

OPEN

Children and Families Committee

19 January 2026

National House Project

Report of: Dawn Godfrey, Executive Director, Children's Services

Report Reference No: CF/47/25-26

Ward(s) Affected: All

For Decision

Purpose of Report

- 1 The National House Project (NHP) is a targeted initiative aimed at providing stable, supportive, and long-term housing solutions for vulnerable children and young people, particularly those transitioning out of care.
- 2 This report outlines the project's purpose, intended outcomes, and business case for Cheshire East implementing a Local House Project as part of its leaving care offer.
- 3 It seeks approval for a total investment of £351,827 to be invested in the on-going base budget. This is on the basis that downstream **net** savings of between £95,270 and £294,472 (increasing to **£168,935** and **£368,637 from cohort 2**) can be achieved per annum per cohort, whilst also offering improved outcomes to our cared for children and care leavers.

Executive Summary

- 4 Cheshire East currently faces significant challenges in supporting care leavers, including limited housing options, long waiting times, and high costs for supported accommodation. The transition from care to independent living is often marked by instability, social isolation, and poor outcomes in education, employment, and health. The Local House Project (LHP) seeks to address these issues by providing a structured, community-based approach that equips young people with the skills, confidence, and support networks they need to thrive.

- 5 Appendix One / 1 is a full business case approved at Transformation Board on 26 November 2025 for the implementation of the NHP to be delivered locally in Cheshire East. The business case outlines the benefits both financial and non-financial of delivering this programme as one part of a wider Care Leaver accommodation offer for Cheshire East.
- 6 The project will be delivered through a dedicated team, working in partnership with local housing providers and care leaver ambassadors. A cross-departmental steering group will oversee implementation, ensuring alignment with the Council's improvement plan and wider strategic objectives. Appendix Two / 2 is a full offer pack from the NHP outlining the model and programme.
- 7 The proposed timeline includes establishing governance in February 2026, engaging housing providers, recruiting and training staff, and transitioning the first cohort of young people into their own homes from January 2027 onwards.
- 8 By investing in the Local House Project, Cheshire East can deliver a more effective, sustainable, and person-centred approach to supporting care leavers, achieving both immediate and long-term benefits for young people and the wider community.

RECOMMENDATIONS

The Children and Families Committee is recommended to:

1. Approve the implementation of the NHP to provide structured support for care leavers in Cheshire East.
2. Approve the investment to pump prime the costs of the first cohort and ensure projects sustainability at a cost of £351,827.
3. Take note of the proposed governance and oversight to ensure delivery and sustainability.

Background

- 9 The NHP is an initiative that supports young people leaving care and aims to ensure that they live connected and fulfilled lives. Working in partnership with Local Authorities to establish Local House Projects (LHP) it sees young people transitioning into their own homes successfully and in a planned and joined up way.
- 10 As of October 2025, Cheshire East has **520** cared for children. In the current year to date, **137** young people have left care, with the largest proportion (40% or 55) exiting due to them reaching the age of 18.

- 11 In the last 12 months, 34 Care Leavers have been rehoused with an average waiting time of seven months, but some have waited only two months, and this is dependent on where someone wishes to live and their accommodation choices.
- 12 Transitioning from the care system to independent living in Cheshire East presents numerous challenges for young people, often leading to adverse outcomes around housing instability, mental health challenges, education and employment barriers, financial instability, social isolation and low life satisfaction. Further detail can be found in the Full Business Case (Appendix 1).
- 13 Our Inspecting Local Authorities Children's Services (ILACS) inspection found that.
 - (a) Transition planning into adulthood for most care leavers is variable and not always robust.
 - (b) Some care leavers are homeless or in unsuitable accommodation, and that sufficiency of suitable placements is a challenge.
 - (c) Many care leavers are not accessing employment, further education, or training, and are ill-prepared for adulthood.
 - (d) Not all care leavers have meaningful relationships with their personal advisers, and that pathway plans do not always capture young people's voices or ambitions.
 - (e) Ofsted identified the lack of a dedicated safe space for care leavers to access support.
 - (f) Risk of harm is not always recognised or responded to effectively for care leavers, especially those over 21.
- 14 Addressing these challenges requires comprehensive support systems, including stable housing options, accessible mental health services, educational and employment guidance, financial literacy programmes, and robust social networks to ensure care leavers can successfully transition to independent living.
- 15 The NHP helps young people develop a range of essential skills to support their transition to independent living. These skills include:
 - (a) **Employment Skills:** guidance on job searching, to help young people secure employment
 - (b) **Educational Support:** support for continuing education
 - (c) **Practical Skills:** young people learn how to manage a household

