of the project; and
 - an absence of effective joint working in the local authority on this project, although the review team found evidence of some recent improvement in this area.
 - c. Developing and operating a children's home:
 - insufficient professional expertise was sought from the outset concerning the development and operation of this children's home; and
 - changes in policy and regulations during the period, notably the Care Standards Act 2000 was implemented.

- 13 The implications of all of these factors were not fully recognised and the issues relating to the management of the project were not effectively addressed. Project plans were not subject to re-appraisal or adjusted to take account of the changed landscape and circumstances prior to the opening of Hyfrydle in 2007. It was only after Hyfrydle opened that this project was subjected to re-appraisal.
- 14 The delays in completing the Hyfrydle project had a significant impact on its viability. The decision to review the viability and future use of Hyfrydle in 2008 was based on genuine and valid concerns about the appropriateness and financial viability of the provision.
- 15 Before Hyfrydle opened, the financial risk was known to and accepted by Denbighshire County Council. Once Hyfrydle was open, the extent of deficit in its operating costs was recognised by the authority as being greater than originally forecast. In the circumstances, the decision to review the provision was appropriate.
- 16 Given the need to attract more authorities to place children in Hyfrydle for it to become viable, the authority had little option but to continue on the basis of 'business as usual'. In order that more children could be placed in the home, additional staff had to be recruited and in place, however, these staff should not have been formally appointed until the decision on the future of Hyfrydle had been made.
- 17 The arrangements to place up to three new children in Hyfrydle were insufficient to make it viable.
- 18 In order to minimise the potential disruption in the lives of these children if Hyfrydle closed soon after they were placed there, the authority shortened the review process.
- 19 The report to cabinet and outline business case set out the options for Hyfrydle and identified the limitations of available evidence on which a decision was to be made, given the circumstances.
- 20 The speed and timing of decision making concerning the closure of Hyfrydle meant that little time was available to work with the children involved and their families in managing their transition to a new home and school.
- 21 It is not within the terms of reference of this review to undertake a market appraisal or a detailed review of the viability of Hyfrydle and the actual and projected operating deficits. Nor is it within the remit of the review team to examine in detail the overall expenditure on the project, the use of prudential borrowing and use of school buildings improvement grant. However, it is clear that all parties have struggled to provide clear accounts which disaggregate the expenditure of the different funding sources.
- 22 The closure of Hyfrydle has to date had little impact on other educational and social care facilities at Ysgol Plas Brondyffryn.

Context

Hyfrydle

- 22 Hyfrydle children's home was commissioned to provide 52-week residential care for pupils at Ysgol Plas Brondyffryn. Hyfrydle is a registered children's home, designed for a maximum occupancy of 11 children, and registered for 6 children when it first opened in November 2007. Hyfrydle forms an integral part of a wider redevelopment and was one of the final parts of a major project to improve Ysgol Plas Brondyffryn and to establish it as a special educational needs regional centre of excellence for young people with autism in North Wales, providing education, care and support for children and young people, and their families, across North Wales throughout their childhood.

Ysgol Plas Brondyffryn

- 23 Ysgol Plas Brondyffryn is a maintained residential and day special school for pupils from three to 19 years of age which provides a regional facility for children and young people with autistic spectrum disorders (ASD). It is run by Denbighshire County Council. The school was established in 1974 and since this time has provided day and 38-week residential special education. Pupils are admitted to the school from local authorities in North Wales and from neighbouring authorities in England.
- 24 The school has been subject to a major capital redevelopment programme as outlined below.

Phase 1

- Key stages 3 and 4 new build replacement facilities at Denbigh High School which were officially opened in September 2004.
- Key stages 1 and 2 provision (Tyn Fron) on the site of Ysgol Frongoch Primary School, which was completed in January 2006 and opened at Easter 2006.

Phase 2

- A 38-week residential unit, named Gerddi Glasfryn, at the Gwynfryn site (the site was gifted to Denbighshire County Council by the Welsh Assembly Government in 2002). Children and young people from Ysgol Plas Brondyffryn began using this new facility in mid-2006. As part of a residential special school, this is subject to inspection by CSSIW and Estyn.
- An intensive support unit, Ty'r Ysgol, at the Gwynfryn site to meet the complex educational needs of young people in Hyfrydle. Ty'r Ysgol has four classrooms and can accommodate up to 12 children.
- A 52-week residential children's home, Hyfrydle, on the Gwynfryn site. Work was completed on this building in July 2006. Managers for the unit took up their posts in September 2006, but the facility did not receive its first two residents until November 2007. As a residential children's home, Hyfrydle is subject to registration and inspection by CSSIW.

- 25 A full chart of the provision at Ysgol Plas Brondyffryn is shown in Appendix 1.
- 26 The redevelopment and refurbishment of the school's buildings have been successful. The scheme has promoted inclusion and has led to improvements in outcomes for pupils which were confirmed in the Estyn inspection report of Denbighshire local authority education services in July 2007 which noted:

“Examples of very effective practice include the support that the authority provides for the inclusion of pupils with autistic spectrum disorder in mainstream schools, for example through the partnership work between Ysgol Plas Brondyffryn and local mainstream schools.”

- 27 The report went on to state that:

“Over the past three years, the authority has improved the accommodation and resources in its two special schools significantly. The high quality of provision at Ysgol Plas Brondyffryn is generating an increased demand for places from families within and outside the authority. The authority has improved the accommodation and increased the scope of provision at Ysgol Tir Morfa. As a result, pupils who would formerly have been placed in out-of-county special schools now benefit from access to good quality provision closer to home.”

- 28 It should also be noted that the 38-week provision, Gerddi Glasfryn is well used by pupils attending the school from across North Wales.
- 29 In July 2008, at the time of the decision to close Hyfrydle, Ty'r Ysgol was providing education for two Hyfrydle residents and for several other Ysgol Plas Brondyffryn pupils.

Terms of reference 1

Consider the decision-making process through which it was decided to open a 52-week a year residential unit in November 2007

Need

- 30 The review team established that from as early as 1999, a former Minister in the Welsh Office was lobbied by Denbighshire County Council to support Ysgol Plas Brondyffryn's endeavours to become a regional centre of excellence. This followed an Office of Her Majesty's Chief Inspector (OHMCI) inspection in 1998 which reported that the "...school falls some way short of achieving the levels of quality associated with a centre of excellence." OHMCI's principal concerns were about major deficiencies in school buildings and residential accommodation. At this time, it was accepted that the school's 38-week residential hostel would not meet the requirements of the forthcoming National Minimum Standards for Residential Special Schools. Concerns were also raised about the fact that some pupils left the school when their families could no longer cope with their challenging behaviour. These pupils required 52-week residential provision and this facility was not available at Ysgol Plas Brondyffryn at the time. Often these young people were placed far away from North Wales, for example, in Southampton.
- 31 There was further lobbying to improve provision in North Wales for young people with autism, from the local authority, a number of North Wales Assembly Members and MPs, and a former Minister at the Welsh Office. These representations were supported by staff, the headteacher and parents of pupils attending Ysgol Plas Brondyffryn as well as voluntary organisations. The then Minister for Education and Lifelong Learning, visited Ysgol Plas Brondyffryn on 1 November 2000 and saw first-hand the poor condition of the school buildings. During this visit the Minister was pressed by the local authority and the governing body of the school to provide financial support for the school's redevelopment.
- 32 Following her visit, the then Minister for Education and Lifelong Learning announced on 24 November 2000 in Plenary that she was allocating £2 million to the costs of redeveloping Ysgol Plas Brondyffryn.
- 33 The opportunity for funding to improve the school buildings served as a catalyst for developing the Minister's and council's vision of Ysgol Plas Brondyffryn as a regional centre of excellence for children and young people with autism across North Wales. This vision was shared by school staff and governors as well as parents.
- 34 Although the provision of both 38-week and 52-week residential provision was seen as integral to the provision of a regional facility, particularly by parents groups, the review team could find no evidence that any formal research was undertaken to determine the potential need for 52-week residential placements for children with autistic spectrum disorder across North Wales. However, the business case does refer to a research project commissioned by the Assembly and undertaken by Gunars Grinvalds on low incidence disability across North Wales. Grinvalds' findings in relation to autism concluded that there had been an increase in children diagnosed with autism and this had posed problems for all agencies in providing suitable services to meet the needs of the whole autistic spectrum.

