



To: Education & Children's Services Scrutiny Board (2)

Date: 28 November 2024

Subject: Homes for children in care - update report

1 Purpose of the Note

- 1.1 The purpose of this note is to update the Education and Children's Services Scrutiny Board (2) with an update on the complexities of finding homes for children in care- update report following an initial report at the meeting 23 November 2023.

2 Recommendations

- 2.1 The Education and Children's Services Scrutiny Board are recommended to:
- 1) Continue to support the Residential Strategy 2023-2026.
 - 2) Note the two additional homes for our children with the most complex needs
 - 3) Support the work being undertaken in relation to sufficiency, addressing high-cost placements and improving outcomes for our children in care.
 - 4) Identify any recommendations for the appropriate Cabinet Member

3 Background and Information

- 3.1 In the last 2-3 years there has been a marked increase in the number of children and young people in care that local authorities have struggled to find appropriate homes for. This is a widely reported national issue and is a consequence of several interlinked factors, which were highlighted in Competition and Market's Authority report of March 2022, the Independent Review of Children's Social care of May 2022 and the Government's consultation response to this review – Stable Homes, Built on Love (February 2023). There is national recognition that the children's placement market is broken.
- 3.2 Pro Bono Economics reported on the national challenges in October 2024: *The number of children in residential care has more than doubled (102% increase) since 2011 with spending on these placements jumping by 90% (an increase of £1.1billion). Almost half of this increase has come in the last two years.*
- 3.3 The Coventry practice model 'Family Valued' works on the premise of keeping children and families together when it is safe to do so. This approach seeks to enable families to find the solutions to challenges they face. Families are supported through Family Network Meetings and Family Group Conferences (FGC) and additional support to identify family led solutions.

- 3.4 Family led solutions include kinship arrangements (connected fostering) which are sought, when a child is unable to remain safely with their parent/s. This area has seen significant growth in Coventry, with around 120 children now being placed in a kinship arrangement and 40 children being supported to achieve permanence through a Special Guardianship Order (SGO) last year.
- 3.5 The number of children in care decreased earlier this year, with 668 children being in care as of April 2024. However, in line with an annual trend of more children entering care over the summer period, this increased to 720 by September 2024.
- 3.6 There are currently 69 children living in a residential children's home (end of September 2024), placed by Coventry Children's Services, an increase of 10 children from April.
- 3.7 When children enter care urgently or need to move at short notice, finding the right home for a child in the current market can be challenging, providers may request funding for additional resources particularly if a child is moving from one children's home to another. In addition, the impact on the child having to move can further perpetuate their sense of rejection, self-worth & subsequent trauma. A report by the County Councils Network & IMPOWER published in November 2024 states: *Councils are faced with unenviable choices when needing to place a child taken into care at short notice – they cannot just be left homeless until a suitable price can be negotiated for their care.*
- 3.8 The new 'Short Stay, Same Day' children's home which is due to open imminently, seeks to address some of these challenges by enabling a planned move, supporting a robust search for the right home, at the right time, in the right place.

4 Financial Context

- 4.1 The challenge for Coventry is that the average unit cost of placements has been sharply increasing from year to year. An exercise undertaken by the Regional Commissioning Hub in December 2023, identified that high cost placements featured across the region, confirming demand outstripped availability of the right home in the right place to meet children's needs.
- 4.2 Although there are residential homes within the local market and Coventry is seeking to extend to 12 homes in the future, it still remains extremely difficult to find homes for our most complex children who exhibit significant trauma linked behaviours.
- 4.3 External Residential (excluding Block) costs have more than doubled over the last 5 years.

5 Mitigating activity

- 5.1 The Sufficiency Steering Group, alongside the Children's Commissioning Team carry out needs analysis into the issues to inform potential commissioning solutions, which has led to several actions/ workstreams.
- 5.2 **Placement mix projections:** The placement mix is tracked throughout the year and reported monthly, on a finance scorecard. To project future movements in the placement mix, input is gathered from across children's services.
- 5.3 Once compiled, the placement mix is modelled across the next financial year along with the anticipated unit costs to create expected budgets.
- 5.4 Actuals versus projections are reviewed regularly including at the monthly Sufficiency Steering Group Meeting. In addition, expected delivery against budgets is scrutinised as part of Coventry's quarterly budgetary control process, Childrens

Services Leadership Team monthly business meeting and regular meetings between colleagues from finance and children's services.