- (d) **Emotional Skills:** helping young people build confidence, self-esteem, and the ability to cope with challenges
 - (e) **Social Skills:** strong communication and relationship-building skills are developed
- 16 These skills are taught through a combination of workshops, mentoring, and hands-on experiences, ensuring that young people are well-prepared for independent living. Delivered by a dedicated team of professionals and giving Care Leavers access to a safe space during and after the programme.

Timeline and Milestones

- 17 It is proposed that a House Project cross-organisational Steering Group be established during the initial stages of the project implementation led by an appointed Strategic Lead and an appropriate operational/ commissioning lead to oversee the delivery of the implementation plan (see appendix 1), ensure risks are appropriately managed and benefits are realised.
- 18 Should the project be mandated then the below are the proposed milestones for project delivery
- (a) Project Governance established – February 2026
 - (b) Housing Provider engagement – February 2026
 - (c) Recruitment of core staff – February - May 2026
 - (d) Training core staff – May – July 2026
 - (e) Recruit first cohort of Young People – May - August 2026
 - (f) Identify Housing Options – October 2026 – February 2027
 - (g) Young people transition into first homes – January 2027 – onwards

Consultation and Engagement

- 19 It is proposed that engagement and consultation takes place during the next stage of set up. The project will seek to engage with a group of Care Leavers, through the Care Leaver Ambassadors to determine how LHP can form a part of our offer to Care Leavers in Cheshire East. This group/ individual will, alongside Senior Leaders undertake engagement with NHP to initiate membership. As part of the NHP approach, engagement and consultation with children in care and care leavers is central. They state the decision to proceed with a LHP must be informed by the views of young people.

- 20 Furthermore, for any young person who may subsequently join the programme extensive engagement will take place to ensure the appropriateness and success for that young person with the programme.
- 21 Engagement will also be required with the Housing Sector to ensure that early in projects delivery there is work undertaken to secure homes for young people. Cheshire East housing team are engaged through various work streams relating to accommodation for Children in Care and Care Leavers to ensure that this is actioned. The NHP attended a joint meeting with housing colleagues and our housing sector in late 2024 to give an overview of the project, this was well received by our social housing sector. It is proposed to re-engage this forum again in February when they next meet.

Reasons for Recommendations

- 22 The proposed project is fully aligned with Cheshire East's improvement journey and the ILAC improvement plan, directly addressing key priorities identified by Ofsted and local strategic objectives. By implementing this project, the Council will fill a critical gap in housing and support for care leavers, ensuring that vulnerable young people have access to safe, sustainable accommodation and the wraparound support they need to thrive as they transition to adulthood.
- 23 This initiative also supports national policy aims to reduce youth homelessness and improve outcomes for care leavers, while delivering cost-effective and sustainable social care solutions for the Local Authority. Importantly, the LHP will expand the range of choices available to young people leaving care, complementing ongoing work to commission supported accommodation for 18-to-25-year-olds and strengthening Cheshire East's overall offer to care-experienced young people.

