

Strategic Assessment

Title: Explore Options for the Future of the Children & Youth Services (CAYS) Foundation

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This Strategic Assessment has been developed using the template for the Project Future “Conceptualisation Phase”.

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Title: Explore Options for the future of the Children & Youth Services (CAYS) Foundation

PART 1: OVERVIEW

1.1 Introduction

Cabinet is interested in exploring whether there are potential efficiencies and synergies to reintegrating the Children and Youth Services (CAYS) Foundation into the Department of Children and Family Services (DCFS) or with the services provided directly through the Department of Counselling Services (DCS).

Any consideration of the future of CAYS will link with Projects PF 02, Improving the Effectiveness of Arrangements for Developing and Implementing Drugs Policy, and ABO 13, Exploring Approaches to Early Intervention.

The project should:

1. Determine the extent of any efficiencies that would arise from re-integrating CAYS;
2. Examine whether this reintegration would enable more effective service delivery;
3. Identify any risks arising from reintegration, in particular to CAYS access to non-governmental funding; and
4. Consider the potential to revise the role of CAYS in light of any reform of Drugs Policy Implementation and any new approach to Early Intervention.

This proposal was highlighted in the Ernst & Young Report entitled “Project Future: Creating a Sustainable Future for the Cayman Islands”, September 2014, under Other Recommendations Section 43 which identified bringing CAYS back into the DCFS as a potential improvement for Government operations.

In scope – the organisation and structure of CAYS, the DCFS and the DCS and programmes offered in so far as they might be better run;

Out of scope – the other agencies that provide residential care to children (NCVO and DCFS’ Maple House).

1.2 Purpose

This Strategic Assessment seeks to provide Cabinet with the necessary information to determine whether the investment proposal should progress to the next phase of development - an Outline Business Case.

The Strategic Assessment:

- Defines and identifies possible routes to confirm the need to invest in change;
- Identifies preferred ways forward, supported by a limited number of viable short-listed options for further analysis; and
- Will be used to develop the need for the investment required to develop an Outline Business Case.

PART 2: STRATEGIC CONTEXT

2.1 Organisational Overview

CAYS, DCFS and DCS all work to increase protective factors in order to strengthen families and build the resilience of children. More specifically, to strengthen a family and nurture resiliency in children their basic material needs, such as food, clothing and shelter, must be met; they need to feel safe and protected at home, at school and in the community; they must have nurturing and supportive connections to and relationships with family members, adults (mentors), peers, community and institutions; and they must be provided with opportunities to participate in skill-building activities which allow them to pursue their interests, explore their strengths and gain a sense of purpose, confidence and hope for a positive future.

Generally, the services provided by the DCFS are primarily intervention. Once a child is removed from a family due to experiencing significant harm or displaying severe behavioural issues, the DCFS have a duty to receive a child into its care and to keep the child in its care while an Order remains in force. Once a child is removed from their parents care, the DCFS makes a determination as to where the child should be placed dependent upon their specific needs. A child may be placed either with a relative, a private foster home or with Maple House (children with disabilities), Nadine Andreas Foster Home (foster care) or one of the CAYS homes, namely the Frances Bodden Children's Home or Bonaventure Boys Home. These alternative placement options, however, are out of scope for the purpose of this SA. The DCFS is also responsible for registering CAYS facilities under the Children Law (2012 Revision) and inspecting the facilities. Lastly, DCFS has a legal obligation to ensure that children placed in residential care have access to services which enhance their life skills and bring about positive changes in their families, which often involves working closely with entities such as Education and Health.

On the other hand, the DCS and CAYS provide primarily therapeutic treatment services to families. This may occur on an individual or group basis exploring core issues and building upon life skills and coping strategies. In addition, the Family Resource Centre (FRC), a unit within the DCS, provides psycho-educational workshops or programmes to strengthen and build healthy relationships within families.

On 19 November 2002, the Executive Council (now Cabinet) approved the subscriptions to the Memorandum of Association and the Articles of Association thereby forming the CAYS Foundation as a Government-Owned Company as per Section 80 of the Companies Law (2013 Revision). The key aims of CAYS are to:

1. Manage and operate youth rehabilitation and caring facilities; and
2. Provide rehabilitation, and youth development programmes for delinquent and at-risk children that will enhance their coping mechanisms and deal with the core issues.

The Cayman Islands Government (the Government) is responsible for providing the facilities in which CAYS operates its programmes, namely the Frances Bodden Children's Home (FBCH), comprising of two buildings, in Savannah and the Bonaventure Boys Home (BBH) and Phoenix House in West Bay. These facilities are insured by the CIG via the Ministry of Community Affairs, Youth and Sports and the DCFS. Direct oversight of the facilities and programmes, however, is managed by a Board of Directors appointed by Cabinet.

In 2015/16, the Ministry provided CAYS with an annual grant of \$2,178,000. CAYS manage fixed assets including office equipment, computer equipment, motor vehicles and leasehold improvements. The provision of CAYS services to the Government is managed through Purchase and Ownership Agreements signed by the Minister responsible for Community Affairs, Youth and Sports and the Chairman of the CAYS Board of Directors. Furthermore, the Ownership Agreement sets out the roles and responsibilities of the Government and CAYS and provides for a monitoring mechanism to ensure that services are being delivered in accordance with best practice. On a monthly basis, along with an invoice to the Ministry, CAYS will provide a report detailing the number of placements offered; number of family educational groups offered; number of treatment plans completed and the number of placements offered at each home based on the previous month's activities. Additionally, the DCFS carries out a monthly inspection which involves an evaluation of programme components and an assessment of the physical state of the facility.