Funding

- 35 During the local authority planning phase of the redevelopment project the Assembly was approached by parents and governors of the school, seeking assistance in acquiring the Gwynfryn site, which the health trust had declared was "surplus to requirements". The Brondyffryn Trust, a charitable foundation, was established in October 2001 to raise funds to improve facilities and school buildings. The Trust received a donation of £250,000 from the Shirley foundation towards the improvements. The Trust included local business people, school governors and parents amongst its membership.
- 36 The estimated costs and funding arrangements for the two phase redevelopment were:
- **Phase One:** The redevelopment of Tyn-y-Fron and the Denbigh High School site to provide upgraded and suitable units for all key stages 1-4 pupils from Ysgol Plas Brondyffryn. **Estimated cost:** £2.25 million, of which the Assembly would contribute £2 million and the local authority £0.25 million.
 - **Phase Two:** Ancillary support facilities - residential and respite care, intensive education unit, assessment unit, parents and teacher training unit. **Estimated cost:** £3.5 million. The funding for Hyfrydle was to be the responsibility of the Brondyffryn Trust. The review team could find no specific estimate for this cost.
- 37 In July 2002, the then Minister for Education and Lifelong Learning announced that she would be releasing £2 million to enable work to commence immediately on the redevelopment of Ysgol Plas Brondyffryn. She also announced that the project would include the ancillary facilities as outlined above.
- 38 Apart from the original financial investment that the Welsh Assembly Government made for the design and build programme, it also gifted to Denbighshire County Council, the former Gwynfryn Hospital site in order that the residential facilities, Hyfrydle and Gerddi Glasfryn, along with Ty'r Ysgol could be located on it (Phase 2). The notional value of the site at this time was £350,000. The gifting of the site was conditional on its continuing use as a regional centre for autism for North Wales.
- 39 In accepting money from the Welsh Assembly Government the council committed itself to the whole of the development as described above.
- 40 The actual spend on the overall Ysgol Plas Brondyffryn development amounted to £6.2 million with the Assembly contributing almost £4 million and Denbighshire County Council nearly £2.2 million from prudential borrowing. The overall figure of £6.2 million includes a capital expenditure of just over £2 million on Hyfrydle and Ty'r Ysgol.

The Planning phase

- 41 Following the announcement by the then Minister for Education and Lifelong Learning in November 2000, a series of meetings, discussions and consultation events took place involving all key stakeholders across North Wales between November 2000 and April 2001 which led to the development of an action plan. This was the focus of a further phase of consultation which resulted in a report outlining the "shared vision of Denbighshire County Council and the Brondyffryn Trust". This process was very time consuming because of the large number of stakeholders involved and the complex nature of the development. However, it is clear from the documentation available that senior officers within the lifelong learning directorate and the social services directorate were involved in the consultation process.
- 42 A business plan, informed by the aforementioned report was submitted to the Welsh Assembly Government in July 2002. This plan indicates that tenders had been submitted for the building of phase one and phase two was at the planning permission stage. The business plan indicates that the redevelopment would be completed in April 2004.
- 43 The gifting of the Gwynfryn site led to considerable delays in the phase two development as the Grade II listed hospital buildings presented design and refurbishment challenges. The building programme for Hyfrydle was actually completed in July 2006 but the 52-week provision did not open and receive its first residents until 5 November 2007, due to issues relating to staffing and registration as a children's home.
- 44 The review team could find no evidence that the original business plan, 2002, was presented to the cabinet or any local authority committee in Denbighshire. Reports relating to the redevelopment of the school were presented later to the cabinet for their agreement to the complex arrangement to finance the project.
- 45 The business plan 2002 provides evidence that consultation took place across all North Wales local education and social services authorities, and includes evidence of consultation with relevant health bodies and recognition of the funding complexities involved in providing not only education facilities but also residential care facilities across the North Wales local authorities and health bodies. The report and business plan also recognise the complexity of this project and identified risks.
- 46 The partnership between Denbighshire County Council and a charitable trust was an innovative concept but not without difficulties because of the legal complexities involved in a charity being responsible for raising funds to refurbish the buildings and to operate a residential service on behalf of the council. The consultation report sees the freedom to fundraise as an asset, stating that:

"...as a charitable foundation it will be able to raise money through charitable appeals. This will inevitably take time and one of the challenges will be to manage the development of new residential facilities over an extended period."

- 47 However, although a feasibility study was undertaken by the lifelong learning directorate in relation to the project, it focused mainly on budgetary issues and risks, the building developments, acquisition of land and so forth. The review team could find little evidence that at the beginning of the project, and indeed throughout its life, there was any focus on the difficulties and inherent challenges in managing and operating a 52-week residential facility - a children's home for a group of children with a wide range of challenging behaviours and abilities. Therefore the challenges and complexity of developing and providing a range of highly specialist resources for children with autism and their families across North Wales was never fully tested.

Joint planning and management within the local authority

- 48 Within Denbighshire, although a development group for the building project was established, most of the early work and consultation was undertaken by a former director of education and a senior officer, together with the headteacher. The development group comprised the director of education, a senior manager of the lifelong learning directorate, the headteacher, officers of the county architects department and a representative of the council's property asset unit. There was no representative from the social services directorate on the development group at this time, although the steering group had requested the involvement of this directorate in 2006. There is evidence of only limited involvement of this directorate up until March 2008 when the head of children's services accepted the chair of the project group, set up by the interim director of education and lifelong learning, with responsibility to consider the future of Hyfrydle. The review team were told that this was the first formal or informal request received by the head of children's services to contribute to the project. In November 2006, the social services directorate was asked to nominate a representative on the management board to monitor and support Hyfrydle, it nominated the NCH (National Children's Homes) manager from the other children's home in Denbighshire as its representative.
- 49 Whilst the original business plan contained appropriate financial profiling of the project, this profile was based on assumptions about the likely demand for places that were not derived from any detailed assessment of the market. This plan also recognised that all the skills required to manage this project did not reside in one person or in one directorate and it was recommended that a project manager be appointed to manage the project.
- 50 The authority lacked a full appreciation of the challenges in running a specialist children's home. Children placed in 52-week placements are usually at least part-funded by social services and are effectively looked-after children for whom there are considerable statutory responsibilities. This is quite different to the responsibility of managing a 38-week residential boarding facility. Prior to opening Hyfrydle, the other children's home in Denbighshire was not directly managed by the authority, it was managed on the authority's behalf by NCH.
- 51 With the implementation in 2002 of the Care Standards Act 2000, the 38-week residential provision had to meet new National Minimum Standards and the planned 52-week provision would have to be registered as a children's home and operated accordingly. This latter issue and its implications were not clearly understood and appreciated by officers within the local authority and this only became clear to cabinet members when they held an informal cabinet meeting on the 8 July 2008.