Other Options Considered

Option	Impact	Risk
Implement a LHP as part of a broader offer for Care Experienced young people	<p>Young people experience a varied off from Cheshire East. A cohort of young people will benefit from the Hour Project Programme and move into their own home following completion.</p> <p>Improves accommodation and support offer to Care Experienced young people and Care Leavers following ILACs. Currently spending circa £99k per week on post 18-year-olds, this work compliments the 16-</p>	<p>Investment The cost of establishing a LHP required pump prime investment for year one and two until years 2-3 when savings will start to be realised. We are currently also spending £99k per week on post-18 provision. There will need to be careful oversight of a benefits realisation plan to ensure the project is sustainable.</p> <p>Availability of Housing Stock Securing enough appropriate housing for care leavers is a key risk, as limited availability could delay young people's transition to independent living. The project team will work proactively with local housing</p>

	<p>25 accommodation with support offer.</p> <p>Financial benefits are demonstrated in paragraph 27 to 29 and present a potential saving to the Placement Budget. Circa £169k to £368k from cohort 2.</p> <p>Broader benefits articulated in the report around the associated costs of homelessness, education and training and social inactivity.</p>	<p>providers to review current housing opportunities and establish a pipeline of suitable homes in line with the Housing policies. Early engagement and ongoing collaboration with housing partners will help ensure that accommodation needs are met in line with project milestones.</p> <p>Governance Cross organisational working will be key to delivery. A cross organisational steering group will be required to ensure the project's success and include housing, care leavers, adult-social care and commissioning.</p> <p>Capacity Cross organisational support will be required from Strategic Housing to ensure projects success with housing providers. Capacity should be identified to support the steering group.</p> <p>Recruitment There is a risk that the project may face challenges in recruiting and retaining the skilled staff required to deliver the National House Project. Delays or gaps in staffing could impact the project's ability to launch on time and provide consistent support to care leavers.</p>
Do nothing and do not implement NHP to enhance the offer to Care Leavers in CE.		<p>There will continue to be a limited offer to Care Leavers in Cheshire East, with now more than 70 post-18 years in paid for Supported Accommodation beds the placement budget will continue to be a challenge.</p> <p>The outcomes associated with implementing LHPs will not be achieved.</p>

Implications and Comments

Monitoring Officer/Legal/Governance

- 24 Section 22(3) of the Children Act 1989 establishes the general duty of the Local Authority who looks after a child to safeguard and promote the child's welfare. This duty underpins all Local Authority activity involving looked after children and extends to care leavers. The report outlines a project which could have advantages to the Council in terms of savings as outlined in paras 27 to 36 in the costs of discharging its duty to Care Leavers. With reference to dealings with NHP; the pack appended at Appendix 2 indicates that a membership agreement is to be entered into:
- 25 Once a decision is made to proceed a membership agreement will be signed. This outlines the obligations on both parties and the NHP provides

direct support and guidance and shares the tools and resources to establish a LHP (see offer document). NHP support the LA to recruit skilled staff and provide training related to the psychologically informed practice, the impact of trauma, social pedagogy, the ORCHIDS framework, and the House Project Programme.

- 26 This aspect needs to be considered with the procurement team and further advice sought from Legal to consider whether there are any issues posed to entering into such an agreement in terms of the Council's contract procedure rules and whether a WARN will be required to allow the membership to be proceeded with. It is thought at this stage that if the services to be delivered via the NHP can be considered to fall within the scope of the "light touch" provisions of the Procurement Act this would facilitate entry into the membership agreement on the basis of the making of a direct award.

Section 151 Officer/Finance

- 27 Implementing a LHP involves establishing a dedicated, permanent core delivery team within the Local Authority. This team typically consists of one full-time Project Lead (Grade 11) and two full-time Facilitators (Grade 7).
- 28 The NHP has estimated that key contributing elements will result in a first-year cost of approximately £308,148. This is projected to reduce to £277,662 in the second and third years. Then slightly lower again in year 4 due to the reduction in NHP membership fees. This is the minimum cost to run an LHP. The cost of Ofsted registration is at £3,600.