CAYS is registered as a Community Home under the Children Law (2012 Revision) in order to admit children on Care Orders. In addition, CAYS has also been declared as Youth Rehabilitation Schools and Detention facilities for the purposes of the Youth Justice Law (2005 Revision). Phoenix House has been declared as Secure Accommodation under the Children Law (2012 Revision).

Given this, the CAYS core activities include the:

- Provision of 24-hour residential care to children due to care and protection needs or offending behaviours.
- Preparation of children for reintegration or independent living including pre-employment preparation and life skills training.
- Maintenance of the Government-Owned facilities to ensure the highest of standards are achieved in regards to the programmes and treatment principles.
- Provision of policy advice to the Minister on the direction of youth rehabilitation and interventions to assist their integration back into society.

BBH is for males who have been remanded or committed on Youth Rehabilitation Orders under the Youth Justice Law (2005 Revision) between the ages of 13-19. The average number of males resident at the facility are 8; however, they have the capacity to accommodate 10. Phoenix House, located at the BBH site, has been approved by Cabinet as Secure Accommodation under the Children Law (2012 Revision), with the condition that it accommodates only one sex at any given time.

FBCH is for males and females who are in need of care and protection under the Children Law (2012 Revision), as well as for females on Youth Rehabilitation Orders. The residents of FBCH are between the ages of 13-19 who are either on Care Orders or Youth Rehabilitation Orders. The average number of residents at FBCH are 10; however, they have the capacity to accommodate 14. As part of their care plans, residents attend mainstream school and work to achieving their care plan goals.

The General Manager (GM) is responsible for the oversight and management of the therapeutic programme and the overall operation of all facilities. The GM reports to a Board of Directors who are appointed by Cabinet. The Directors serve on a voluntary basis and their functions are guided by the Articles of Association. Both BBH and FBCH have a Manager who has responsibility for the operation of the facility including community outreach, maintenance issues, budgeting matters and fund raising. They are each supported by an Assistant Manager who is responsible for the clinical and therapeutic aspects of the programme and supervision of Senior Counsellors. Each facility has Senior Counsellors who are responsible for the daily operation of the programme and providing feedback to the Assistant Manager on quality control aspects.

CAYS have a Family Support Counsellor who provides family education, outreach and referrals for families in need of other services. Given the challenges that CAYS has experienced with its BBH residents accessing education, a decision was made to hire its own Educators who are responsible for ensuring that the boys at BBH are afforded the opportunity to an education.

Additionally, each Home has Youth Support Workers who work directly with residents to advocate on their behalf and the daily treatment expectations for residents. Each facility has a Food Service Worker who is responsible for food preparation, including menu plans and purchasing of food items. While there are different levels of staff employed with CAYS, all staff interact and form relationships with residents. Additionally, all staff are exposed to positive youth development theories and training to ensure that therapeutic treatment is occurring throughout the programme. Staff training occurs on a monthly basis in regards to therapeutic treatment philosophy and approach. Each quarter substance abuse education also takes place. Additionally, training in water safety; first aid and CPR and Safe Crisis Management (SCM) takes place on an annual basis to ensure on-going certification of all employees.

2.2 Key Drivers

There are two key drivers that have given rise to the proposed project:

- The Project Future Programme and the need for improved effectiveness and effectiveness in the operations of Government agencies within a context of fiscal constraints.
- The Crime Reduction Strategy (CRS) was presented to the Legislative Assembly on behalf of the National Security Council in March 2011 and was subsequently adopted and agreed by Cabinet in May 2011. The CRS recommended that *“a review should be undertaken of CAYS, Department of Children & Family Services, the Youth Services Unit and the Department of Counselling Services to identify common areas of responsibility with a view to rationalising these organisations.”*

The CRS was assigned to the Policy Coordination Unit in the Cabinet Office for its implementation and monitoring. Agencies are required to provide updates, upon request, to the National Security Council on their progress with recommendations.

Prior to the recommendations of the CRS, however, the Ministry had already embarked on a review of CAYS. Between 2010-12, a Working Group convened by the Ministry completed a proposal to strengthen CAYS services by implementing a Therapeutic Community Programme targeting youth in need of a more intensive intervention in addition to care and protection services. The Ministry, in partnership with CAYS, assisted with the recruitment of specialist staff for the Therapeutic Community Programme and facilitated additional training and coaching at both facilities provided by the Missouri Institute of Youth Services.

Additionally, in 2011, a Public Service Review of DCFS recommended that there be a separation of welfare services from social work services. This separation led to the establishment of the Needs Assessment Unit (NAU) whose primary responsibility is to conduct needs assessments and manage the distribution of poor relief to those in need.

The Review also recommended that social work services be restructured to better address child safeguarding concerns which resulted in the creation of intake and long-term teams within DCFS.

Finally, as part of the Project Future Programme, the Ministry has been assigned a Strategic Assessment to evaluate the existing activities which could form part of an early intervention programme for children and young people at-risk for criminality. This would involve agencies such as Youth Services Unit, Department of Counselling Services, Department of Sports, Education Department and Health Services Authority. This project is due to be completed by December 2016 and will entail a cross-ministerial approach to its development.

2.3 Relationship to Government's Policy Priorities

Cabinet has established the following high level investment objectives for the project which have been explored and further refined in this SA:

- Improve the efficiency and effectiveness of Government operations.
- Reduce the size of Government
- Improve community safety

This project is also consistent with the following:

- The Government's Broad Outcomes of a work-ready and globally competitive workforce (2), a more secure community (3), a fit and healthy population (6) and equity and justice in a society that values the contributions of all (12).
- The CRS highlights the need for the country to holistically address the connections between at-risk youth and criminal activity.