- 52 Having to register Hyfrydle as a children's home has been a key issue which has dogged the planning and development of Hyfrydle. The separation of management responsibility for Hyfrydle from the rest of the school has created tensions which has led to the development of complex and complicated management arrangements. Indeed, it was friction over the management arrangements of the residential facilities that led to a breakdown in relationships between Denbighshire County Council and the Brondyffryn Trust. A report to Denbighshire County Council cabinet on the 24 February 2004, confirmed the headteacher's concerns about lines of accountability and the split management responsibilities between the school, governors and the Trust.
- 53 The management arrangements for Hyfrydle have remained complicated and confusing. Since opening, the registered manager of Hyfrydle has found himself in a difficult position; his job description states that he is accountable to the headteacher and this was initially the case. However, line management responsibility was transferred to the 'responsible individual', but the registered manager's job description currently does not reflect this change. The responsible individual is responsible for supervising the management of the home. This person has to carry sufficient seniority within the organisation to be in a position to make decisions on behalf of the organisation in a timely fashion. They must have the authority and resources to implement findings arising from regulation, inspection and quality audits. In contrast, the registered manager has operational responsibility for a children's home, including responsibility for admissions.
- 54 There have been two different officers from the lifelong learning directorate approved in the role of responsible individual since the registration of Hyfrydle in November 2007. The first responsible individual retired the day after Hyfrydle opened and notification of the departure of the second responsible individual was given in May 2008. Subsequently the authority indicated its intention to put forward the head of children's services to become the (third) responsible individual. At Hyfrydle, the responsible individual had oversight of the management of the home and the registered manager received professional supervision from NCH because there was no one in the lifelong learning directorate with the relevant experience to provide this. These complicated arrangements have only served to increase tensions and confusion. Supervision of the registered manager is currently being undertaken by the head of children's services.
- 55 In November 2006 the school governing body was expanded in order to form a management board which would monitor and support Hyfrydle. The social services directorate was asked to nominate a representative and they nominated the NCH manager responsible for the other children's home operated by the authority. The education department then commissioned this NCH manager to undertake supervision of the registered manager of Hyfrydle and to undertake the independent statutory visits. The review team consider that, ideally, both of these responsibilities should have been undertaken by someone within the social services directorate.
- 56 The review team identified further evidence of concerns about the lack of joint co-ordination for children's services in the local authority. In July 2007, Estyn published a report on the "The Quality of Denbighshire Local Authority; Strategic

Management, School Improvement, promoting Social inclusion and well-being and Additional learning needs" which identified important shortcomings.

57 The July 2007 report stated:

"There is no overall co-ordinated inclusion strategy to link additional learning needs, social inclusion, the children's services agenda and school improvement. Also, the authority as a whole does not have a coherent picture of the wider outcomes for pupils with additional learning needs. This limits the impact of the good, and sometimes very good, work of the ALN services. As a result, the authority does not know the costs of particular types of provision relative to the level of need.

The authority's funding mechanism for special school places has not been reviewed recently and, as a result, the funding formula does not currently meet the needs of individual pupils in the special schools."

58 As a result of this report, the education authority was made subject to a ministerial intervention protocol and a programme of monitoring is currently being undertaken by Estyn. The monitoring visit conducted in May 2008 identified progress in addressing joint working and noted that: *'Officers at all levels in education and social services gave evidence of improved communication between education and social services.'*

Planning for partnership with the North Wales local authorities

59 In January 2004, the authority was advised that funding from the Assembly amounting to £1.6 million, covering the amount already spent by the authority, would not be released until signed copies of the service level agreements from other authorities committing them to placing children within the 38-week and 52-week residential units were received. Meetings were held involving Welsh Assembly Government officials, senior managers within Denbighshire County Council including the chief executive to discuss these matters.

60 Although authorities did commit themselves verbally at a meeting convened by Denbighshire County Council and attended by officials, the review team could not find any evidence that service level agreements had been signed except by one authority. Further if subject to challenge, it is possible that the service level agreement scrutinised by the review team would not be binding on this authority.

61 Most of the subsequent consultation and discussions across North Wales have taken place with the special educational needs (SEN) group of officers for the North Wales local education authorities which has limited discussion and participation with other relevant bodies. This is important as funding for 52-week placements is usually shared between social services, health and education on bi-partite or tri-partite basis. The review team would have expected that discussions, particularly about funding arrangements, would involve the head of children's services group which meets regularly across North Wales.

Planning for partnership with the Brondyffryn Trust

- 62 The Brondyffryn Trust encountered difficulties in its fund-raising activities and subsequently received additional funding from Denbighshire County Council to enable it to continue its activities. It was suggested by Denbighshire County Council that it may be possible to use prudential borrowing to progress the project and this led to protracted negotiations. The intention was to manage the residential units and other facilities through a joint venture company to be formed by the Brondyffryn Trust. This was a complex arrangement requiring clear specifications for educational and residential provision and management.
- 63 From around 2002 there was a lengthy period of working out suitable partnership arrangements with the Brondyffryn Trust for the 52-week provision of residential facilities at Hyfrydle. The charity commission were uneasy about this arrangement and a number of meetings were held between the Trust and Denbighshire County Council, including the chief executive and the charity commission to resolve this issue. There were increasing concerns and tensions between the Denbighshire County Council and the Trust which required the assistance of Welsh Assembly Government officials and the then Minister for Education and Lifelong Learning. However, ultimately these issues were not resolved and, as a result, the Brondyffryn Trust was dissolved in March 2004.
- 64 Following the dissolution of the Brondyffryn Trust, there was a major change in how this project was taken forward. At this critical point the authority did not use the opportunity to review and evaluate the project, to reassess the viability and financial risks of the various strands of the provision. No objective overview was carried out. Instead Denbighshire County Council undertook responsibility for ensuring that the residential units would be built. In acceptance of the risk as originally proposed, the authority would have shared the risk through the involvement of the Brondyffryn Trust. Instead the new arrangements meant that the whole financial risk was to be borne solely by Denbighshire County Council. It also meant that the authority would have to forego access to potential funding from charitable sources and incur additional development costs. These risks were reported to cabinet in September 2004.
- 65 Following the dissolution of the Brondyffryn Trust, Community Support of Autism in Wales (C-SAW), a parents support group, was established, which undertakes fundraising to support the residential provision at Ysgol Plas Brondyffryn.

Planning for partnership with the Welsh Assembly Government

- 66 Early papers and reports relating to this project indicate that the stakeholders in Denbighshire viewed the development of the regional centre of excellence as a partnership between themselves and the Welsh Assembly Government. Whilst the review team has not found clear evidence of formal monitoring arrangements for this project being put in place between the Welsh Assembly Government and Denbighshire County Council, throughout the life of this project there has been regular contact between Assembly officials and the authority with officials visiting the authority up to seven times in a year.

Risk management

- 67 The development of the residential units was financed by prudential borrowing but the authority reached agreement with other authorities that they would pay increased fees to reimburse the capital costs paid by Denbighshire County Council. This was reported to cabinet on 28 September 2004. The risks involved in undertaking this venture were clearly understood and accepted by the authority. In a report to a previous cabinet on the 24 February 2004 it was emphasised that *“the risk of under-utilisation will fall totally on Denbighshire County Council.”* And again, on the 28 September 2004, a report to the same cabinet seeking agreement to progressing the residential facilities advised that *“there is financial risk to the Authority if planned occupancy levels are not reached. The timing of opening of the new facilities could have a revenue impact, as will the take-up of the number of places.”* All the financial information presented to members made it clear that the unit would be operating at a financial loss for the first two years and potentially more if adequate placements were not taken up. However, the council did not give enough weight to the risk in relation to the operation of a children's home set up to provide a service to a significant number of commissioners and funding authorities, including six social services authorities and six local health boards.

