



Corporate Parenting Committee
19 April 2022

**Report from the Strategic Director,
Children and Young People**

Looked After Children and Care Leaver Placements

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	N/A
Background Papers:	Looked After Children's and Care Leavers Placement Sufficiency Strategy 2020-24
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1.0 Purpose of the Report

1.1 This report provides Corporate Parenting Committee with an update on placement commissioning activity for Looked After Children and Care Leavers.

2.0 Recommendations

That Corporate Parenting Committee:

2.1 notes the contents of the report and the demand and market supply issues that the local authority faces.

2.2 notes the development activities underway to improve access to suitable placements for Looked After Children and Care Leavers.

3.0 Detail

3.1 The Looked After Children's and Care Leavers Placement Sufficiency Strategy 2020-24 sets out how Brent meets its statutory Sufficiency Duty as laid down in Section 22G of the Children Act 1989. Brent's placement activity reflects a collaborative and partnership approach to the sourcing of suitable placements for children and young people. Brent seeks to:

- provide LAC and care leavers with access to a range of placement options that meet their specific and diverse needs as identified in their care plan
- enable looked after children to be placed in a family setting where possible, whether with their own extended family members or foster carers, and provide staying put options for care leavers
- secure placements within or close to the local authority area, unless for safeguarding reasons this is not appropriate
- enable sibling groups to stay together or support sibling contact as outlined in their care plan
- minimise disruption to children and young people's education or training, with this considered at all stages of placement finding
- provide LAC and care leavers with access to support and services of high quality that are appropriate to their needs as identified in their care plan or pathway plan
- ensure placements are subject to robust quality assurance by commissioners and social work teams to support placement stability, with further support and challenge provided by Independent Reviewing Officers.

National and Regional Context

3.2 There is national and regional (Pan London) pressure on placements for looked after children and care leavers and concerns about rising placement costs over the past few years. In response to this, the Competition and Markets Authority (CMA) has recently undertaken a market study into children's social care placements in England, Scotland and Wales. The CMA's final report (March 2022) highlights that there is a national shortage of appropriate placements and that the costs of placements are high. The report refers to two concerns that are contributing to poor outcomes for children and local authorities:

- The market is not providing sufficient placements that fully meet children's needs when and where they require them resulting in negative outcomes.
- Some prices and profits in the sector are above levels expected in a well-functioning market, where new providers would help to meet demand, driving down prices and profits.

