

Children in our Care Sufficiency Strategy

**Audit Committee
February 29th 2024**

Purpose

- Set out current position and pressures on providing homes for children in care and the associated financial impact.
- Explain the national picture for providing homes for children in care.
- Describe our governance/assurance arrangements and internal controls in place to contain and manage costs.
- Set out the improvements made over last 12 months and further improvement work planned.

Legal Responsibility

Legal Responsibilities and Sufficiency Duty

- The Children Act 1989 places a duty on local authorities to promote and safeguard the welfare of children in need in their area. This duty underpins all activity by the local authority in relation to looked after children. This duty has become known as 'corporate parenting'.
- The main regulations which cover this area are the Care Planning, Placement and Case Review Regulations 2010.
- The "sufficiency duty" was also introduced by the Children Act 1989 and requires local authorities to take steps that secure, so far as reasonably practicable, sufficient accommodation within the authority's area which meets the needs of its looked-after children and those who would benefit from being accommodated.
- Statutory guidance issued in 2010 made it a further requirement for those authorities to include their plans for meeting the sufficiency duty within relevant commissioning strategies i.e. Our Sufficiency Strategy.

Corporate Parenting

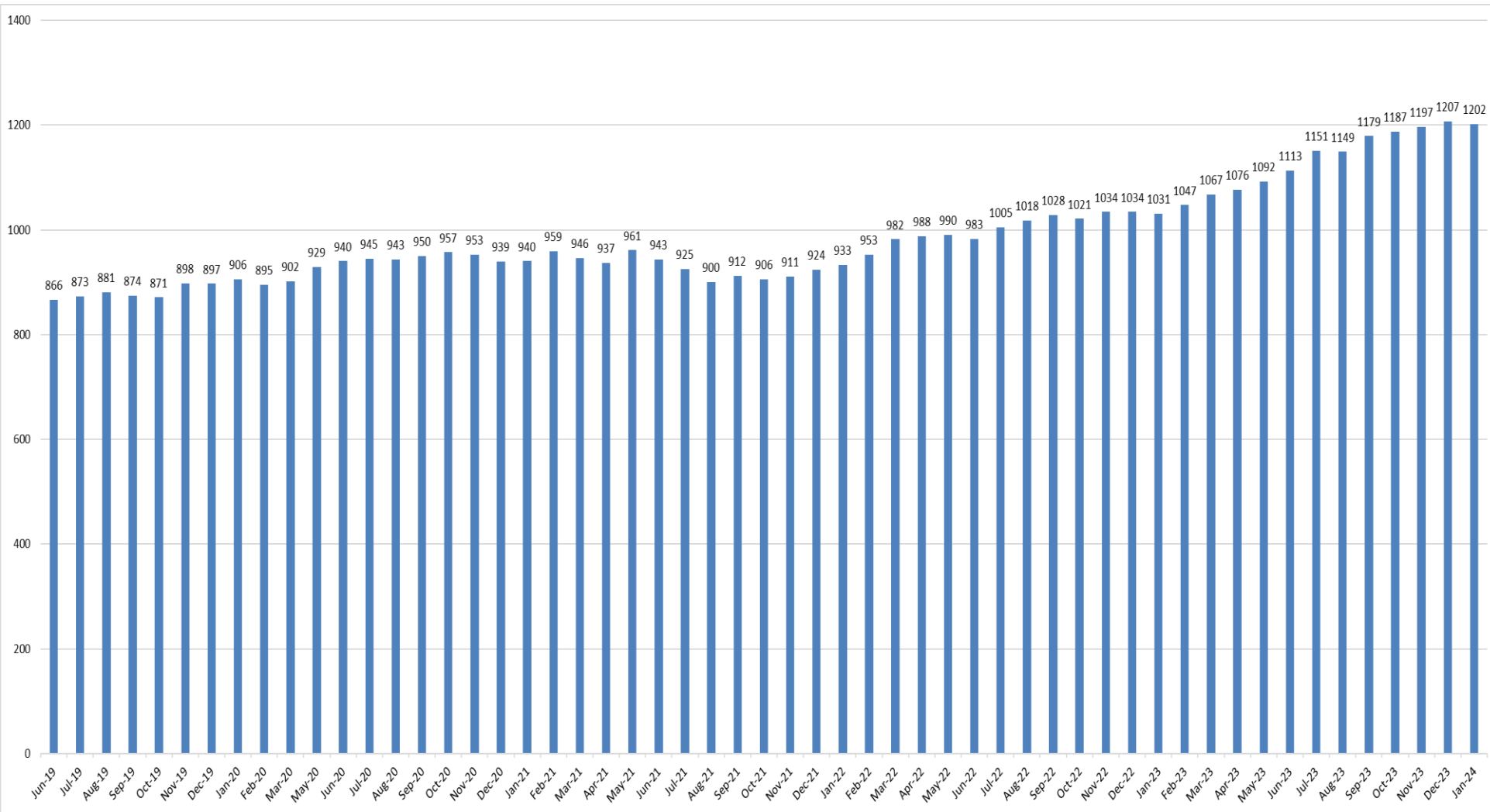
- Corporate Parenting is the collective responsibility of the council, elected members, employees, and partner agencies, to provide the best possible care and safeguarding for children in our care.
- It is our responsibility to ensure they get the best experiences in life.
- Durham has a strong Corporate Parenting Panel which ensures the County Council undertakes its duties as corporate parents.
- Every Councillor is also a Corporate Parent and must also understand the needs of children and positively promote their care, support and life chances.