Progressing the project

- 68 The former director of education and lifelong learning who had been the original project sponsor left the authority in the autumn of 2004 and the director of resources became the project sponsor. At this point a project manager was appointed and she started work on the project in March 2005. A senior member of staff from Ysgol Plas Brondyffryn was also seconded to the project for two separate periods assisting with the development of the site and preparing policies, procedures and associated documents for the application for registration to CSSIW. In September 2006 when the building work was completed, responsibility for the building and the project was transferred back to the lifelong learning directorate and the director of education and lifelong learning became the project sponsor.
- 69 The complexity of the financial arrangements, the legal arrangements and the protracted negotiations around the gifting of the site involved additional and complex work for the authority. External firms were commissioned to undertake design work and some of the legal work meant that much of the focus and the attention of the people involved was on the financial arrangements and the building project. The expertise needed for operating and managing a specialist children's home was not recognised as being a critical factor in achieving a positive outcome. This omission led to further delays and difficulties over the next year.
- 70 Concerns have been shared with the review team about the lack of involvement and commitment to this project by managers within the social services directorate. Senior managers within this directorate have stated that this project had not been a priority for them until very recently. Between 2004 and 2006 they found themselves subject to scrutiny from the Care Standards Inspectorate for Wales and the Social Services Inspectorate for Wales which had a range of concern's about children's services including prosecution of the authority for running an unregistered children's home, a critical report of its fostering services and significant workforce issues. Senior

managers' attention was focused on the internal problems within the social services directorate.

- 71 However, it is clear to the review team that there has also been concern within the social services directorate about the project. This arises from a real dilemma and concerns expressed by senior managers about equity of access to services for children with other disabilities and special needs.
- 72 In 2006 serious tensions arose from a view taken by the lifelong learning directorate that the children's social services and the local health board should contribute to the cost of the four Denbighshire children receiving respite care within the 38-week residential unit at Gerddi Glasfryn. Until this point their placements had been funded by the lifelong learning directorate. This had serious consequences for budgets within children's services because they had to identify an unplanned cost of £134,000. For senior managers in the social services directorate this underlined the issues of equity of access for respite care because of the specialist nature of the resource; more services were available for children with autism than for children with other disabilities whose families might have had more pressing needs for respite care.
- 73 The lifelong learning directorate did not have the experience of running a children's home, as evidenced, for example, by the human resources section basing the job descriptions and salary scales on those of staff in residential care homes for the elderly. This led to salaries for the managers not being set at a competitive rate and led to difficulties in recruiting staff. When appointments were eventually made, it was then discovered that the appointments did not meet the regulatory requirements, which led to further delays in opening Hyfrydle. Two proposed managers for the unit eventually took up post in September 2006. Only the current manager was registered as the other did not meet the required level in respect of experience or qualifications.
- 74 The registration process took longer than anticipated because, by this stage, the proposed registered manager did not now meet the new regulatory qualification requirements which came into force in July 2007, although he may well have been able to register with CSSIW (with the proviso that he attain the relevant qualifications) if the application had been made earlier. The new regulations introduced in July 2007 made these qualifications a statutory requirement.
- 75 Further delays arose as the lifelong learning directorate began to prepare for the registration of Hyfrydle as a children's home and the implications and the responsibilities of running a children's home became evident. The successful development and operation of Hyfrydle required corporate ownership and responsibility which at this point was not in place. It was very difficult for the lifelong learning directorate to nominate a responsible individual as evidenced earlier in this report.
- 76 As a result, instead of submitting an application to CSSIW for the registration of Hyfrydle in December 2006 as originally planned; it was not submitted until March 2007. Hyfrydle did not open until November 2007. The review team have not been able to identify specific reasons for this final three to four month critical delay, but evidence from registration records and interviews suggest that the authority struggled

to identify a responsible individual and to recruit care staff. As well as their problems in identifying an appropriate responsible individual, key documentation, eg the Statement of Purpose, did not meet the necessary requirements. Further, considerable difficulties were encountered in devising appropriate staffing structures because of the difficulties in recruiting care staff.

- 77 The way in which the registration process was managed by the lifelong learning directorate in meeting the necessary requirements had a significant impact on the financial viability of Hyfrydle. The application for registration was received by CSSIW the day after an application was made to them from an independent provider to register an independent school with a children's home for 23 children (with an option to rise to 30) for 52 weeks a year. The lifelong learning directorate was aware of this development because in October 2006, the deputy headteacher of Ysgol Plas Brondyffryn moved from his post to become headteacher at the new independent school, and the head of care and other care staff from Gerddi Glasfryn, the 38-week residential unit, also left to work in this new school. This meant that, expertise and experience for caring for children with autism was lost to the lifelong learning directorate. These members of staff had made a significant contribution to the preparation for the registration of Hyfrydle.
- 78 In spite of losing staff to a new independent school in the region, which would be in direct competition with Ysgol Plas Brondyffryn and its residential facilities, no formal review of the local authority's position or of the project took place at this point. This was the second major change in circumstances surrounding the development of this project, providing a clear opportunity for a review, yet no such action was taken. In fact, the view was taken by officers in the authority that the unit could still attract placements because it would be operating in a 'niche' market and offering placements for young people with very challenging behaviour. Given the difficulties in recruiting experienced managers and the problems in attracting care staff at this time, this was an optimistic view.
- 79 These final delays were critical because the new independent school and children's home opened in the area in September 2007, two months before Hyfrydle opened in November 2007. The review team have been advised that a total of nine children with autism from North Wales authorities have or will have been placed in 52-week residential placements in Hyfrydle and the new independent school between September 2007 and October 2008. Not all of these children may have been suitable for placement at Hyfrydle, but nine children was the break even number calculated by the local authority to make Hyfrydle financially viable.
- 80 In the face of the recruitment problems the authority decided that Hyfrydle should be registered initially to take six placements with the option of varying the registration when more placements were agreed and sufficient additional staff had been appointed and trained. Furthermore, the challenges of re-modelling a listed building re-emerged because one of the units in Hyfrydle was considered to be too small for four residents which resulted in the decision to reduce the number to three, thereby reducing the overall number children who could be accommodated in Hyfrydle from 12 to 11.

- 81 By the time Hyfrydle opened it was operating in a competitive market place, with the competition on its doorstep, representing a very different environment from the time at which it was first conceived seven years earlier in 2000.
- 82 There was also limited funding available to invest in equipment and facilities at Hyfrydle, and the manager did not have a delegated budget, although he did have a weekly allowance. There was a sharp contrast between Hyfrydle and the new nearby independent school which had a sports hall, cinema and separate gardens for each unit. Staff reported that “...*families and professionals who visited the unit never returned after they had visited the independent provision.*” Additionally, the lack of experience of staff of working with children with autism began to emerge when a disproportionate number of physical restraints of the children in residence were reported in spite of the large number of managers in the unit. Members of the review team who visited the unit, and the NCH manager employed to provide professional supervision and undertake statutory independent visits, expressed concern about this and the lack of “*personalising*” within the units which presented an institutional aura in the children's home.