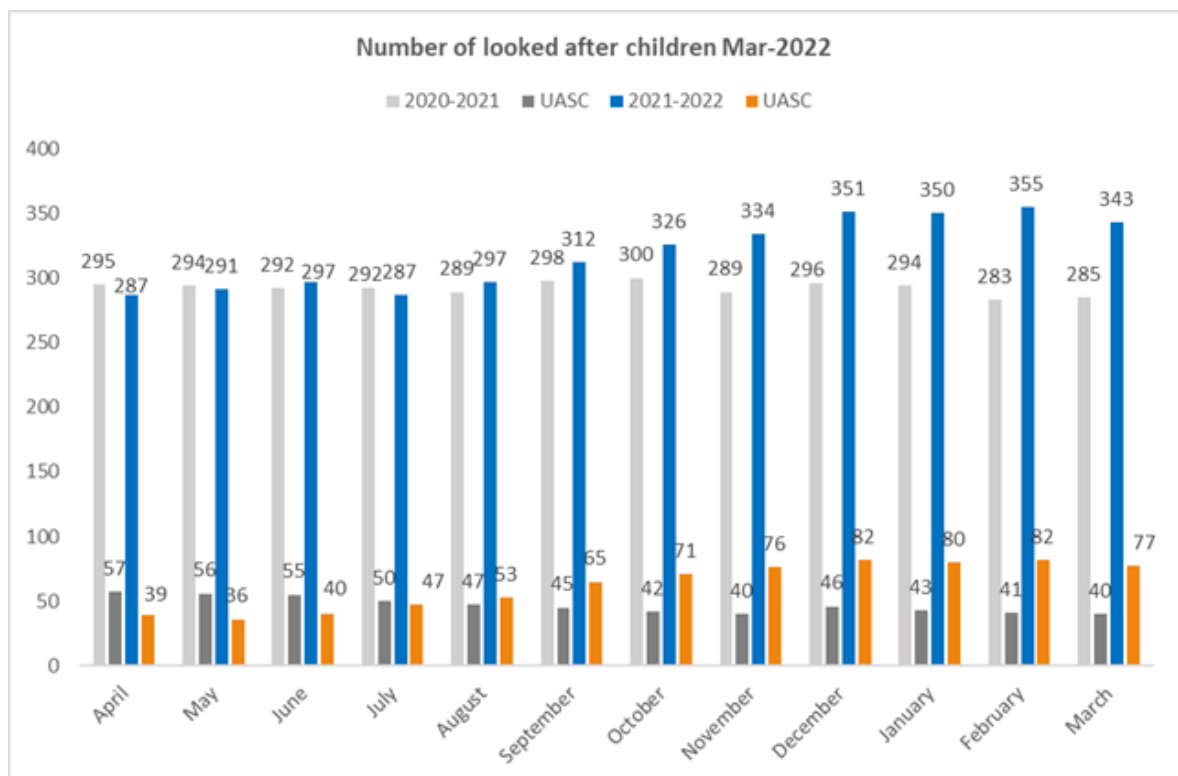
3.3 The CMA's recommendations include the government taking a collective approach to engagement with the placements market and some national support for local authorities in market shaping; targeted government funding to local authorities for initiatives to increase local foster carers; reviewing regulation and planning requirements and a number of steps to develop market resilience.

Demand for Placements

3.4 During the pandemic, Brent has seen a significant increase in demand across children's services, with caseloads increasing by 11% over the past year.

- an increase in child referrals from 3031 in Dec 20 to 3410 in Dec 21 (12.5%)
- an increase in children in need from 2467 in Dec 20 to 2746 in Dec 21 (11.3%)
- an increase in the number of children subject of Child Protection Plans from 281 in Dec 20 to 352 in Dec 21 (25.3%)
- an increase in the number of Looked After Children (LAC) from 296 in Dec 20 to 351 in Dec 21 (18.6%)
- an increase in the number of Unaccompanied Asylum Seeker Children (UASC) from 46 in Dec 20 to 82 in Dec 21 (78%)
- an increase in the number of care leaver population aged 18-25 years from 388 in Dec 20 to 436 in Dec 21 (12.4%)