Current Activity and Expenditure

Activity Overview

- The number of children in our care has continued to steadily increase and we now have over 1,200 in our care – approx. 300 more than at the start of lockdown in March 2020.
- Whilst increases are evident regionally, nationally and for statistical neighbours our 2022-23 rate remained lower compared to benchmarks and region, but higher than national. Latest rates continue to increase.
- The number of children entering care reduced during the pandemic but has consistently increased since then due to a variety of factors. The biggest contributor to the growth is increasing numbers of Unaccompanied Asylum Seeker Children.
- Composition of children in care is also changing with increasing numbers of teens in care, more unplanned moves and greater demand to meet complex care needs.
- Nationally there are serious concerns about a ‘breakdown in the market’ leading to a chronic lack of sufficiency, huge cost increases and a reduction in quality.

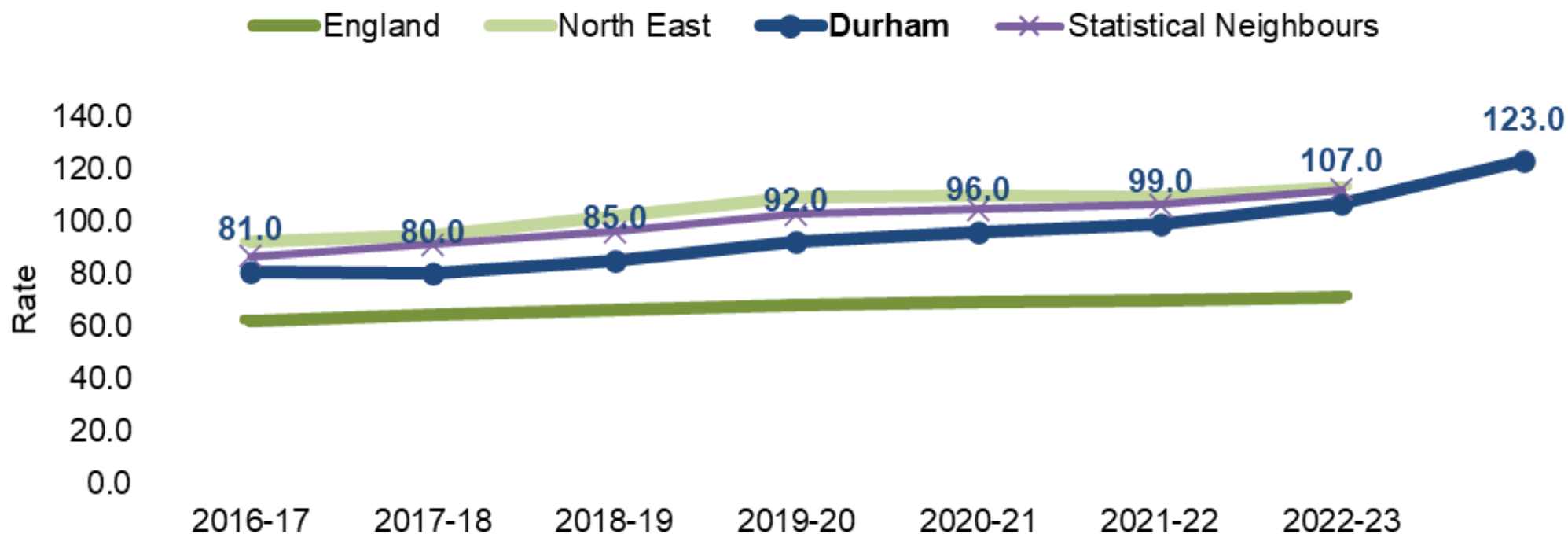
No. of Durham Children in Care Jun 19 – Jan 24