Terms of reference 2

Provide a Critical Path Analysis of the period between early November 2007 and July 2008 when the decision to close (Hyfrydle) was taken

Chronology of events November 2007 to July 2008

- 83 **5 November 2007:** Hyfrydle opened, and was registered as a children's home for six children but at that time only two residents took up places in the unit. At the same time, there were significant changes at council level within Denbighshire.
- 84 **15 November 2007:** Modernising education board meeting held where the financial viability of Hyfrydle is discussed.
- 85 **27 November 2007:** The first meeting of the recently formed cabinet of Denbighshire County Council is held. It was also the first meeting for the new leader of the council who was also the new lead member for education and lifelong learning. Also present for the first time was the interim director of education and lifelong learning.
- 86 One of the urgent items discussed at this meeting was the revenue budget and summary capital plan 2007 to 2008. Much discussion took place around the identified projected overspend on Ysgol Plas Brondyffryn which arose from the 52-week residential facility Hyfrydle. Because there were only two placements in the Unit at the time, this meant an anticipated overspend of £277,000 with a further projected loss of £200,000 in the next financial year. It was pointed out that the facilities expected to generate annual surpluses from 2009/2010.
- 87 Cabinet recommended that urgent action should be taken to fill the vacant places at the 52-week residential unit at Ysgol Plas Brondyffryn.
- 88 **30 November 2007:** The head of inclusion highlighted the facilities the authority could offer at Ysgol Plas Brondyffryn at an All Wales Inclusion group meeting.
- 89 **5 December 2007:** A meeting was held between the interim director of education and lifelong learning and chair of governors of Ysgol Plas Brondyffryn when the financial viability of Hyfrydle was discussed.
- 90 **18 December 2007:** The cabinet noted within the revenue budget monitoring report a forecasted significant overspend within the education directorate; part of this was due to the lack of placements at Hyfrydle. The leader confirmed the overspend situation in relation to 52-week residential facility at Ysgol Plas Brondyffryn was unacceptable and this was currently under review. The interim director of education and lifelong learning advised members that there was a need to assess the degree of confidence that could be placed on the assumptions around occupancy next year.
- 91 Following this meeting, the then head of partnerships and inclusion had been tasked by the interim director of education and lifelong learning to review the use of Hyfrydle and the 38-week provision. She projected pupil numbers over the next two years (see paragraph 92).

- 92 **10 January 2008:** In a meeting between Assembly officials and senior managers within Denbighshire's local authority, the Assembly was advised of the difficulties emerging with Hyfrydle. Against the registered capacity of six, only two places were filled. The lifelong learning directorate advised that this would result in a shortfall of £277,000 in 2007-08 rising to £562,141 by the end of 2008-2009 with the full cost having to be met by Denbighshire. Thereafter, the projections suggested that if the occupancy rate could be increased to nine, the overall funding was due to come back into the black by 2010-2011. The interim director of education and lifelong learning confirmed that there were no signed service level agreements in place with other North Wales authorities. The authority asked the Assembly Government to consider funding this deficit and also to seek the Minister's support in encouraging other North Wales authorities to use the provision.
- 93 **16 January 2008:** A letter was written to the authority confirming that the Welsh Assembly Government had already made significant investment in the project and that the Minister was unlikely to agree to other financial contributions. The letter also confirmed the proposal that the authority would ensure that SEN officers across North Wales were updated about this facility. Soundings would also be taken by the authority across the North West region of England. The Assembly also stated that it was not considered appropriate to ask the Minister to write to other North Wales authorities to recommend one provision above another.
- 94 **4 February 2008:** Discussions took place regarding the future options for Hyfrydle with the governing body of Ysgol Plas Brondyffryn. The governors took a vote and were unanimous in opposition to closing the provision.
- 95 **5 February 2008:** A meeting was held with trustees of Community Support of Autism in Wales (C-SAW); they voiced concern about the possible closure of Hyfrydle and subsequently wrote about this to the interim director of education and lifelong learning.
- 96 **7 February 2008:** A meeting was held including Assembly officials, elected members, the school, officers of the lifelong learning directorate and officers of the children's and adult social services directorate. There was extensive discussion around all possibilities and options. Three options were identified:
- i. maintain the existing facility;
 - ii. reduce the facility to a single unit; and
 - iii. complete closure.
- 97 **12 February 2008:** A letter was sent from the Welsh Assembly Government to the authority confirming the content of the discussions and concerns were expressed about the option of closure. The letter points out that the Assembly may have to consider some "claw back" of its financial investment unless there is some agreed suitable alternative. The review team have been told by some of those attending this meeting that they held different views as to the outcome of this discussion.

- 98 **19 February 2008:** A paper prepared by officers within the local authority was presented to cabinet recommending the closure of the 52-week provision at Hyfrydle children's home, with effect from 1 September 2008 at the latest. Members were also asked to note the need to develop an exit strategy for the service that protected the interest of the current occupants as well as the council's financial position.
- 99 Members were advised in the paper that five out of the six North Wales authorities (Denbighshire being the sixth) had no active interest or young people to put forward for 52-week care and at that time there were no other requests 'in the pipeline'. The cabinet decided that more detailed information was required and agreed the establishment of a multi-disciplinary group to develop a financially viable option for making the best use of the facility for vulnerable children, young people or adults with complex or multiple needs. This group comprised officers from education, social services, finance, project management and health along with a representative of Hyfrydle children's home governing body. The leader of the council made clear that the decision on the facility had to be made during the term of the current council.
- 100 Meanwhile, the leader and interim director of education and lifelong learning visited the site and were impressed with the facility. The leader met with the press officer to discuss marketing the facility.
- 101 **4 March 2008:** The multi-disciplinary group met, it was chaired by the interim director of education and lifelong learning. Present were key members of education and finance staff, the headteacher of Ysgol Plas Brondyffryn, the head of care of Hyfrydle, a senior representative of Denbighshire Local Health Board, the director of social services and the head of children's services. During the meeting it was reported that all the agencies agreed that Hyfrydle was a valuable facility which should be kept open if at all possible. It was also agreed that the provision could not be justified only for children with autism, but instead the agencies involved needed to be more creative about the range of complex needs that could be met at the provision. It was agreed that the most viable alternative use for Hyfrydle was to explore the options for the provisions to meet the needs of young people with severe learning difficulties whilst if possible contributing services to young people with autism.
- 102 The meeting was advised that the proposal had been discussed with the Welsh Assembly Government and the authority had been informed the change of designation from a home for children with autism to one for children with autism and other complex needs would be possible. Subsequently, the head of children and family services was tasked to chair the project group, and to deliver a comprehensive business plan for the future use of Hyfrydle by the 1 September 2008. The meeting was also advised that at this point in time there was an improved estimate of placements for 2008-2009 indicating a rise in numbers to six from September 2008. This increase may have been as a result of a recent marketing campaign. However, the home would still be projecting an overspend in 2008-2009 because it had been estimated that it would take nine children to achieve break-even point.
- 103 **6 March 2008:** An email was sent to the head of pupil support within the Assembly from the then head of partnership and inclusion in Denbighshire indicating that, in the light of decisions "*reached by all partners*" that "*Hyfrydle will continue as a home for*

children and young people and will probably (hopefully) reach 5/6 residents by the time the business plan is ready in the short term". She also added "May I also say that closure was not on the agenda." This latter reference provided Assembly officials with a degree of reassurance that Hyfrydle would be viable.

- 104 **March 2008:** Cheshire County Council applied for a place at Hyfrydle for a young person. Officers from Cheshire were not told that the provision was under review. On the contrary, they were encouraged to proceed with formal paperwork and a transition programme for the young person's phased entry.
- 105 **7 May 2008:** The cross-directorate project group met for the first time. It was sponsored by the interim director of education and lifelong learning, chaired by the head of children's services and managed by the performance and quality manager. In addition, the project team included the following Denbighshire staff:
- interim head of partnerships and inclusion;
 - headteacher of Ysgol Plas Brondyffryn;
 - registered manager, Hyfrydle;
 - assistant deputy manager, Hyfrydle;
 - business manager, Ysgol Plas Brondyffryn;
 - lead officer ALN; and
 - management accountant.
- 106 The project group's brief was agreed to consider four options for Hyfrydle:
- to remain as a 52-week residential facility for young people with ASD (i.e. retain current use);
 - the statement of purpose to be extended to include clients with severe learning difficulties (SLD);
 - out of county placements from England to be targeted; and
 - consideration of closure.
- 107 **22 May 2008:** A meeting between the project sponsor (interim director of education and lifelong learning), head of children's services (project chair) and project manager, performance manager social services department to confirm the project initiation document.
- 108 **27 May 2008:** A project group meeting was held. The draft project initiation document presented stated all options, subject to the registration requirements of CSSIW being met, are available to the project team to consider including closure of the residential provision.