PART 3: THE CASE FOR CHANGE

3.1 Investment Objectives

It is apparent that agencies are collecting data but are not conducting a proper analysis in order to identify meaningful patterns. With this in mind, the Business Writers had to ensure that any investment objectives are specific and as SMART as possible to ensure the feasibility of delivery. Therefore, details about the measures will be included in the Outline Business Case when more data analysis is available.

Investment Objective 1:

To reduce the size of Government and increase efficiencies by improving synergies and minimizing the duplications in responsibilities amongst service providers over the next 3 years.

Due to CAYS being a Government-owned Company, employees are not classified as Civil Servants and therefore, are not technically a part of Core Government. However, the Ernst & Young Report when referring to “Government” included core Government Ministries and Departments, Statutory Authorities and Government Companies. The Premier established that the Project Future Programme is “... a comprehensive and far reaching programme of public sector reform” (Foreword by Premier, Project Future Programme Brief, October 2015).

Hence, it is implicit that any reference to “Government” is inclusive of Statutory Authorities and Government-owned Companies.

Investment Objective 2:

To improve community safety by increasing the number of children who have completed their care plans over the next 3 years.

3.2 Existing Arrangements

To reduce the size of Government and increase efficiencies (IO1):

The DCFS, the DCS and CAYS services and programmes are all a part of the continuum of care for families and children. Collectively, it is through their services and programmes that a family in crises will experience a decrease in the level of risk and harm it is exposed to such as violence, criminal involvement, unemployment and drug abuse/misuse. Hence, there are synergies in services between the agencies as CAYS plays a role in both intervention and treatment.

The DCS and CAYS provide primarily therapeutic treatment services to families. This may occur on an individual or group basis exploring core issues and building upon life skills and coping strategies. The FRC also provides psycho-educational workshops or programmes to strengthen and build healthy relationships within families. In addition, the DCS currently operates its own residential treatment facilities for adults with substance abuse issues. CAYS and DCS, therefore, share the same treatment philosophy and components such as behaviour modification, a client-centred and strength-based therapeutic community model all delivered by specialist staff. Furthermore, the Director of the DCS provides guidance to the General Manager of CAYS in an informal manner on clinical and operational matters such as navigating the legal system when it comes to the placement of clients.

CAYS provide services to DCFS in order to ensure that the requirements of the Children Law (2012 Revision) and the Youth Justice Law (2005 Revision) are upheld. That is, CAYS assist DCFS with the intervention in family life when there is a reasonable concern regarding the welfare of a child and work along with the family to ensure that services and programmes are readily available in order to minimise the risk factors the family is exposed to.

CAYS employs 32 full-time Public Servants; 9 of which are Caymanians. Staff specialise in positive youth development and rehabilitation techniques. This includes conflict resolution, therapeutic intervention and the ability to build positive relationships with adolescents who have experienced some trauma or harm in order to change their at-risk behaviour in a structured setting. CAYS, therefore, is the only organisation on-island with staff trained to provide rehabilitation for at-risk adolescents in a residential setting.

The wrap around services (education, family outreach, independent living and financial assistance) required by CAYS residents' need to be strengthened for both when the client is residing at the facility as well as once they have completed the programme. In the absence of some of these services, the CAYS has expanded its own in order to improve the outcomes for their residents. As a result, the Family Support Counsellor provides family education and outreach services to resident's families. This entails conducting home visits and interventions with the family and engaging parents in the process of rehabilitation. This overlaps with the mandate of the FRC which provides family skill-building programmes, individual parent coaching, parenting classes, and support group programmes. The Family Support Counsellor does not interface with Social Workers or the FRC. Both the position of Family Support Counsellor and the FRC receive funding from Hedge Funds Care to offer such services to families in need.

The Educators at BBH develop Individual Education Plans for each resident to ensure that they are able to access the national curriculum. A decision for residents to return to mainstream school is made on an individual basis depending on how successful each child is at achieving their treatment goals. CAYS, therefore, is providing education to youth even though this is not their mandate. The Education Law (2010 Revision) stipulates that it is the duty of the Education Council to promote education and gives the Ministry responsible for Education the legal obligation to ensure that children in the Cayman Islands have access to educational opportunities. To date, a Service Level Agreement which outlines the roles and responsibilities of both entities when it comes to educating this group of children has not been signed by CAYS or the Ministry of Education.

To improve community safety (IO2):

Care plans are a tool in social work practice used to establish a strategy for intervention in a child's life and his or her eventual discharge from the placement.

It is used by social workers and other stakeholders to assess the social, educational, developmental, family and health needs of the child and identifies goals which act as a roadmap for reintegration into the community. It also identifies the parties directly responsible for ensuring the achievement of each goal along with timelines. Hence, a care plan is essential for a child placed in residential care as it is intended to maximise opportunities and resources for the optimal development of the child, while putting in place protective factors which buffer, alter or reverse negative outcomes associated with risk factors. Currently, however, there are two different types of care plan processes used depending on whether the child is placed on a Care Order or Youth Rehabilitation Order.

Under the Children Law (2012 Revision), DCFS is legally responsible for children in care. Children being placed in care are most likely to enter the system on an Interim Care Order pending further investigation by DCFS. Upon completion of the investigation, a Care Order will be made should the investigation find that neglect or abuse is occurring. Another option for the Court is to make a Supervision Order so that the DCFS can monitor the child and their family. For all three of these Orders, the DCFS is required to develop a Care Plan.