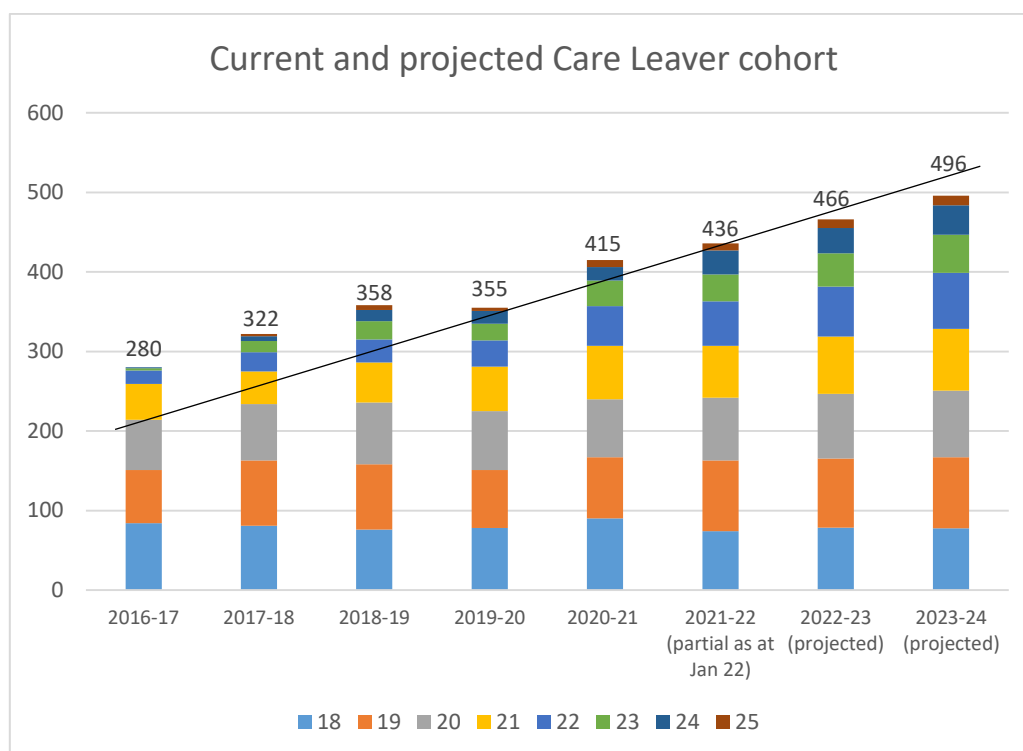
3.5 In Brent, the LAC (0-17) population was relatively steady between 2016 and 2021 at between 280 and 300 children each year. Over the past year, the number of LAC has increased. At 355 in February 2022, it was the highest at any time in the past five years. In 2021/22 to date 190 children have become looked after, compared to an average of 167 per year in the previous four years. The increase in LAC has primarily been driven by an increase in UASC. There have been over 60 new UASC in the year to date, the majority of whom are young males who were accommodated in hotels in Brent by the Home Office and subsequently claimed to be under 18. Chart 1 shows the increase in Looked After Children (LAC) over the past year compared to 2020/21, highlighting the increase in UASC.



3.6 60% of looked after children are currently placed in fostering placements either with in-house carers, Independent Fostering Agencies (IFAs) or with a relative or nominated family friend, 10% are placed in residential homes (including children's homes, mother and baby residential homes and young offenders institutions) and 26% are placed in semi-independent provision. The number of children placed with IFA carers increased from 86 in April 2021 to 110 in March 2022, while the number placed with in-house foster carers reduced over this period. This reflects a reduction in in-house carers (due to retirement, ill-health or moving to IFAs), as well as specific placement needs, such as sibling groups for whom foster placements together have only been identified with IFAs.

There is a high number of LAC over the age of 16 (46% of the LAC population), many of whom present with behaviours that foster carers do not feel equipped to manage. A national lack of sufficiency around foster carers for teenagers, including within Brent's in-house foster service, means that Brent continues to place young people in semi-independent provision. The number of LAC placed in semi-independent provision increased from 41 in April 2021 to 92 in January 2022 (75% of whom were UASC). At the end of March 2022, 86 LAC were in semi-independent provision.

- 3.7 The Care Leaver population has been steadily increasing since 2016/17 and is forecast to continue to grow based on the current LAC population. Care leavers are accommodated in staying put arrangements with their former foster carers or semi-independent accommodation (25 and 147 respectively). Care leavers are accommodated based on their vulnerabilities, which for many have increased during the pandemic, or because they are waiting for a Home Office decision on their asylum claim and do not have recourse to public funds. This is the case for fifty per cent of the oldest care leavers (there are 24 over the age of 21), some of whom are waiting for their ID following a positive decision. CYP works closely with colleagues in Housing to provide a tenancy for Care Leavers when they are ready, as set out in the corporate offer to Care Leavers, but the timeliness of some moving can be impacted by the availability of suitable properties.