- 109 **12 June 2008:** A project group meeting was held. Discussion focussed on key issues; the questionnaire to ascertain the views of SEN and social services placement officers and the potential placements of children and staffing.
- 110 **26 June 2008:** The interim corporate director of lifelong learning met a Welsh Assembly Government official to discuss Hyfrydle.
- 111 **30 June 2008:** Three agreements for new residents were presented to the interim head of partnerships and inclusion by the registered manager of Hyfrydle. The children were planned to take up their places in September 2008.
- 112 **2 July 2008:** In the project group meeting two new placements for Hyfrydle were confirmed as commencing in mid-July 2008.
- 113 **3 July 2008:** A meeting was held between the interim director of education and lifelong learning, the director of social services, the interim head of inclusion, the head of children's services and the project manager to discuss placements and the viability of Hyfrydle. On the basis of the evidence gathered, which indicated that closure was the only realistic option, and with the imminent placement of two children in mid July, it was agreed to proceed with writing the business case for closure for presentation to an informal cabinet for discussion the following week.
- 114 **3 July 2008:** The Ysgol Plas Brondyffryn admissions panel meeting confirmed to a Flintshire local authority officer that a place was available at Hyfrydle for a prospective new resident.
- 115 **4 July 2008:** An officer from Denbighshire met with SEN officers across North Wales to discuss their responses to the survey previously circulated in an attempt to identify prospective residents for Hyfrydle. This officer was a member of the project group, but had no knowledge that a decision to recommend closure had already been taken the previous day.
- 116 **8 July 2008:** During the morning an informal cabinet meeting was called. A draft business case was tabled at the meeting by the project sponsor, which recommended closure. Members were asked if they would support a business case for closure of Hyfrydle if presented to formal cabinet. No minutes were taken at this meeting.
- 117 During the afternoon, local councillors and the new chair of the lifelong learning scrutiny committee were called to a meeting with the corporate director for social services and housing to explain the recommendation to the cabinet to close Hyfrydle.
- 118 The head of children's services convened a meeting of staff at Hyfrydle. The managers of Hyfrydle were advised that cabinet had indicated that they would support a closure decision that would be presented to cabinet on 15 July 2008. Staff at Hyfrydle were advised that they might be made redundant.
- 119 A press release was sent out from the local authority stating *"that cabinet will be recommending at its meeting on July 15th to close Hyfrydle, the 52-week facility for pupils attending Ysgol Plas Brondyffryn"*.

- 120 The governing body of Ysgol Plas Brondyffryn was called to a meeting with the interim director of education and lifelong learning at 5:00 pm in Ruthin. At this meeting, the governors were informed of the closure of Hyfrydle.
- 121 The social worker for one child resident was asked to inform parents about the closure and this was done late afternoon that day. The parent of one young person, due for imminent admission was informed of the closure on the telephone by a member of staff from Hyfrydle. Social workers for the other child resident at Hyfrydle and those for two of the young people due for admission informed parents on 8-9 July.
- 122 **8 July 2008:** Flintshire LEA's SEN officer was informed by telephone that the planned placement of a potential client at Hyfrydle could not proceed.
- 123 **9 July 2008:** The SEN casework officer in Cheshire was informed in a telephone call from a parent that the provision at Hyfrydle was closing.
- 124 **15 July 2008:** Cabinet voted to close Hyfrydle by six votes to three.
- 125 **18 July 2008:** Cheshire local authority was informed by letter from the head of children's services, Denbighshire, of the decision to close Hyfrydle.
- 126 **21 July 2008:** Flintshire head of children's services was informed by letter from the head of children's services, Denbighshire, of the decision to close Hyfrydle.
- 127 **16 August 2008:** All chief executives across North Wales were sent a copy of the business case supporting the decision to close Hyfrydle children's home.

Critical path analysis

- 128 In September 2006 the head of children's services drew the attention of the director of education and lifelong learning and the director of social services and housing, to the issues in respect of funding hostel placements at Gerddi Glasfryn, Ysgol Plas Brondyffryn. She expressed concerns about:
- the impact of the funding arrangements for overnight stays at Gerddi Glasfryn on the children's services budget;
 - the inequalities in access to respite care for children with disabilities other than ASD across Denbighshire; and
 - the potential for these same issues to arise in relation to 52-week placements in Hyfrydle in due course.
- 129 These corporate issues have never been fully resolved. The review team heard evidence from several sources that suggests there are still ongoing tensions between education and social services in arrangements for funding overnight stays at Gerddi Glasfryn. However, the authority is beginning to make progress in the arrangements for joint working between education, social services and health in relation to service planning for children with disabilities.

- 130 As evidenced earlier in this report, the July 2007 Estyn inspection of Denbighshire local authority was highly critical of the quality of the authority's strategic management, including the management of finance and joint working between education and social services departments, although there has been some recent progress in this respect, The July 2007 report acknowledged that:
- "There are outstanding features in the authority's provision for pupils with speech, language and communication difficulties were outstanding. Examples of very effective practice include the support that the authority provides for the inclusion of pupils with autistic spectrum disorder in mainstream schools, for example through the partnership work between Ysgol Plas Brondyffryn and local mainstream schools."*
- 131 Following this inspection, there were significant changes in the composition of the cabinet, and also in key post holders at senior management level in education in the authority.
- 132 At the same time that Hyfrydle opened in November 2007, local authority officers and members raised concerns about the viability of Hyfrydle, when the projected overspend was first identified to the recently appointed cabinet. Yet the advice to the previous cabinet had made it clear that the unit would be operating at a financial loss for the first two years and, with this knowledge, the authority continued with the development. The interim director of education and lifelong learning took up his post in November 2007 and made it a priority to improve teaching and learning across Denbighshire. His decision to review the provision at Hyfrydle as a matter of priority was the first time that this had happened since the project was conceived, despite earlier opportunities to do this. The interim director identified as a key risk that the actual and potential financial loss to the authority of running Hyfrydle might limit the funding available to invest in improving mainstream schools.
- 133 As a result, between November 2007 and February 2008, the authority was seriously considering closure of Hyfrydle, even though it had only just opened. However, in March 2008 there was a change of strategy, following strong representations from the Welsh Assembly Government, the Ysgol Plas Brondyffryn governors and other stakeholders. From March 2008, the predominant message was 'business as usual' and a push for the facility to be more vigorously marketed in Wales and neighbouring English authorities.
- 134 The review by the project group began in May 2008, with a brief to report to elected members during September 2008. In the event, the review was concluded early, in July 2008, without reference to all members of the group, with a recommendation that closure was the only viable option. The reason given for bringing the review to an early conclusion was that, even with the two current and three prospective new residents, the home was not viable, and it was decided that it would be unfair to admit new residents when the facility was to close almost immediately afterwards.
- 135 Although a project team comprising key stakeholders was set up, it is evident that not all of its members were included in the decision-making process to recommend closure of Hyfrydle. Some team members were surprised to find that the review had concluded and reported to members in July, rather than September, and that a decision had been reached without consulting or informing them. Instead, the

decision to recommend closure of Hyfrydle was taken at a meeting on 3 July 2008 attended by the interim director, education and lifelong learning, and the director of social services, the head of children's services, the interim head of partnerships and inclusion and the project manager. The recommendation was put to cabinet members at an informal meeting on 8 July, followed by a written report to a formal cabinet meeting on 15 July.