To assist the DCFS, Legal Counsel developed a template referred to as a “care plan” which must be completed for the Court prior to a Magistrate placing a child. It details matters such as the wishes of the child, health care, education, placement details and a timetable (Appendix I). However, it differs from the standard social work care plan described above as it does not clearly outline targeted goals that are unique to the child’s needs and circumstances. DCFS reports that since the development of this tool by Legal Counsel, social workers have been 100% compliant with completing it. CAYS, however, report that they do not have input into the development of this document prior to its presentation to the Court. Additionally, these care plans are submitted to CAYS on an inconsistent basis; that is, it could be received some months after the admission of a child, if at all. As a result, CAYS develop an internal Treatment Plan for the child upon admission in order to establish their strategy for care. Such a Treatment Plan is developed without input from the social workers who may have additional information on the dynamics within the family and community.

In contrast to this, the Youth Justice Law (2005 Revision), being an older Law, does not have the same provisions as the Children Law (2012 Revision) in regards to care planning and, consequently, having a care plan prepared prior to the placement of a child is not mandated. The DCFS, therefore, continues to use the standard and more detailed care plan format for children on Youth Rehabilitation Orders (see Appendix II). Once again, these care plans are not submitted to CAYS on a consistent basis and, as a result, an internal Treatment Plan is developed. Given that CAYS develop their own Treatment Plans upon admission the incentive for Social Workers to develop Care Plans for children on Youth Rehabilitation Orders is reduced.

Furthermore, since Care Plans and Treatment Plans rarely coincide, the transition of the child from the placement to reintegration into the community is impacted. CAYS reports that

discharge planning is not occurring in a holistic or strategic way and, as a result, hinders the effective transition of the child back into the community.

3.3 Key Business Problem(s)

Key Business Problem 1:

Failure to maximise synergies has increased the size of Government.

The Government has committed to strengthening overall governance and management of the Public Sector. It is imperative for the Ministry, therefore, to ensure that it explores possible synergies in services to determine options for merging or restructuring agencies under its ambit in order to reduce the size of Government.

Key Business Problem 2:

There are duplications in responsibilities in the areas of therapeutic services to families and provision of education which results in agencies not having the full complement of resources needed to carry out their mandates.

Government resources are minimal and therefore the need to be effective and efficient is critical to its sustainability. With duplication in responsibilities across agencies this limits Government's ability to properly allocate the necessary resources thereby minimising successful outcomes. For example, CAYS currently funds the employment of two Educators; a service that does not fall within their remit. Having to employ two Educators costs approximately CI\$105,000 per annum, not including health and pension benefits. However, if the Ministry of Education was to provide this service to CAYS residents this funding could be reallocated to a more suitable need of the organisation given its mandate. In addition, the Ministry of Education would have oversight of and be able to implement quality assurance measures.

Since DCS has assumed the responsibility of FRC, it has been trying to enhance its capacity to work more closely with families in the community. DCS has recognised, for example, that there is a need to expand its parenting outreach by conducting home visits in order to give families more hands on support. However, due to their current funding, they do not have the capacity to enhance these programme components. With the existing arrangements, both CAYS and DCS receive funding through Hedge Funds Care to work with families. As a result, the full amount of funding which should be provided to DCS to assist in fulfilling its mandate is not available.

Key Business Problem 3:

The lack of accountability and structure results in incomplete care planning and, therefore, children return to a harmful environment.

Based on discussions with DCFS and CAYS, in some instances Care Plans are not completed and, if they are, they are not made available to CAYS; hence the heavy reliance on CAYS Treatment Plans. Furthermore, there is not a mechanism in place that mandates the sharing or monitoring of Care Plans amongst partnering agencies. DCFS is not collecting data on the care planning process and, therefore, they are unable to properly examine it to determine its effectiveness and the corresponding impact on accountability.

Without completed care plans the likely consequence is that a child's issues, as well as those that present in their families, are not adequately addressed. Hence, a child could be discharged from their placement to an environment that continues to be harmful and dysfunctional and the community safety is further compromised.

3.4 Key Considerations

Currently, CAYS is the only on-island facility which provides rehabilitation for at-risk adolescents in a residential setting. Given that the Government relies heavily on CAYS for residential treatment services for children, therefore, it is necessary to explore options to improve efficiencies and community safety. By addressing the identified problems the potential exists to mitigate the level of liability that the Government is exposed to regarding children placed in its care.

Furthermore, effective care planning will ensure the continuity of care, which is especially crucial for clients with long-term or complex needs, and reduce the likelihood that a child will slip through the net. Without effective interventions a child's development will be hampered and he or she may experience any number of problems including alcoholism, illicit drug use, depression, increased risk for partner violence, suicide attempts, adolescent pregnancy, disengagement from family and the community and a host of other health-related quality of life issues. All of which compromise community safety.

With the advent of the Bill of Rights, Freedoms and Responsibilities in the Cayman Islands Constitution Order 2009 (Bill of Rights) and the Children Law (2012 Revision) the country must now consider the right to family life, restricting liberty and the treatment of prisoners. Hence, this Project is timely as it reflects the country's movement towards strengthening rehabilitation and child safeguarding in an efficient and effective way. In addition, as evidenced by the high-level priority Government has placed on rationalising and improving efficiencies of its operations, as well as on the implementation of the CRS, this is an opportune time.