Project Costs	Year 1	Year 2	Year 3	Year 4
Project Manager (Grade 11 1.00 FTE)	£ 73,665			
Project Lead (Grade 11 1.00 FTE)	£ 73,665	£ 73,665	£ 73,665	£ 73,665
Facilitators (Grade 7 2.00 FTE)	£ 92,318	£ 92,318	£ 92,318	£ 92,318
Expenses	£ 3,000	£ 2,500	£ 2,500	£ 2,500
Activities linked to NHP	£ 5,000	£ 5,000	£ 5,000	£ 5,000
NHP Membership Fee	£ 35,000	£ 35,000	£ 35,000	£ 25,000
Psychology Support	£ 11,900	£ 11,900	£ 11,900	£ 11,900
Ofsted	£ 3,600	£ 3,600	£ 3,600	£ 3,600

Living Allowance	£ -	£ 15,000	£ 15,000	£ 15,000
Housing Provider Costs	£ -	£ 28,679	£ 28,679	£ 28,679
Project Specific Office Costs	£ 10,000	£ 10,000	£ 10,000	£ 10,000
Total Project Costs Per Annum	£ 308,148	£ 277,662	£ 277,662	£ 267,662

29 Each year, the team would recruit a cohort of 10 to 12 young people, offering them a structured pathway to independent living.

This table provides the yearly split of benefits and cost.

Financial Summary	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Total Financial Benefits (Gross)	(£ 0)	(£ 646,299)	(£ 646,299)	(£ 646,299)	(£ 646,299)	(£ 646,299)	(£ 3,231,495)
Total Cost of Change	£ 308,148	£ 277,662	£ 277,662	£ 267,662	£ 267,662	43,679	£ 1,442,475
Net Savings	£ 308,148	(£ 368,637)	(£ 368,637)	(£ 378,637)	(£ 378,637)	(£ 602,620)	(£ 1,789,020)

This table provides the cohort split of benefits and cost.

Financial Summary	Cohort 1 (18 months programme, 6 months savings)	Cohort 2 (12 months programme, 6 months savings)	Cohort 3 (12 months programme, 6 months savings)	Cohort 4 (12 months programme, 6 months savings)	Cohort 5 (12 months programme, 6 months savings)	Total
Total Financial Benefits (Gross)	(£ 646,299)	(£ 646,299)	(£ 646,299)	(£ 646,299)	(£ 646,299)	(£ 3,231,495)
Total Cost	£ 351,827	£ 277,662	£ 277,662	£ 267,662	£ 267,662	£ 1,442,475
Net Savings position	(£ 294,472)	(£ 368,637)	(£ 368,637)	(£ 378,637)	(£ 378,637)	(£ 1,789,020)
Payback	22 months	16 months	16 months	16 months	16 months	
£ spent, received back	£1.84	£2.33	£2.33	£2.41	£2.41	

30 In Summary, the total costs and benefits approaches are set out in the tables above.

31 The project is expected to deliver £3.231m savings against costs of £1.442m leading to a net position of £1.789m over the 5 years and 5 cohorts.

- 32 The proposal provided in the report offers a saving to the revenue budget, however this level of saving is subject to:-
- (a) the combination of the 10 young people current placement costs which are represented in the two scenarios.
 - (b) an assumed 100% occupancy, for six months of 10 young people, which may not be achieved. If this is reduced to 80%, 8 young people, the savings offered reduce to £5,851 for scenario A and £165,2132 for scenario B.

National Housing Project - Payback Period/Anticipated Saving	10 Cohort Achieved Movement at Month 18			20% Cost Avoidance Unachievable		
	Payback in 2 Years	Payback Period Months	Est Saving at 24 Months	Payback in 2 Years	Payback Period Months	Est Saving at 24 Months
Scenario A	YES	23	-£95,270	YES	22	-£5,851
Scenario B	YES	22	-£294,472	YES	21	-£165,213