Placement Sourcing Challenges

- 3.8 The need for a placement for the most vulnerable children can often occur urgently through either a family or placement breakdown. For some children, such as those subject to police protection or in the case of a UASC, there is an immediate same-day need to source a placement, which given the under-supply of appropriate placements regionally and nationally can limit the local authority's commissioning options.
- 3.9 The LA has an in-house fostering service that at the end of March 2022 supported 51 children. The LA provides short breaks for children with disabilities at the Ade Adepitan Short-break Centre, but does not operate any residential children's homes. LAs that run

their own residential children's homes tend not to be accessible to other LAs. Brent is therefore reliant on private and charitable sector markets to procure placements for many LAC and Care Leavers. The Placement Team uses the Commissioning Alliance (WLA) Dynamic Purchasing Vehicles (DPVs) and spot-purchasing to commission IFA placements, children's homes placements and semi-independent provision. While the preference is to use the DPVs, as there are quality thresholds for providers to access the DPV frameworks, it is not always possible to identify a suitable placement via this route. All searches explore the wider market. For every IFA search, for example, the Placements Team approach the 70 providers on the DPV, 100 IFA providers in London and the South East and 165 in the rest of the country.

- 3.10 While the local authority successfully sources suitable placements for the majority of looked after children, it faces a number of challenges in identifying suitable placements for adolescents with complex needs. There is a national and local shortage of regulated placements (fostering and children's home) and in particular placements that can meet the needs of this group. Despite high levels of occupancy, IFA providers receive approximately 250 referrals a week, with the larger agencies, such as the National Fostering Agency (NFA), receiving around 400. Residential children's home providers report similar referral numbers. Despite Ofsted opening up a fast-track approval process for the registration of new children's homes, providers report not being able to open homes or expand in line with demand. They are also struggling to recruit registered managers.
- 3.11 National and local referrals over the past two years reflect increasing complexity of need - children and young people with contextual safeguarding risks around gangs, drugs and county lines, child sexual exploitation (CSE), self-harm and mental health needs, as well as an increase in children and young people whose liberty is restricted through a Deprivation of Liberty Safeguard (DoLS) that includes a series of measures agreed in Court to keep them safe, such as restricting access to phones and movement outside of the home. Amongst the top 50 young people in the borough of most concern because of their multiple vulnerabilities, 60% are LAC. Of this group, around 18% are involved in county lines, 17% are known to the YOS and there are CSE concerns for 7% and each year there are several incidences of Brent young people being hospitalised due to a self-harm incident. Many LAC and Care Leavers are purposely placed away from Brent due to gang-related safeguarding risks.
- 3.12 In a market of national shortage, it can be difficult to match children who have multiple vulnerabilities or risk factors to placements. In relation to fostering placements, there is a growing theme around IFAs insisting on additional resources to care for children with complex behaviours, partly in response to a lack of relevant experience in IFA carer pools. This includes high levels of supervision, such as additional support from the IFA Supervising Social Worker, and additional support packages, such as support workers to take children out at weekends or access to IFA therapeutic programmes. This translates into high placement costs – the average IFA weekly fee is £900 a week, but the top 10 highest cost IFA placements range from £1370 to £1950 a week for an individual child and up to £2800 a week for a mother and child fostering placement.
- 3.13 Identifying residential children's home placements can be very challenging despite comprehensive nationwide searches, in particular for children and young people who require specialist or therapeutic provision, such as adolescents with complex social, emotional mental health needs, possibly with autism or ADHD, presenting with complex behaviour. Many children's home providers maintain voids, which reflects both difficulties matching children and provider reluctance to support children and young people with high levels of need out of concern for the impact on their Ofsted rating if they are judged as unable to adequately keep these young people safe. Often only one provider comes forward when a placement is being sourced. As a result, the local

authority has limited influence over the market and limited negotiating power in relation to costs and the support packages providers believe children require. This is particularly acute when a placement becomes fragile or when new placements are needed for children in crisis, for example those who are known to the criminal justice system/Youth Offending Service or have mental health concerns. The number of children placed in residential children's homes has remained relatively steady in Brent over the past few years at around 27 children. Brent's 10 most expensive children's homes placements range in cost from £4,800 to £10,500 a week.