3.5 Key Constraints and External Dependencies

Table 1: Key Constraints and External Dependencies

CONSTRAINTS	Notes
Resources & Timeframe	<ul style="list-style-type: none"> - In the 2016-17 Budget, the DCS does not have the funds to provide enhanced parenting services under the FRC - The leadership position at DCFS has been vacant since September 2015. The position of Director is temporarily filled by an acting appointment, which impacts service delivery. Specifically, the accountability and structure required for effective care planning. - Education currently does not have the capacity (e.g., resources, facilities) to educate youth who have been convicted of a criminal offense and ordered into a residential facility.
Activity Performance	<ul style="list-style-type: none"> - Lack of empirical data to assess the effectiveness of current care planning processes.
DEPENDENCIES	Notes and Management Strategies
Duplications (IO1)	<ul style="list-style-type: none"> - The relevant agencies need increased resources in order to effect the proposed changes. - Education needs to first strengthen its capacity to adequately address educational needs of children convicted of a criminal offense and ordered into residential facility.
Synergies (IO1)	<ul style="list-style-type: none"> - Decisions regarding possible mergers or a restructuring are dependent upon meeting budget deadlines (i.e. ensure that any such decision is supported by budget allocation).
PSI 02	<ul style="list-style-type: none"> - Any considerations of the future of CAYS will link with the project to explore options to improve the effectiveness of current arrangements for developing and implementing drug policy.
ABO 13	<ul style="list-style-type: none"> - Any considerations of the future of CAYS will link with the project to explore the potential for a comprehensive approach to early intervention to support children and young people at risk of criminality.

3.6 Conclusions

Based on the preceding analysis, there is an opportunity for Government to operate more efficiently and effectively in delivering these services.

If the decision is made to maintain the current structure there may not be any initial increases in funding to CAYS. However, the Government-owned Company will eventually require additional funds as they expand their services. Further, maintaining the status quo may potentially give rise to the following issues:

- Increase liability concerns for the Government as there are no clear mechanisms in place to ensure effective care planning and, therefore, a child could be discharged back

into the a harmful environment thereby exposing the community to further dysfunction and anti-social behavior ;

- Failure to maximize the synergies in services means that the strategic aim to reduce Government will not be met;
- Agencies will not have the full complement of resources needed to carry out their mandates should the duplication in roles and functions continue.

Given the implications this has for the size of Government, community safety and efficiencies identified in the preceding analysis, there is a convincing case for change.

PART 4: IDENTIFICATION AND SCREENING OF POTENTIAL SOLUTIONS

4.1 Evaluation Criteria

Table 2: Critical Success Factors

Critical Success Factor Categories	Broad Description	Critical Success Factors Specific to Your Proposal
Strategic Fit and business needs	How well the option: <ul style="list-style-type: none"> • meets agreed upon investment objectives, the related business needs and service requirements • Is aligned with the organisation, provides synergy and supports other strategies, programmes and projects. 	-Upholds legal requirements -Achieves the high-level strategic aims of the project (delivery of effective and efficient services, reduce the size of Government and improve community safety)
Potential value for money	How well the option optimises value for money (i.e. the optimal mix of potential benefits, costs and risks).	
Supplier capacity and capability	How well the option: <ul style="list-style-type: none"> • matches the ability of potential suppliers to deliver the required services • is likely to result in a sustainable arrangement that optimises value for money. 	There is capacity/interest in the local market to deliver change.
Potential affordability	How well the option: <ul style="list-style-type: none"> • Meets the sourcing policy of the organisation and likely availability of funding • Matches other funding constraints 	-Deliver efficiencies that are affordable to implement
Potential achievability	How well the option is likely to be delivered, given: <ul style="list-style-type: none"> • In view of the organisation’s ability to assimilate, adapt, and respond to the required level of change 	Achievable within 3 years.

	<ul style="list-style-type: none"> How well it matches the level of available skills a required for successful delivery. 	
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4.2 Long List of Options

Stakeholders have identified the following long list of potential options as follows:

Table 3a: Option Description

Option Number and Name	Description
Option 1: Do nothing	Maintain current operations with no change.
Option 2: Improve current processes, reduce duplications and rationalize service provision.	CAYS will remain as a Government-Owned Company and work will be done to enhance current processes and systems.
Option 3: Reintegration of CAYS into the DCFS	This is a historic arrangement and therefore potential synergies with services provided directly through DCFS may exist.
Option 4: Integration of CAYS services into the DCS	There are potential synergies with services provided directly by DCS.
Option 5: Devolution of CAYS services between the DCFS (care orders) and the DCS (youth rehabilitation orders)	Transfer the management and operation of the FBCH for children on Care Orders to the DCFS. Transfer the management and operation of the BBH for children on youth rehabilitation orders to the DCS.
Option 6: Privatization of services	Privatization of residential rehabilitative and caring home services for children.
Option 7: Integrate CAYS services with National Drug Council (NDC)	Given their legal obligations to establish and operate treatment centers.
Option 8: Transfer of youth rehabilitation services (children on Youth Rehabilitation Orders) to HM Prison Services	Transfer of responsibility for the management of children on youth rehabilitation orders and operation of the BBH to the Ministry of Home Affairs (HM Prison Services).
Option 9: Devolution of CAYS services between the DCFS (care orders) and HM Prison Services (youth rehabilitation orders)	Transfer of responsibility for the management of children on youth rehabilitation orders and the operation of the BBH to the Ministry of Home Affairs (HM Prison Services). Transfer the management and operation of the FBCH for children on Care Orders to the DCFS.

4.3 Screening of Options

The long list of options is appraised against the identified CSFs.