- (c) the level of staffing pay costs in the cohort 1 costs assumes a full year salary costs. It is recommended that these 3 fte are recruited on a permanent Cheshire East contract to reduce the risk of staff leaving due to temporary positions. There is a risk that staffing requirements may change once the programme is established, as it is assumed that 3 fte are geared to supporting 10 young people.
 - (d) the modelling assumes that there is no effect of inflation on costs and cost avoidance. Pay increases will be covered in the pay and pensions line of the MTFS. Other inflation costs are difficult to predict and therefore none have been assumed, should we see inflation impact this will also impact on the savings (cost avoidance) achieved as a balance.
 - (e) the model assumes that new cohorts will take place in future years as a rolling programme and staff will be able to continue to support earlier year cohorts as they transition if required. A longer lead in time of 18 months has been planned for the first cohort before moving into their own accommodation. As the programme will be more established in year 2 the second cohort will transition in 12 months.
- 33 The budget saving suggested in the report is not included within the current Medium Term Financial Strategy (MTFS) but is a new initiative connected to the 26T MTFS saving “New Accommodation with support for 16-25 Young People”
- 34 The request is for forward investment to support the project of £351,827 until savings start to be realised from the first cohort. The existing budget would then be able to support the ongoing programme.
- 35 Scenario A has a payback of 23 months for the first cohort (reducing to 17 months for the second cohort) and a return on investment of 27% (increasing to 61% for cohort 2). Scenario B has a payback of 22 months

for the first cohort (reducing to 15 months for the second cohort) and a return on investment of 84% (increasing to 133% for cohort 2).

- 36 The programme is expected to commence in 2026/27 with savings being achieved in the second year, 2027/28. Full year savings will be achieved in the third year, 2028/29.

Human Resources

- 37 The human resource implications are set out in the report and show the dedicated staff and associated costs outlined with establishing a LHP. It is proposed that recruitment to roles is permanent to attract the right candidates. A small amount of funding has been requested to ensure advertising of roles is optimised, to mitigate failed recruitment and also to highlight the positivity of this programme for Cheshire East as a recruiter.

Risk Management

- 38 Care Leavers are a vulnerable group that are at risk from factors including access to training and employment, health, secure accommodation and transition into adulthood.

Impact on other Committees

- 39 This project sees young people transition into their own tenancies at the end of the delivered work programme. Ongoing work to ensure Registered Providers are engaged will ensure that there is suitable properties for young people in suitable communities across Cheshire East.

Policy

- 40 This work will fall under commitment 2: Improving health and wellbeing in the Cheshire East Plan and particularly support the further commitment "Children and young people thrive and reach their potential with targeted support when and where they need it".

Equality, Diversity and Inclusion

- 41 All public sector authorities are bound by the Public Sector Equality Duty as set out in section 149 of the Equality Act 2010. An Equality Impact Assessment (EIA) will be completed as part of service development. This proposal is not expected to discriminate or have negative impacts on people with protected characteristics. Some of those people affected will have learning disabilities or mental health needs and many will have additional needs, disabilities and/or other protected characteristics. An EIA has been completed to understand the impact.

Other Implications

- 42 There is a direct, lasting and significant impact for Cared for Children and Care Leavers with the establishment of a LHP. Good stable homes are central to our ambition for our cared experienced young people ensuring that they can thrive and live happy, independent lives.
- 43 Care Leavers are at risk of poor health particularly mental health and general wellbeing. A LHP focused specifically on health and wellbeing as a core part of the programme. The programme is a Psychologically informed approach to working with this cohort, with access to psychological support.
- 44 The project aims to ensure that young people get the right, help and the right time ensuring that young people are independent, financially aware and stable, and is good accommodation that is well maintained. These should all impact on reduced energy consumption.

Consultation

Name of Consultee	Post held	Date sent	Date returned
<i>Statutory Officer (or deputy):</i>			
Chris Benham	Director of Finance and Deputy S151 Officer	15/12/25	22/12/25
Kevin O'Keefe	Interim Director of Law and Governance (Monitoring Officer)	15/12/25	19/12/25
<i>Legal and Finance</i>			
Hilary Irving / Jennie Summers	Acting Head of Legal Services	08/12/25	15/12/25
Diane Green	Finance Manager	08/12/25	16/12/25
<i>Other Consultees:</i>			

Directors

Dawn Godfrey	Executive Director, Children's Services	15/12/25	19/12/25
--------------	--	----------	----------

Access to Information

Contact Officer:	Samantha Edwards, Vonni Gordon Samantha.Edwards@cheshireeast.gov.uk, vonni.gordon@cheshireeast.gov.uk
Appendices:	Appendix 1 - Full Business Case Appendix 2 – NHP Full Offer Pack
Background Papers:	N/A