- 3.14 Nationally there is a shortage of welfare secure beds, that are for children and young people who are considered to be at significant risk due to absconding or self-harm. There is usually a long waiting list for access to welfare secure beds, that are managed on a national level through the Secure Welfare Co-ordination Unit run by Hampshire LA. Brent has had two young people placed in Welfare Secure units over the past year, at a cost of £7000 a week per placement.

Case Study 1

Child A is a 14 year old boy of Black British heritage. He was a child in need and subject of a child protection plan before becoming looked after in 2019. After being placed in several foster placements that broke down, a residential children's home was sourced for Child A outside of London for his own safety. He settled well at the home in a LA in North England, attending an alternative provision school in a neighbouring LA where he made good progress.

After 18 months, he was involved in an incident, which resulted in the police insisting that he moved. The only suitable placement was identified for Child A in North London, despite a nationwide search.

The placement in London struggled to manage Child A's complex behaviours. He had multiple missing episodes and he only complied with the home's curfew rules when on a tag after breaching his referral order. After 5 months the placement gave notice and a new placement search commenced. During this time, the provider increased the placement cost from £6,200 to £10,000 a week on the grounds that Child A required 2:1 support and it was not possible to match other children with Child A given his vulnerabilities. In the meantime, Child A was confirmed as a victim of modern slavery.

In beginning of this year, Child A was arrested on a number of serious charges. He is currently in a Youth Offending Institution pending a court hearing, when the judge will decide if he is to be retained or remanded into the local authority's care. Search for an alternative children's home placement out of London continues.

- 3.15 Like children's home placements, residential parent and baby assessments are relatively low in number but high cost. Over the past two years, the number of requests for parent and baby residential assessments has increased, reflecting heightened parental vulnerabilities during the pandemic, in particular mental health concerns and domestic violence. Residential parenting assessments are commissioned on a spot purchase basis due to the relatively small number of placements required annually. Each placement costs an average of £3,500 a week for a minimum period of 12 weeks (£42,000). Over the past year there has been an increasing number of families placed in this provision.
- 3.16 Semi-independent placements are low cost but high incidence nationally. The council commissions a range of semi-independent placements, that are unregulated provision (not inspected by Ofsted), from up to 40 providers at any point in time. This includes supported placements that have 24-hour onsite support, shared placements with

different levels of day time support and independent accommodation with floating/visiting support. Brent commissions the majority of its semi-independent placements through a DPV, but is increasingly spot-purchasing in the wider market due to increased demand and because not all providers have chosen to register on the DPV. Brent continues to have a block contract with Centrepoint, who are currently providing 20 placements, 5 of which are high support placements. Over the past five years the number of semi-independent placements commissioned has increased from 90 in April 2016 to 241 at the end of March 2022. At an average cost of £800 a week, semi-independent placements are putting significant pressure on the placements budget. A number of cost avoidance actions are planned, including reducing the length of time that care leavers are accommodated in semi-independent provision through an enhanced and focused life skills development programme and using the Gordon Brown Centre to help young people successfully move into adulthood and independent living; working with the Housing Department to ensure that care leavers can access their own tenancy as soon as possible and redesigning the Council's commissioning approach to semi-independent provision with Housing colleagues.

Case Study 2

Child B is a 17-year-old unaccompanied child from a Middle Eastern country, who had been placed by the Home Office at a hotel in Wembley. On presenting to the LA, he was in need of immediate accommodation the same day, pending an age assessment. Due to Child B being an unaccompanied minor, there was no chronology nor risk assessment that the social work team could provide to inform the placement search.

The request was for a semi-independent provision with 24/7 staffing, with a preference to place with other unaccompanied minors with the same nationality/cultural match. Child B was placed in a provision in a neighbouring authority the same day that the request was made at a cost of £875. He is receiving 5 hours a week of key worker support to help him settle and is utilising an interpreter paid for by the provider.