136 The report of the review that was presented to cabinet on 15 July recommended:

- that the cabinet agree the closure of Hyfrydle; and
- given the potential impact on the young people involved, that officers have proceeded to terminate the planned placements in July and September (cabinet to note this action has been taken).

137 The report and outline business case evaluating the four options that were presented to cabinet on 15 July, and subsequently circulated to partner authorities by the chief executive on 16 August present a coherent rationale, supported by a range of information, particularly in relation to the financial impact of maintaining Hyfrydle. However, the review team noted a number of points in relation to these reports:

- (1) Whilst a project group was commissioned to undertake the review, most of this team played little or no part in evaluating the four options, and were not given the opportunity to participate in the decision to recommend closure.
- (2) The option to close Hyfrydle was based on a well-argued, and valid, financial case. However, in presenting the key issues and risks to the cabinet, the written report omitted some details about the background to the project, and did not identify the likely objections from key stakeholders. The need to consult staff, residents, their families and their advocates was highlighted in section 6 of the report, but only once the decision had been made. In the event, the decision to close Hyfrydle has had a greater impact on Denbighshire's reputation and relationships with key partners than officers and members anticipated.
- (3) The accompanying outline business case also contains some inaccurate information, in particular, the statement in paragraph 2.1 that '*Unfortunately no detailed business case or market analysis to support the establishment of Hyfrydle can be located. The Authority's Project Management Team and the Head of Ysgol Plas Brondyffryn have confirmed that they have not seen this key documentation, and we are unaware of it having existed.*' Paragraph 11.2 of the same document makes the more definite statement that '*...a written business plan for the operation of this home does not exist*'. Members were later informed that the original business plan had, after all been located (in the wrong file), but by this time the decision had already been made and implemented.

Terms of reference 3

Report on the planning which the local authority has undertaken to meet the needs of those young people already in residence, or intended to be in residence at Hyfrydle, once the closure decision had been taken

- 138 At the time the decision was made regarding the closure of Hyfrydle two children were resident, both having been there since the opening of the home in November 2007. Both had complex needs that are compounded by their limited communication skills. They were already long-term pupils at Ysgol Plas Brondyffryn and had been staying four nights per week at Gerddi Glasfryn, the 38-week boarding accommodation for the school. One young person was from Denbighshire and the other young person was from Ynys Môn.
- 139 Three other young people had also been assessed and offered places at Ysgol Plas Brondyffryn. Two were to receive their education at Ty'r Ysgol and one was to attend Rock House (the post-16 college facility attached to Ysgol Plas Brondyffryn) and they were all to reside at Hyfrydle. Transition arrangements were well advanced in respect of two of them with dates set for their admission into the home. One young person was from Cheshire and was due to move into Hyfrydle on 18/19 July 2008 and the other young person, from Flintshire, was due to be admitted before the end of July. A few days before the closure decision, the application for admission of a young person from Denbighshire, who was placed out of the county, was accepted and arrangements were being made for his transfer into Hyfrydle before the beginning of the school term in September.
- 140 All children placed at Hyfrydle were looked-after children accommodated under s20 Children Act 1989 with dual or tripartite funding arrangements between social services, education and health. Once the decision to close Hyfrydle had been made, Denbighshire social services directorate, now having line management responsibility for the home, assumed responsibility for informing the relevant staff in the current and proposed placing authorities. This was verbally in the first instance followed by formal letters to the other social services departments after the formal cabinet meeting on the 15 July 2008.
- 141 Parents were informed of the decision to close by their social workers in face to face interviews or by telephone by a member of staff at the home. Parents and social workers had been unaware of this possibility and their reactions were reported to be "shocked", "stunned" "staggered" and "devastated". Parents had to cope with the stress of finding an alternative suitable care and education placement for their child within a short period of time. There had been no consultation with parents prior to the decision being made. Some parents communicated their views to local councillors and officials.
- 142 Young people with ASD characteristically find change difficult to cope with and have extended periods of adjustment. Some of the young people concerned are known to have high levels of anxiety and for some these are exacerbated by their communication difficulties. The reactions of the young people, except one, remain largely unknown. The two young people resident at the home are as yet unaware of,

and do not have the capacity to understand, the need for and the nature of alternative arrangements being made for their care and education. One of them has high levels of anxieties and it is anticipated that the change in his care and education placement will bring about a strong reaction.

- 143 One young person due to be admitted to Hyfrydle has full understanding capacity and is reportedly anxious about the change in arrangements for his care and education. His transfer into Hyfrydle and Ysgol Plas Brondyffryn had been sensitively handled with a well-prepared introductory and transition programme devised and followed by his family, staff and other health and education professionals. Hyfrydle and attendance at Rock House had been described as "ideal" for his needs and his last chance to access education. The family and associated professionals were concerned about the lack of early communication from Denbighshire about the potential closure of Hyfrydle and for them to allow the preparation for transfer to proceed so far.
- 144 The two current and three prospective Hyfrydle residents are all pupils with statements of SEN¹. In each case, their LEAs had determined that their SEN could be met at Ysgol Plas Brondyffryn and had either issued a final statement to that effect, or were in the process of doing so.
- 145 The speed and timing of the decision to close Hyfrydle, and the failure to keep partner authorities properly informed during the review period, placed LEA officers, including Denbighshire's own SEN officers, in the exceptionally difficult position of having to revisit planning at very short notice towards the end of the school term, ie at a time when most school placements for the next academic year would have been settled, and schools about to close for the summer break.
- 146 Officers who were about to place children at Hyfrydle/Ysgol Plas Brondyffryn were informed of the closure two weeks before the planned placements were due to start. These officers were extremely concerned to be told that placements could not proceed. The unexpected and sudden decision had an immediate and significant impact on their own workloads as they needed to respond to highly anxious parents, attend multi-agency meetings, re-do paperwork and approach alternative schools, all at a time when schools were about to close for the summer holidays. One officer estimated that it took four weeks to arrange a suitable alternative and summed up the overall impact as follows:

"The uncertainty of placing this vulnerable child has had a detrimental impact on his family, involved LA officers in intensive work over a four week period when many schools were closed and left us with a certain amount of hesitation about applying to Denbighshire schools in future in case there is a repeat".

¹ The SEN Code of Practice for Wales (2002) sets out the statutory duties of local education authorities in respect of making residential special school placements for such pupils. Sections 8.70 to 8.79 of the Code of Practice deal with the requirements for consultation between LEAs and SSDs in making residential placements, whilst sections 8.80 to 8.86 cover consultation between LEAs and Governing Bodies of maintained schools.