- A **Green** assessment indicates fully meets
- A **Yellow** assessment indicates partly meets; and
- A **Red** assessment indicates does not meet

Table 4: Screening of Options

Option	Strategic Fit and business needs	Supplier capacity and capability	Potential affordability	Potential achievability
Option 1: Do nothing	-Does not resolve the duplications in responsibilities -Not deliver improvements in care planning -Misalignment with mandate continues	No significant change.	No significant change.	Achievable within three years.
Option 2: Improve current processes, reduce duplications and rationalize service provision.	-Upholds legal requirements -Realises improvements in care planning, harnesses synergies and reduces duplications -Does not meet the high-level priority of reducing the size of Government	-There is capacity/interest for this option to be explored. -Change is sustainable.	-Efficiency is achievable as the Board of Directors is able to obtain donations from private donors to enhance services	Achievable within three years.
Option 3: Reintegration of CAYS into the DCFS	-Conflict of interest for DCFS to register, operate and inspect residential homes for children -Some partial alignment of mandate -Reduction in the number of Government agencies.	-Capacity/interest not currently available.	-Efficiency savings achievable and affordable to implement. However, the ability to attract private donations may be impacted.	-Likely to affect the timescale are necessary changes to the Children Law (2012 Revision) to remove the DCFS as registrar and inspector of facilities and removal of the “secure accommodation” classification of Phoenix House -Require time to identify another agency to carry out these functions.
Option 4: Integration of CAYS services into the DCS	- Alignment of mandate due to the provision of therapeutic treatment services and facilities. -Improve quality and delivery of services with clinical oversight.	-There is capacity/interest for this option to be explored. -Change is sustainable.	Efficiencies achievable (potential to amalgamate staff roles - admin) and affordable to implement. However, the ability to attract private	Achievable within three years.

	<ul style="list-style-type: none"> -Meets legal requirements (i.e separation of registering/inspecting of facilities by DCFS) -All services in-house therefore potential to improve working relationships exists. -Duplications continue to exist with education. 		<p>donations may be impacted.</p>	
<p>Option 5: Devolution of CAYS services between the DCFS (care orders) and the DCS (youth rehabilitation orders)</p>	<ul style="list-style-type: none"> - Conflict of interest for DCFS to register, operate and inspect FBCH. -Potential to improve quality and delivery of services. -Potential to improve coordination of services. - Alignment of mandates. -Reduction in the number of Government agencies. 	<ul style="list-style-type: none"> -Would require considerable improved cross-agency approach. -There is potential capacity to devolve services between two agencies however there is no sustainable interest to do so. 	<ul style="list-style-type: none"> - Efficiencies achievable and affordable to implement. - the ability to attract private donations may be impacted 	<p>Likely to affect the timescale are necessary changes to the Children Law (2012 Revision) to remove the DCFS as registrar and inspector of facilities and removal of the “secure accommodation” classification of Phoenix House</p> <ul style="list-style-type: none"> -Require time to identify another agency to carry out these functions.
<p>Option 6: Privatization of services</p>	<ul style="list-style-type: none"> -Meets legal requirements (i.e separation of registration/inspection of facilities by DCFS). -Potential reduction in Government size. -Loss of Ministry oversight may negatively impact quality of service delivery. 	<p>Would require additional research to ascertain market readiness.</p>	<ul style="list-style-type: none"> -Require additional research to ascertain efficiency and affordability. - the ability to attract donations may be impacted 	<ul style="list-style-type: none"> -Very challenging within time scale due to the need to locate supplier to deliver value for money service. -Capacity/interest currently unknown.
<p>Option 7: Integrate CAYS services with National Drug Council (NDC)</p>	<ul style="list-style-type: none"> -Somewhat able to meet legal requirements to establish and operate treatment facilities (i.e. limited to drug treatment services), 	<ul style="list-style-type: none"> -Would require additional research to ascertain market readiness. -Limited capacity as this would require significant 	<ul style="list-style-type: none"> -Require additional research to ascertain efficiency and affordability. 	<ul style="list-style-type: none"> -Very challenging within timescale due to the need for legislative changes and capacity building.

	-Unlikely to improve services due to the lack of expertise in the area of youth rehabilitation and care and protection services.	restructuring to the organisations mandate and operations.		
Option 8: Transfer of youth rehabilitation services (children on Youth Rehabilitation Orders) to HM Prison Services	-No reduction in the number of agencies within Government. -Alignment of the juvenile justice services with the criminal justice system likely to improve services (i.e. HM Prison Services, Probation Officers). -Meets legal requirements: a. youth convicted of serious grievous crimes must be sentenced to imprisonment b. BBH classified as Detention Facility. -Potential negative impact on children changing from a therapeutic treatment model to a more punitive one.	-Limited capacity for HMP due to staff shortages and extensive specialist training required. -There may be a lack of interest/reluctance to “mix” adults with children on the same site.	-Likely to require additional investment train CAYS staff in correctional approach and enhance security at the BBH site (CCTV, parameter fencing, etc). - the ability to attract private donations may be impacted.	-Likely to be challenging within timescale given the resource implications (e.g. removal of the “secure accommodation” classification of Phoenix House).
Option 9: Devolution of CAYS services between the DCFS (care orders) and HM Prison Services (youth rehabilitation orders)	-Likely to reduce the number of agencies within Government. -Legal conflict for DCFS to register, manage and inspect residential homes for children. -Alignment of the juvenile justice services with the criminal justice system (HM Prison Service/ Probation Officers) likely to improve services.	-Limited capacity for HMP due to staff shortages and extensive specialist training required. -There may be a lack of interest/reluctance to “mix” adults with children on the same site. -Capacity/interest not currently available within DCFS.	-Ministry of Home Affairs likely to require additional investment in order to train CAYS staff in correctional approach and enhance security at the BBH site (CCTV, parameter fencing, etc). - the ability to attract private donations may be impacted.	-Likely to affect the timescale are necessary changes to the Children Law (2012 Revision) to remove the DCFS as registrar and inspector of facilities and removal of the “secure accommodation” classification of Phoenix House -Require time to identify another

	-Meets legal requirements: a. youth convicted of serious grievous crimes must be sentenced to imprisonment b. BBH classified as Detention Facility. c. Care and protection children will continue to be the responsibility of the DCFS.			agency to carry out these functions.
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Table 5: Option Findings

While the Project Definition Document (PDD) referenced the E&Y recommendation of bringing CAYS back into DCFS, during the strategic assessment process it became evident that this was not a viable option. One of the major critical success factors for the project was that the recommendation would have to uphold legal requirements. However, if this merger was to occur it would mean that the DCFS would register, operate and inspect the residential facilities which pose a challenge to objective and independent oversight. Additionally, this may mean that another agency would have to assume the registration and inspection of facilities and would require amendments to the Children Law (2012 Revision) which, in turn, would impact the timescale identified by Business Case Writers.