Sub-Regional Placement Initiatives

- 3.17 It has been increasingly difficult for local authorities to recruit and retain foster carers consistently despite a range of recruitment efforts. Over the past few years, the number of foster carers in Brent has reduced. In 2021 Brent had a net loss of 8 carers (5 newly approved carers and 13 de-registrations). The age profile of Brent's current foster carers (many are over the age of 60) means that more are likely to retire over the next few years. Whilst there is a range of reasons carers cease to foster, including retirement, ill health, housing issues, moving to IFAs for higher fees and changes in circumstances, the overall net position will increase reliance on IFA placements unless further targeted action is undertaken.
- 3.18 The LA's dependency on the IFA market comes at a cost – there is an average cost difference of £500 between an in-house and IFA foster placement. This dependency is likely to increase in the future, unless the in-house fostering service is redesigned so that it can compete with IFAs. Brent is leading collaborative work with Ealing and Harrow, with involvement from St Christopher's Fellowship, to design a new fostering service with the aim of increasing access to local in-house placements and improving placement stability and choice for adolescent children in the care system. The project is effectively an 'invest to save' initiative that would involve raising foster carer rates, including a fee structure of higher rates for complex placements and older looked after children, and establishing an expanded support service for carers.

3.19 Brent has been working with local CAMHS providers and the Commissioning Alliance (WLA) on a pilot children's home crisis service for children and young people who, following admission to A&E due to a mental health concerns, are not able to safely return home and who need a short period of intensive support. The North West London CAMHS Provider Collaborative has identified £700k to support the commissioning of these placements that would be accessible to LAs in the North West London ICS footprint. The proposed pathway is a residential children's home that would operate as a crisis service, offering short-term placements of up to 4-6 weeks to stabilise a young person following hospital discharge, with support from CAMHS, before they return home or are placed in a long-term fostering or children's home placement. Brent is acting as the lead authority for the project. The model would be innovative in that it would provide a step-down from hospital that is jointly supported by social care and health.

Pan-London Placement Initiatives

3.20 Under the governance of the DfE-funded ALDCS regional London Innovation and Improvement Alliance (LIIA), the Pan-London Placement Commissioning Programme led by the DCS for Barnet, is taking forward a range of projects to improve placement sufficiency, quality and value for money for London local authorities in order to improve outcomes for London children. As part of this work authorities are being asked to help identify suitable properties that could be developed for new provision. On behalf of West London (WLA) authorities, the Head of Forward Planning, Performance and Partnerships sits on the Pan-London Placements Commissioning Panel, which is overseeing the following projects:

- Developing a Pan-London Sufficiency Tool to improve understanding of demand across London and to inform market management
- Secure Provision development – capital allocated by DfE to develop 24 secure beds with 12 step-down from secure placements in London, as no such provision currently exists in the London region.
- London Accommodation Pathfinder – placements that are an alternative to custody (remand or sentence) with a bespoke support and risk management programme for this cohort
- Residential Parenting Assessments – reviewing the potential for Pan-London or sub-regional block commissioning arrangements to drive efficiencies and more effective local market management
- Children's Home Placements – research into under-utilisation of London placements by London LAs to identify actions to increase local availability, such as block contracting arrangements to achieve cost and volume efficiencies.
- High Cost Low Incidence placements - commissioning opportunities for children with Autistic Spectrum Disorder (ASD) and Social, Emotional and Mental Health concerns (SEMH).

3.21 The consultancy TPXImpact (formerly known as Futuregov) has been commissioned to explore the development of a new model for collaborative arrangements for commissioning placements for local authority children's services in London, both pan-London and sub-regionally. The need for a new model of collaboration was highlighted in a report commissioned by ALDCS through London Councils, 'Review of Commissioning Arrangements for Looked After Children in London' (Institute of Public Care July 2018), which recommended developing '*an agreed set of principles and approaches, from which a new collaborative and dynamic relationship with the market can be created, a strategic partnership approach*' with '*supporting commissioning consortia*'. Options and recommendations for future collaborative structures for pan-London and sub-regional commissioning are being explored building on the developing Pan-London Vehicle (PLV) and reflecting the commissioning interface with health partners.