- 147 These officers also confirmed that when they applied for places at Hyfrydle, in the period March to July 2008, at no time were they informed by Denbighshire County Council that the option to close Hyfrydle was under serious consideration.
- 148 The decision to close Hyfrydle automatically meant that the two current and three prospective residents could not be educated at Ysgol Plas Brondyffryn, and this therefore had immediate implications for Denbighshire, Ynys Mon, Flintshire and Cheshire LEAs' ability to meet statutory educational requirements. Officers with responsibility for SEN in all four authorities have taken swift and appropriate action, in exceptionally difficult circumstances, to make alternative provision to fulfil the requirements of pupils' statements.
- 149 In the meantime, the authority has made appropriate arrangements for the education of the two established residents of Hyfrydle to ensure that they will receive their full entitlement of at least 25 hours of education each week, prior to their transfer to their new school. These two young people will continue to attend Ty'r Ysgol until they move to their new placements. They will be taught by a specialist teacher, who is in a good position to continue to meet their educational needs.
- 150 More generally, following receipt of news of closure, all placing authorities' staff in social services and education, including those in Denbighshire, reacted professionally, continuing to provide support for parents and quickly initiating the relevant local systems for identifying and agreeing alternative specialist residential placements, including funding arrangements. Approaches were made by Denbighshire and Ynys Môn to the recently registered private provision in North Wales. Following visits by and the subsequent agreement of parents, applications were made and places offered following appropriate assessments, in respect of the two young people resident at Hyfrydle. As noted above, their admission to the new school/home will take place towards the end of September or early October.
- 151 Transition programmes are now being planned and will be expedited during September with final admission to the residential school/children's home at the end of September or early October. Some of the staff at the new private provision previously worked at Ysgol Plas Brondyffryn and are known to the young people and are familiar with their needs. Additionally, some staff currently working at Hyfrydle have been redeployed into Gerddi Glasfryn. All concerned believe this will ease the transition of the young people to their new school/home. Parents and social workers are satisfied with the arrangements and active co-operation between staff and managers at Hyfrydle and the new school/home. Their initial move into Hyfrydle was reportedly easier as they had already been part-time residents at Gerddi Glasfryn and some staff transferred to the home at the same time. There was continuity of education at Ysgol Plas Brondyffryn with their transfer into Ty'r Ysgol taking place later. However well managed the transition arrangements are, it is anticipated that the impact of this transfer into their new placement is likely to be greater as they are moving both home and school. This will be the third major change for them within 12 months.
- 152 One of the young people, who was imminently due for admission into Hyfrydle, has also been offered a placement at the new independent school/home. All staff have again co-operated fully in facilitating the transition there. This young person has high

anxiety levels and he, his family, care managers and staff at the proposed school/home are concerned about the reduced introductory period. He and his family felt it important that he is resident and settled there by the beginning of the academic year. All concerned are working together to achieve this and minimise, as far as possible, his anxieties.

- 153 The other two young people due for admission into Hyfrydle have, or are about to be, transferred into alternative placements. In both cases the decision to admit them into Hyfrydle/Ysgol Plas Brondyffryn had been made days before the closure decision. This placement was only marginally the preferred placement to meet their care and educational need due largely to its location. The parents and placing authorities had remained in contact with the other placement option and both Authorities – Denbighshire and Flintshire – were successful in securing places for the young people. One young person is already resident at the alternative placement and reportedly settling down well. He was unaware of the possibility of transfer to Ysgol Plas Brondyffryn and his parents had expressed a preference for the alternative placement. The other young person will transfer to the new school at the beginning of the new term. He and his parents were satisfied with the alternative residential school. However, it is some distance away from the parental home. Reviewed and amended care plans will allow for increased frequency of home visits despite the distance involved. Both these alternative placements are located outside Wales: one is close to the border – Shropshire, and the other in Cumbria.
- 154 Despite the initial strong reactions by parents to the news of closure and the subsequent stress associated with finding an equally suitable placement within a short period of time, most have reportedly accepted the alternative arrangements positively and in some cases are saying that the alternative placements would be their preferred option had they been given an earlier choice. Some understandably remain anxious about the impact on their children of an additional and unforeseen change. Some were concerned, and remain strongly so, about the lack of early information sharing with them prior to the decision to close Hyfrydle. This view was also shared by some professional social care staff.

Terms of reference 4

Reach an assessment of the potential effect of the closure of Hyfrydle on other social care and educational services provided at the Ysgol Plas Brondyffryn site

- 155 A key consideration of the potential effect of the closure of Hyfrydle is the future of the Ty'r Ysgol unit located in a two storey building between Hyfrydle and Gerddi Glasfryn. This unit was established for the express purpose of providing day education places for Hyfrydle residents. The rationale for the provision of Ty'r Ysgol alongside Hyfrydle was that children and young people in need of 52-week care would be likely to have a distinctive pattern of special educational need i.e. ASD, plus specific learning difficulties (SLD), plus challenging behaviour, and therefore would need higher levels of support and different teaching approaches than those normally offered in Ysgol Plas Brondyffryn's existing primary, secondary and post-16 classes.
- 156 The Ty'r Ysgol unit is described as education provision for key stages 4 and 5 pupils. The unit is part of Ysgol Plas Brondyffryn and the headteacher and the governing body are responsible for the quality of education delivered there.
- 157 Early in 2008, the criteria for admission to Ty'r Ysgol changed and it is now regarded, both by the headteacher and by education officers, as appropriately used not only for Hyfrydle pupils but also for other Ysgol Plas Brondyffryn pupils who need more intensive educational and behavioural support. This decision represents an appropriate use of a valuable educational resource that would otherwise have been under-used.
- 158 The business case for closure of Hyfrydle (presented to cabinet in July 2008) does not mention any intention to close Ty'r Ysgol at the same time. On the contrary, the implication is that Ty'r Ysgol will remain open, but at a cost to Ysgol Plas Brondyffryn. The local authority's 'Business case for future options' states:
- "If the home was to close there would be ongoing revenue consequences for Ysgol Plas Brondyffryn. Ysgol Plas Brondyffryn developed an educational facility for Hyfrydle and the costs of that facility are included as part of the costs of Hyfrydle. If Hyfrydle close, these costs would have to be picked up by Ysgol Plas Brondyffryn. The costs associated with the educational facility are teaching and cleaning staff, premises costs and prudential borrowing costs, which is assumed to be one third of the total prudential borrowing costs. The impact for the school would be an additional £225,317 per annum". (Paragraph 11.9)*
- 159 Despite the statement quoted above, the interim director of education and lifelong learning and finance director have since stated that the authority does not intend to recharge Ysgol Plas Brondyffryn for the prudential borrowing costs. Instead, Denbighshire County Council will cover this from a central budget.

Potential short-term impact

- 160 As outlined earlier in this report, the governing body of the school was not part of the consultation about the decision to close Hyfrydle. As a consequence, the governing body has not yet had any opportunity to consider the impact of this decision on Ysgol Plas Brondyffryn in general, or on Ty'r Ysgol in particular.
- 161 However, the decision to close Hyfrydle has had immediate consequences for Ysgol Plas Brondyffryn. The headteacher has already transferred the costs of teaching and non-teaching staff at Ty'r Ysgol into the base budget for Ysgol Plas Brondyffryn. This includes absorbing the costs of the two teaching staff at Ty'r Ysgol by appointing them to vacant posts instead of recruiting new staff in other areas of Ysgol Plas Brondyffryn.
- 162 By the end of the summer term the headteacher had rearranged the class lists on the assumption that the two current Hyfrydle residents would no longer be on roll at the school. As a consequence, it has been necessary for the authority to fund a supply teacher to teach the two pupils currently resident in Hyfrydle during the six-week period of transition between Ysgol Plas Brondyffryn and their new school.

Potential longer term impact

- 163 The authority has made it clear that, whilst the longer term use of Ty'r Ysgol must be the subject of further discussion between the authority and the school, it intends to do this as part of the further review work on the use of Hyfrydle.
- 164 The closure of Hyfrydle may reduce the number of children attending Ysgol Plas Brondyffryn educational facilities, as children needing 52-week placements will no longer be able to attend there.
- 165 For some authorities, the lack of consultation and the way in which information of the closure was imparted to them and the impact on the family concerned has led officers to lose confidence in Denbighshire County Council as a whole. Some professionals expressed doubts that, should the provision be re-opened for whatever purpose, they would choose to use it.
- 166 There is the potential for increased requests in frequency and extension of duration of stays at Gerddi Glasfryn.
- 167 Overall, the closure of Hyfrydle has to date had little impact on other social care and educational services provided at the Ysgol Plas Brondyffryn site.

Appendix 1