- The number of children in care has **grown by 39%** between June 2019 and Jan 2023.
- This is **336 additional children in care.**
- The numbers are the highest ever since the Children Act 1989 came into effect.

Children in Care trends – Benchmarks

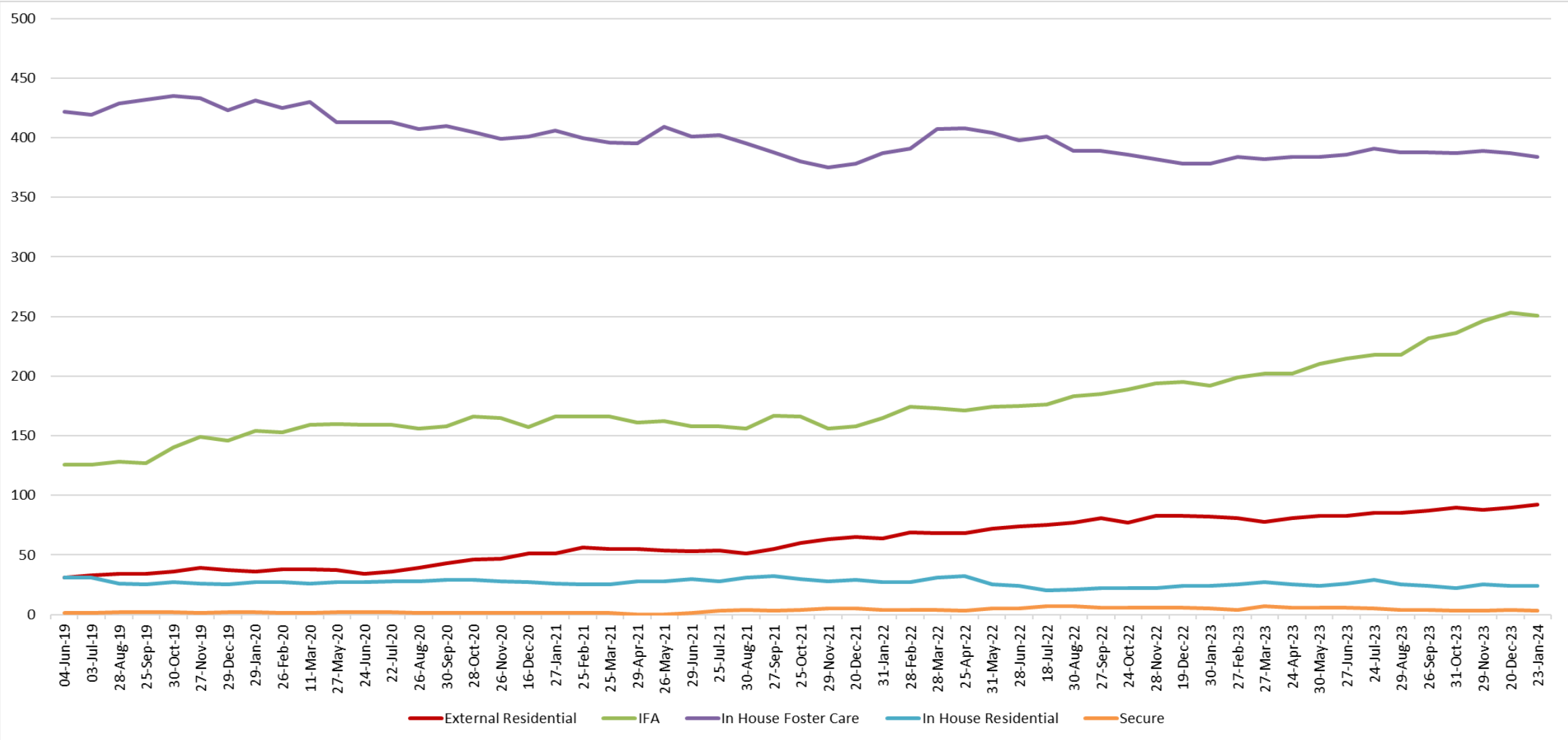
Rate of children looked after at 31 March per 10,000 children aged under 18 years