- 5.5 **Fostering excellence program** seeks to build upon the growth of the number of carers caring for Coventry's children, be this through a connected, mainstream or next steps arrangement and enhance the support offered to carers to ensure stability and permanence wherever possible. The service has successfully grown the number of emergency foster carers, who are now on a rota and able to provide care for children entering care in an emergency and support children while appropriate homes are found for them on a longer-term basis.
- 5.6 An independent review via the DfE, undertaken by Fosterlink in March this year identified areas of strength in our recruitment and has created an action plan for further opportunities to strengthen this. This includes targeted recruitment activity to reflect the range of 'placement types' being sought, e.g. Parent and child, to increase the diversity of our foster carers and targeted postcode recruitment where larger properties exist that may be able to support the recruitment of carers for sibling groups.
- 5.7 **The Residential strategy (2023-2026)** sets out a plan to open a further 5 further children's homes, bringing the total to 10, run by Coventry City Council. A short stay/ same day and the first purpose-built home for children in care with a disability, are due to open in November 2024. 1 child has already been matched to our CWD home who would otherwise need to be placed in an external children's home and early discussions are currently taking place to facilitate a move for another young person currently placed in an external residential home.
- 5.8 There have been challenges in finding suitable properties in the city, alongside the timeliness of renovations of purchased properties to ensure they meet the required building/ fire/ H&S regulations, alongside meeting the safeguarding requirements assessed by Ofsted to achieve registration. To address this, an interim 6-month project manager post from the Education Capital Team has been established to drive forward current and future projects.
- 5.9 In addition to this a further 2 children's homes have been agreed as part of the medium-term financial strategy bringing the total to 12. These 2 additional homes will care for our most complex children, who subsequently are in the highest cost provision. Some are subject of a Deprivation of Liberty Safeguarding order (DoLS) and have been discharged from hospital following significant concerns regarding their mental health. An opportunity has recently arisen to apply for a DfE grant to support 50% of the capital funding of these homes and consideration will be given to submit a bid on behalf of the Council.
- 5.10 **House Project & Staying Close**, plans are in place to increase the number of cohorts, with Cohort 5 due to commence later this year, following 42 young people now having successfully been supported by the project.
- 5.11 Several children from children's homes have successfully moved onto their own home through the House Project and will receive ongoing support through "Staying Close", from their former carers and through Lifelong links networks.
- 5.12 **Next Step foster carers.** The Next Steps fostering scheme has seen significant growth in this area over the last 12 months. These fostering placements offer a supportive, safe, and nurturing family environment. Eleven households are currently part of the scheme, with thirteen young people living in a family home. These children have either moved from residential or would have been placed in a residential home. Five of the children are long-term matched with their carers. This

continues to show success in significantly improving outcomes for the children placed with Next Steps carers alongside delivering tangible cost saving/avoidance.

- 5.13 **Reunification project:** Since the launch of the Reunification Project in June 2021, 38 children have returned to the care of their parents(s) through this project, with a further 19 children, young people and their families working towards reunification. 24 children who were previously in a residential setting have returned home, resulting in a significant level of cost avoidance against the placement budget.
- 5.14 **Regional contracts.** Working in partnership with the Commissioning Hub and local authorities across the West Midlands a new regional framework was implemented in September 2024 to address some of the challenges linked to securing homes for children through Independent Fostering Agencies. 58 agencies have signed up to the contract, supporting us to work with them on improving quality and fixed costs. In addition, a new regional residential framework is being developed, with the aim to address the challenges of working with providers through 'Spot' purchasing, enabling fixed contract costs, regional quality assurance and access to more homes closer to Coventry. It is anticipated that this will be implemented in April 2025.
- 5.15 **Strategic Lead oversight** is in place which includes weekly Resource & Placement Stability Panel and bi-monthly residential review. A bi-monthly review is undertaken of all children living in residential care, to consider their plans to move on, in line with their care plan. Alongside this, children in residential care with additional packages of support are reviewed weekly. This meeting actively tracks each package with additional support and works with social workers and providers to reduce the package in line with need. It is of note that the last 3 children that have moved into our internal children's homes were previously in a commissioned placement at a higher cost outside of Coventry.
- 5.16 **Peer review-** An LGA Peer Review took place over 3 days in October 2024 to consider Efficiencies and Resources within Children's Services. In preparation for the peer review, a Position Statement was produced and several documents were shared in advance to support focused discussions. On day 3 of the review, initial feedback was shared, identifying areas of strength, alongside areas of suggested development. The full report has yet to be received, however an initial draft action plan has been developed to expedite some actions across the Council and by the Children's Service Leadership Team.
- 5.17 In addition to the Peer Review, we are also taking part in National Support Work for forecasting, commissioning, and market shaping, through Mutual Ventures (via DfE), with further scoping work planned for the winter of 2024/25.
- 5.18 **Joint working with Health.** Joint Health funding is provided for those children who are discharged from hospital, having been sectioned under S2 of the Mental Health Act, under s.117 and for some children with complex needs.

6 Health Inequalities Impact

- 6.1 There is significant work being undertaken with the ICB in relation to meeting the needs of children with complex mental health, Autism and/ or a learning disability that require bespoke residential care. Children with one or more of these diagnoses and who are in an external residential home that supports their health need, are reviewed in a monthly joint meeting with Health colleagues.
- 6.2 For some children being discharged from a Tier 4 hospital, where there is a need for a registered provision, challenges persist where there are few or no providers who are willing/or able to care for them.

- 6.3 Joint work is being undertaken to enhance preventative services and reduce the number of children who access hospital due to their mental health needs.
- 6.4 Working in partnership with Warwickshire County Council and the ICB, a review of all policies, procedures and packages of care linked to children accessing Continuing Healthcare is in progress and we are cautiously awaiting the outcome of this review which we anticipate will be favourable to both Coventry and Warwickshire.

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