See further details for exclusions below:

Options	Overall Assessment	Rationale (reasons for exclusion)
Option 1: Do Nothing	Retained as baseline	
Option 2: Improve current processes, reduce duplications and rationalize service provision.	Viable	Maintaining current arrangements while enhancing services would mean that legal requirements upheld and there is also potential to significantly improve the care planning process. With negotiations and commitment between Ministries, the ability to reduce duplications in resources and service provision exists.
Option 3: Reintegration of CAYS into the DCFS	Discounted	The Children Law (2012 Revision) requires DCFS to register and inspect Children’s Homes. Hence, if the services of CAYS were to be reintegrated, the DCFS would be registering, operating and inspecting residential homes for children which is a conflict and has implications for independent quality assurance. This will

		require changes to the Children Law (2012 Revision), therefore, to remove the DCFS as registrar and inspector of facilities which is likely to affect the timescale. Time will also be required to identify another agency to carry out these functions.
Option 4: Integration of CAYS services into the DCS	Viable	Since the DCS already provides therapeutic treatment services and operates facilities, the mandates of the agencies are somewhat aligned - synergies include the provision of individual/family/group counselling. This also means that the integration is achievable within the given timeline because of the complimentary nature of the services. In addition, with greater clinical oversight, there is likely to be improvements in the quality and delivery of services. Work across Ministries would have to occur in order to address the issue of duplication with Educators.
Option 5: Devolution of CAYS services between the DCFS (care orders) and the DCS (youth rehabilitation orders)	Discounted	The Children Law (2012 Revision) requires DCFS to register and inspect Children's Homes. Hence, if the services of CAYS were to be reintegrated, the DCFS would be registering, operating and inspecting residential homes for children which is a conflict and has implications for independent quality assurance. This will require changes to the Children Law (2012 Revision), therefore, to remove the DCFS as registrar and inspector of facilities which is likely to affect the timescale. Time will also be required to identify another agency to carry out these functions.
Option 6: Privatization of services	Discounted	There is a need to conduct more extensive research to ascertain the potential efficiency savings and affordability, as well as to determine the current interest or capacity to privatize.
Option 7: Integrate CAYS with National Drug Council (NDC)	Discounted	This will require additional research to determine feasibility. There is likely to be a need for capacity building which will require additional resources (funding, training, etc).
Option 8: Transfer of youth rehabilitation services (children on Youth Rehabilitation Orders) to Ministry of Home Affairs	Discounted	The timescale and the necessary additional investment are prohibitive factors in addition to the likelihood that this will not reduce the number of Government agencies, but rather streamline services according to mandates. CAYS will continue to operate caring homes for children in need of care and protection.
Option 9: Devolution of CAYS	Discounted	The timescale and the necessary additional

<p>services between the DCFS (care orders) and HM Prison Services (youth rehabilitation orders)</p>		<p>investment are prohibitive factors in addition to the likelihood that this will not reduce the number of Government agencies, but rather streamline services according to mandates. In addition, this will require changes to the Children Law (2012 Revision) to remove the DCFS as registrar and inspector of facilities which is likely to affect the time scale. Time will also be required to identify another agency to carry out these functions.</p>
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4.4 Short-Listed Options

On the basis of this analysis, the recommended short-list for further, more detailed assessment in the Outline Business Case is as follows:

- Option 1: Do Nothing (retained as a baseline comparator)
- Option 2: Improve current processes, reduce duplications and rationalise service provision.
- Option 3: Integration of CAYS services into the DCS

It is important to note that since CAYS is a Government-owned Company it has the structural flexibility to receive donations from the private sector to assist with its ongoing operations. For example, with the donations collected over the past year, CAYS was able to expand its FBCH facilities without any additional Government funding. With option 3, however, their ability to solicit donations may be limited.

Table 6: Estimated costs of short-listed Options

Option (all figures \$kyd)	Option 1: Do Nothing*	Option 3: Integration of CAYS services into the DCS		Option 2: Improve current processes, reduce duplications and rationalise service provision
		Current DCS	Merger Year 1	
Capital Costs	\$80,000 (facility repairs)	\$0	**\$110,000	\$2,100,000
Operational costs	\$2,160,229	\$3,225,092	***\$5,475,932.52	\$3,060,229
Revenue (Govt. grant/allocations, donations)	\$2,264,500	\$3,225,092	****\$5,690,203.52	\$3,060,229
Surplus	\$104,271	\$0	\$0	\$0

NOTES:

*CAYS Foundation 30 June 2015 annual Financial Statements

** Includes DCS office renovations and CAYS facility repairs

***Includes \$90,611.52 for HR/Finance/Admin Manager

**** Includes current revenue for DCS and CAYS, capital costs (\$110,000) and the operational costs (\$90,611.52)

The following assumptions are made if CAYS were to merge its services with DCS:

1. With the increase in DCS’ budget, the existing finance and administrative capacity of the DCS would have to strengthen, hence the need of an additional Finance/Human Resource/Administrative Manager post in the first year.
2. Additional funding would be required to conduct small office renovations for the new Finance/Human Resource/Administrative Manager.
3. The DCS Cayman Brac office will not be affected by this Strategic Assessment.
4. All CAYS staff would be impacted if option 3 is deemed to be the preferred option. The Ministry, DCS and the Board of Directors would work collaboratively in accordance with guidelines and policies of the Portfolio of Civil Service to ensure that employee benefits, compensations etc. are taken into consideration with the merger.