Regional
Comparison of
Children in
Care at
31/3/23

Local Authority	No. of CiC	Rate of CiC
Hartlepool	321	160
Middlesbrough	513	150
Redcar and Cleveland	399	147
Darlington	322	144
Gateshead	528	134
Stockton-on-Tees	574	131
North East	5,980	113
Newcastle upon Tyne	635	108
Durham	1,067	107
South Tyneside	310	104
Sunderland	500	91
North Tyneside	360	86
Northumberland	450	77

Trends in High Cost Placements Jun 19 – Jan 24



Factors affecting growth

Compositional Changes

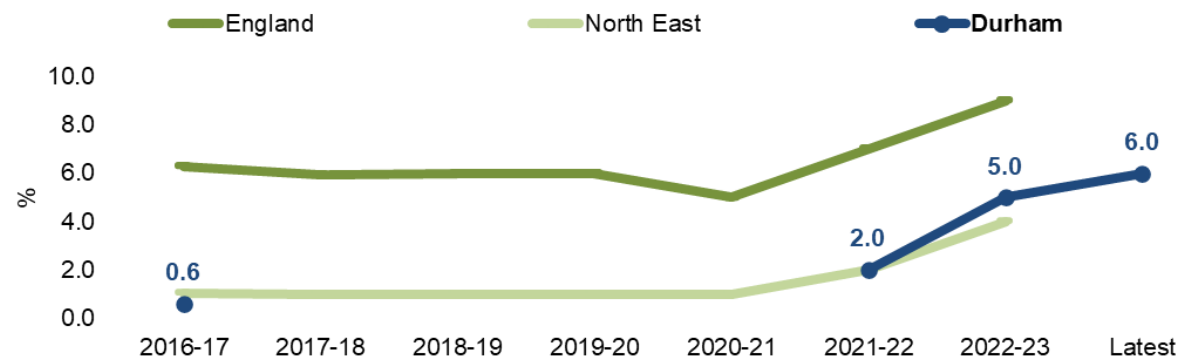
- More teenagers (16-17 yrs) coming into care in last 2 years - UASC part of increase as they tend to be older children.
- Fewer U1's coming into care as a proportion of all CiC (21% in 2022/23 vs 27% in 2019/20).