Government Policy Shifts

- 3.22 The government's independent review of Children's Social Care, which commenced in March 2021, is looking at how the social care system can '*ensure that children grow up in loving, stable and safe families, and where that is not possible, care provides the same foundations*'. A case for change was published in summer 2021 and as the review progresses, there may be recommendations that impact on placement commissioning activity.
- 3.23 The quality assurance of unregulated semi-independent provision currently rests with local authorities. In Brent the Commissioning Team undertake a rolling programme of monitoring visits and, now that Covid-19 restrictions are lifting, will be implementing the new quality assurance framework for semi-independent provision that will directly involve young people who have care-lived experience. The government undertook consultation in 2020 on proposed reforms to unregulated provision and in summer 2021 on introducing national standards for independent and semi-independent provision for looked after children aged 16 and 17. The government announced in December 2021 that it plans to implement mandatory national standards for this provision and the requirement for this provision to be registered and inspected by Ofsted. Ofsted will be registering providers from April 2023, with the new standards becoming mandatory from Autumn 2023. This is likely to have significant impact on the market with some providers ceasing to operate and others reviewing how they operate and is likely to result in higher costs for local authorities.

4.0 Financial Implications

- 4.1 The 2021/22 gross Placements budget is £22m with £5m income from grants such as the Home Office UASC grant, funding from the Dedicated Schools Grant towards the education costs of LAC, HM Prison and Probation Service and also income from Health contributions where applicable. Therefore, the net expenditure General Fund budget is £17m. The forecast as at Quarter 3 of 2021/22 is a pressure of £1.5m which is mainly due to pressure against the semi-independent placements as explained in this report.
- 4.2 In recognition of the growing pressures against the Placement budget, finance modelling was undertaken in collaboration with the service to estimate the likely pressure over the next 3 financial years and in 2021/22. This led to ongoing growth funds of £2.7m and one-off Covid-19 related pressures of £1.2m. The model has been refreshed to take into the account further increases in demand and for 2022/23, the budget will be allocated growth funds of £4.5m.
- 4.3 The Home Office UASC grant is provided to support local authorities with UASC who are LAC and Care Leavers. For Brent as an authority with high numbers of UASC, the rate is £143 per night (£114 for authorities with lower numbers) per UASC who are LAC, but this then reduces to a rate of £270 per week once they become Care Leavers (over 18s) of which Brent has a larger cohort. However, the challenge faced by Brent and other local authorities is that the funding provided is not sufficient to meet the costs which is one of the reasons for the pressure on the Placements budget.
- 4.4 At this stage, the growth funding provided to support the budget in 2022/23 and actions taking by the service to actively manage the budget, assume a balanced budget for 2022/23. However, the risk remains that further increases in demand could arise post the Covid-19 pandemic. Other factors such as the complexity of cases, rising inflation, poverty and cost of living increases, risk of changes in health contributions which are child specific and increases in UASC could have an impact on the budget. The planned

regulation of the semi-independent market and any recommendations from the Government's Social Care Review are also areas of risk.

5.0 Legal Implications

- 5.1 The local authority has a statutory Sufficiency Duty as laid down in Section 22G of the Children Act 1989. Other relevant statutory guidance includes Securing Sufficient Accommodation for Looked After Children (DfE 2010), the Children Act 2004, the Children Leaving Care Act 2000 and the Children and Social Work Act 2017.

6.0 Equality Implications

- 6.1 The services covered in this report are for Brent's most vulnerable children and young people.

Report sign off:

Gail Tolley
Strategic Director, Children and Young People