4.5 Stakeholder Management

The key stakeholders that have an interest in the expected outcomes or can influence the investment proposal have been identified as indicated in the table below:

Table 7: Key Stakeholders

Stakeholder	Interest
Internal	
Board of Directors (Management)	Impacted by the changes as the structure of CAYS would be dismantled
CAYS Staff	Impacted by the changes - Staff will have to assist with implementing the changes and carrying them out
DCS Management	Impacted by the changes and will lead the implementation of changes
DCS Staff	Impacted by the changes as the agency will grow
CAYS residents & families	Will be impacted by any changes made to CAYS
External	
DCFS	Impacted by changes as they are the users of the services and will need to develop a working relationship
Ministry	Impacted by changes and will have oversight of implementation. Also responsible for working with Ministry responsible for Education in order to address the duplication.

It was critical for the Business Writers to have input from the stakeholders throughout the life of the project in order to gain buy-in for the process and outcomes of the assessment.

At the commencement of the Project, the Business Writers corresponded with the DCFS, DCS and CAYS in order to explain the background and purpose of Project Future, as well as the aim of the strategic assessment.

Initially, stakeholders were requested to provide relevant statistics as well as how their services currently interfaced. In order to gain a deeper insight, the Business Writers then interviewed a member of Senior Management from each agency. Information-gathering efforts continued informally via teleconferencing throughout the life of the project.

Once the long-list of options were evaluated, the Business Writers conducted further interviews with the CAYS and DCS, the two agencies directly impacted, to review the strategic assessment findings to date, discuss the viable option, obtain their feedback and gather costing information.

The Ministry in partnership with CAYS continues to evaluate its systems with the aim of improving and enhancing service delivery. This is evident with the recent expansion of the FBCH and the upcoming project to make BBH a secure site for medium to high risk juvenile offenders. Through the strategic assessment process, it has been acknowledged that more focus needs to be placed on improving the coordination between agencies in order to make current processes more effective and reduce duplications. For instance, CAYS is concerned about the deficiencies in the social work systems and processes and their continued adverse impact on DCFS' interface with CAYS. With further exploration this is what option 2 is likely to address along with other interagency issues. In addition, with option 2 CAYS ability to seek private donations as a source of funding, which has proven critical to their services thus far, is maintained.

Consultation with CAYS indicates that they support option 3. CAYS report that the current structure of the Government-owned Company is not ideal as the Board of Directors has limited expertise in treatment services. Further, the Directors despite being appointed by Cabinet are volunteers and, therefore, maintaining a quorum for Board meetings is challenging. Hence, integrating CAYS with DCS provides the opportunity to have clinical oversight thereby enhancing the continuum of care in treatment services for at-risk children and their families.

To date, DCS consultation indicates that the continuum of services available to young persons is less well-defined than is ideal, and a merger between services offered through CAYS and those of the DCS could potentially strengthen that. While some services at the TCC are currently made available to CAYS residents under the present arrangement, the proposed merger would facilitate an improved referral system that could minimise children being removed from their families without other interventions having been tried first. It could also allow for better treatment planning while the young person is resident within the CAYS facilities, and a

smoother discharge process upon completion. It could also afford an opportunity for some specialised groups to be delivered by qualified counsellors from TCC within the environment of the CAYS homes to address issues such as substance abuse and trauma.

Additionally, the FRC offers family and parenting skills programmes, and psycho-educational workshops and presentations. These could be tailor-made to meet the needs of CAYS residents and their families, and would greatly aide in the reintegration process. Skills building sessions could also be offered to young persons who may move into independent living arrangements once they transition from CAYS' care.

Furthermore, if substance abuse is an issue identified for parents of children who are placed in care, the ability to treat the entire family system could be greatly enhanced through a merger of services, as the adult(s) can be treated at Caribbean Haven Residential Centre while family work takes place in conjunction with the other agencies under the DCS remit.

PART 5: INVESTMENT REQUIRED TO DEVELOP AN OUTLINE BUSINESS CASE

5.1 Methodology

The Outline Business Case (OBC) will require key sources of support from:

- Ministry of CAY&S Policy Officers
- Ministry of CAY&S Finance Unit
- DCFS
- DCS
- CAYS
- Ministry responsible for Education
- Strategic Reform Implementation Unit (SRIU)

The Project Definition Document has set the target date for completion as 30 April 2017. However, there are several factors that will determine the ability to meet this timeline. These are:

- Approval date by Cabinet to move forward with OBC
- Availability of data to analyse

5.2 Financial Implications

There are no foreseen financial implications for this project.

5.3 Public Service Implications

The development of the Strategic Assessment has highlighted the limited expertise and experience the Ministry has for the completion of the OBC. Hence, the Ministry will rely on the expert guidance and consultation with key stakeholders and SRIU in order to complete the OBC in a timely manner. Additionally, the lack of readily available data to inform the process and explore further options is limited.

However, the Ministry will be liaising with relevant stakeholders, namely DCFS and CAYS to ensure that these agencies commence collecting data to be in a position to monitor the effectiveness of identified options.

5.4 Legal Implications

The Ministry will require further legal advice to determine if there are any legal implications as a result of the development of the OBC.