Unaccompanied Asylum Seeker Children

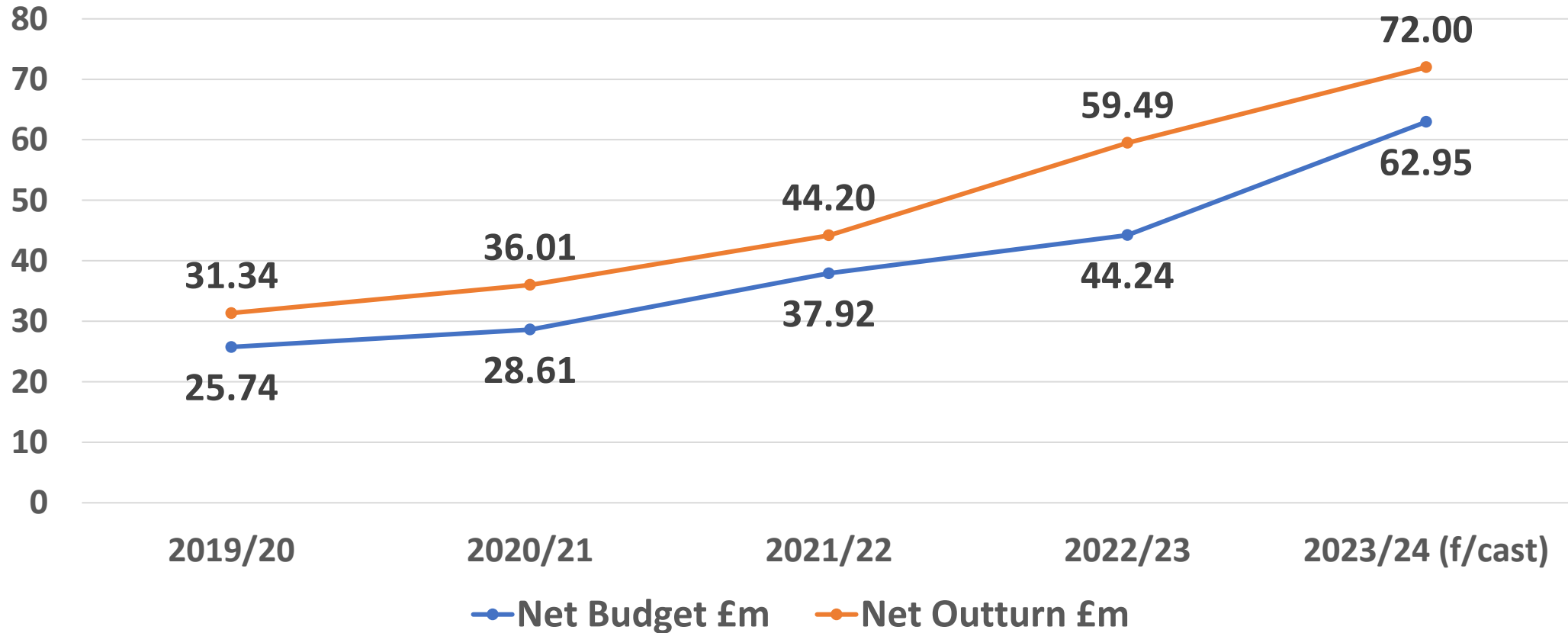
- At end of January 2024 we have 79 UASC.
- In 2022-23 11% of CiC entrants were UASC, slightly higher than the NE average (10%) but lower England (21%). Comparing pre-pandemic to now – 70% of increase is UASC.
- Significant difficulties in finding homes not only in Durham but nationally leading young people to be placed at a distance (London etc.).

Row Labels	19/20	20/21	21/22	22/23	Rolling 12 Months
Under 1	27%	29%	24%	21%	22%
1-4	23%	21%	20%	24%	19%
5-9	23%	21%	22%	17%	20%
10-15	24%	23%	22%	22%	25%
16-17	3%	7%	12%	17%	14%
Grand Total	100%	100%	100%	100%	100%

% of children looked after at 31 March who are unaccompanied asylum seeking children



Net Budget and Expenditure Trends



Budget and Expenditure – Key Changes

- At Quarter 3 (2023/24), the net overspend reported was £9.05 million.
- The main variances are net overspends:
 - External Residential / Crisis / Secure Care £6.3 million.
 - Supported Accommodation £1.3 million.
 - Independent Fostering Agencies £1.6 million.
- Offset by a net underspend:
 - In-House Children's Homes £0.5 million.

Factors Affecting Sufficiency and Cost

- Complexity of children's needs has increased.
- Impact from Covid has been significant and likely to be long lasting.
- Lack of options locally/nationally - Market unable to meet demand.
- Increase in use of external children's homes from 39 children in November 2019 to 93 in Feb 2024.
- Regulatory framework adds disincentives for homes to keep complex children who pose risks.
- Challenging marketplace for foster caring - in-house provision and Independent Fostering Agencies (IFA's).

National Context

Independent review of children's social care

- The Care Review was commissioned by the Government and reported in May 2022.
- It found that 'What we have currently is a system increasingly skewed to crisis intervention, with outcomes for children that continue to be unacceptably poor and costs that continue to rise.'
- Final report set out 80+ recommendations to reform the children's social care system, including 9 specifically aimed at transforming children's care.
- The Government's implementation strategy 'Stable Homes, Built on Love' for delivering reforms to children's social care was published in 2023. Funding was made available for 'pathfinders' to test the 4 key areas of reform.

National Ofsted Findings (Children with complex needs report 17/1/24)

- More than 9 out of 10 LA's frequently struggle to find homes for children with complex needs.
- Finding homes for children in care is a challenge due to lack of suitable homes nationally.
- The needs of children have changed over recent years – children coming into care have increasingly complex needs, often as teenagers and LA's are facing growing difficulties accessing the right support and homes for them.
- Private providers pick and choose which referrals to accept – some providers reluctant to take children with very complex needs - impact on Ofsted rating.
- Report calls for greater strategic oversight of the children's residential sector to make sure homes open in the right locations to meet children's needs.

Decision Making and Governance

Durham Financial Monitoring



**FORMAL REPORTING
THROUGH CMT, CABINET
AND CYPs SCRUTINY ON A
QUARTERLY BASIS**



**MONTHLY UPDATES
THROUGH HEAD OF SOCIAL
CARE AND CYPs FINANCE
CLINIC MEETINGS**



**FORTNIGHTLY MEETINGS
BETWEEN KEY STAFF FROM
CYPs / FINANCE /
COMMISSIONING**

Decision making and accountability – Care Planning

- Robust assessment of need for each child authorised by Team Managers.
- Care plans produced to identify how needs should be met.
- Referral then sent to home finder team.
- Referrals monitored through daily placement meetings.
- All resource decisions agreed and reviewed by the Placement Resource Panel, which is chaired by Practice Lead.
- Complex and high cost education, health and care cases go to high cost and complex panel, chaired by Head of Service.
- Once in our care a Legal Panel and Permanency Monitoring Group (PMG) chaired by a senior managers oversee the plan for permanence and tracks progress is timely.
- Weekly place planning meetings with HOS CSC, Practice Lead and Strategic Managers.

Oversight and Governance

- Corporate Sufficiency Board chaired by DCS with workstreams re: prevention / short breaks, edge of care / residential, fostering, workforce, demand / capacity.
- A number of decisions e.g. agreement to secure orders, crisis placements, need to be agreed with Head of Service/Corporate Director.
- Monthly overview of unregistered settings shared with Corporate Director. Chief Executive and portfolio holder informed.
- Scrutiny by Ofsted of individual children/settings.
- Expenditure and activity monitored at CYPS Finance Clinic – monthly and mid monthly updates now provided.
- Regional Commissioning arrangements in place to obtain suitable homes, address quality and drive better value where possible.

Case Studies

Case Study 1 – External Children's Home

J is 15 years old and is being exploited by an organised crime group.

He is very scared about the threats being made to him and he has disclosed that he is being forced to steal cars and run drugs to dealers in different parts of the country.

Close working with Police and other agencies to try and protect him and disrupt the criminal activity.

Situation reached a point where it was not safe for him to remain in the local area – he was asking for our help to move away from this life.

Sourcing a children's home out of the area for a period of time to keep J safe.

Weekly cost of placement: £8,975. Full year effect: £466,700

Case Study 2 – External Children's Home

A is 11 year old boy. He is currently residing in an external children's home.

A has Autism, a chromosomal abnormality and a learning disability. This means for A his cognition and function is not of those of his mainstream peers and he functions much lower academically.

A requires a solo specialist placement as he struggles to live with other children.

Unfortunately, due to A's needs, a placement in-house could not be provided.

- Weekly cost: £12,661 Full year effect: £658,372

Case Study 3 – DCC Children’s Home

S is 13 years old. He is currently residing in an in-house children’s home. He has a learning disability and requires a DOL to keep him safe

Prior to his return to Durham S had lived in a number of foster placements. Due his behaviours he could not be cared for safely.

S moved from a foster placement to a childrens home, unfortunately they too could not keep him safe and he subsequently moved from children’s home to children’s home with each placement breaking down.

S struggled due to these significant changes and his behaviours escalated.

In March 2023 S was matched to a in house children’s home. Since moving back to Durham, he is now attending school and his behaviours have significantly reduced. He is building positive relationship with his carers and he is more settled and able to participate in many activities to support his learning and development.

Weekly cost avoided: £9,995. Full year effect: £519,740

Case Study 4 – DCC Children’s Home

P is 16 years old who spent a number of years living in a foster placement and unfortunately, due to no fault of her own the foster placement ended.

Numerous searches were completed to find P a suitable foster/children’s homes without success

P spent a number of months living in an unregistered provision

P was matched to an in-house children’s home in June 2023. This allowed P to attend school and build relationships with her carers. No other children were admitted to the home in the first few months when P moved in to allow her time to settle.

In January 2024 assessments were completed of a family friend. P wanted to live with the family friend due to those connections and relationship they have with her family.

P returned to the care of her family friend at the end of January 2024 under a connected carers arrangement

Weekly cost avoided: £12,729. Full year effect: £661,908

What are we Doing?

What have we done?

- Edge of Care offer to help reduce need to come into care.
- Corporate Sufficiency Board.
- Implemented Comprehensive Sufficiency Strategy with investment plan, including:
 - ✓ Mockingbird has been expanded to 3 hubs and 4th in April 2024.
 - ✓ Special homes feasibility completed and funding agreed.
 - ✓ Increased the number of long-term children's homes to 10, offering 28 places with 6 short-break and 1 emergency placement at Park House.
 - ✓ Developed a short-break strategy.
 - ✓ Staying Close pilot linked to all DCC children's homes and plan rollout to external children's homes.
 - ✓ Part of the Fostering regional pathfinder (31 Foster Carers to be assessed and approved before the end of the financial year).
 - ✓ Registered internal supported lodgings service with Ofsted.

What are we planning to do?

- Developing demand, capacity and forecasting models to help inform future plans.
- Updating Sufficiency Strategy as part of the corporate parenting strategy refresh (to include permanence).
- Implement findings of Childrens Care Review – stable homes built on love.
- Develop the ‘Durham First’ approach to increase bed space availability in the Durham Area.
- To continue to work with the Fostering Pathfinder to increase foster carer recruitment.

New Developments

- Developing 5 x smaller children's homes for children and young people aged 12-17 in 2024/25.
- Establish a new Edge of Care Children's Home in Autumn 2024 with DfE capital support.
- 4th Mockingbird hub to go live April 2024
- Targeted recruitment for Internal Supported Lodgings – Including coffee morning and a targeted press and social media advert. This focus recruitment exercise has begun and is ongoing.

Risks

- Complexity of need – Mental Health, Exploitation, Cost of Living, Poverty.
- Staffing – significant recruitment and retention challenges, although improving picture.
- Costs - Unit costs escalating as a result of the broken market
- Regulation – Ofsted children’s home inspection process, new 16-17 year old supported accommodation regulation.
- Challenge in expanding in-house residential – finding properties, planning process, neighbour complaints.

Questions