SOUTH WEST MARKET POSITION STATEMENT

Fostering, children's residential care, and independent special schools

1. Introduction

This is the first regional Market Position Statement for children's services in the South West of England. Its purpose is to set out clear messages for providers about likely future needs for foster homes, residential care and independent special schools to inform more effective collaborative commissioning based on strong relationships with providers. This will support our aim of ensuring a range of high quality provision close to children's families and communities, and ultimately improving outcomes for children in care and children with special educational needs or disabilities.

Individual local authorities have previously published documents of varying scope, style and currency. This Market Position Statement is unique in bringing together for the first time a single regional view and covering markets for both children's social care and special education. The new approach is the product of regional collaboration and aims to be a springboard to further action in partnership with providers.

This Market Position Statement is a key output of the South West Sufficiency Project. The project has been funded by the Department for Education to strengthen the capacity of local authorities to address their common challenges in ensuring sufficient high quality local provision for children. The South West Sufficiency Project is a partnership of 14 local authorities covering the whole region from Land's End to Swindon, which together serve a population of over 5 million people. This is a large and diverse region but there are many similarities in the issues faced by commissioners and providers across the region and significant synergies in tackling them together. There is consensus across the South West about the key challenges and priorities, but it should not be assumed that each authority would endorse every detail. Where there are differences of opinion or emphasis a majority view is reflected.

Our aim of ensuring a range of high quality provision close to children's families and communities

2. Scope, language, and data

This Market Position Statement covers three important and inter-related markets:

- Fostering
- Children's residential homes
- Independent special schools (both day and residential)

It does not cover supported housing or semi-independent accommodation for young people aged 16 to 25.

The document aims to be accessible, but it is aimed at a specialist audience of providers and commissioners. Where possible terminology which children have frequently said they prefer, such as 'homes' or 'provision' rather than 'placement', and 'children in care' rather than 'looked after children' has been used. However, it is difficult to eliminate these terms altogether as they are used in legislation, statistics and quotations. It should also be recognised that children and their families are often uncomfortable with the language of markets and commissioning. Adults who care for children or commission services should never have conversations with children which make them feel like commodities, but at the same time, they need to recognise the complex landscape of public, private and not for profit provision, through which care and education are delivered, and ensure that the commercial aspects of relationships are well managed, to support achievement of the best possible outcomes for children.

The terminology to describe different types of schools can be confusing. To simplify things we have used two broad terms:
- 'sate funded schools', either 'mainstream' or 'special', (including maintained, academies trusts and free schools)
- 'independent special schools' (including independent and non maintained special schools and post 16 colleges)

The project undertook a bespoke data collection to inform this Market Position Statement. Detailed information about fostering, residential care and special education was gathered providing a more comprehensive and up to date regional view than ever before. This has been complemented by analysis of data from a range of national returns made by local authorities each year. The national returns are useful for making comparisons with other regions and across longer time frames.

Detailed information about fostering, residential care and special education was gathered providing a more comprehensive and up to date regional view than ever before.

3. Context

The Children Act 1989 places a duty on councils to take steps that secure, so far as reasonably practicable, sufficient accommodation within the authority's area to meet the needs of children they are looking after[1]. This can be across a number of different settings in family homes through foster carers, in children's homes, in residential schools and for young people aged over 16 in supported accommodation.

The duty is much broader than calculating capacity and demand, it is about councils working with providers to offer a range of options for children and young people to ensure there is a diverse offer that can be personalised to meet individual needs and deliver both short and long-term outcomes, whether enabling children to return safely to their families, providing permanency or preparing them for adulthood.

This Market Position Statement comes at a time when there is heightened national concern about the markets for children's care and education reflected in three important reviews:

- Independent review of children's social care in England, (final recommendations expected later in 2022)[2]
- Right support, right place, right time, Government consultation on the SEND and alternative provision system in England, (published March 2022)[3]
- Children's Social Care Market Study, by the Competition and Markets Authority, (published March 2022)[4]

The findings of the Competition and Markets Authority study are particularly relevant:

"Overall, our view is that there are significant problems in how the placements market is functioning, particularly in England and Wales. We found that:

- a lack of placements of the right kind, in the right places, means that children are not consistently getting access to care and accommodation that meets their needs;
- the largest private providers of placements are making materially higher profits, and charging materially higher prices, than we would expect if this market were functioning effectively; and
- some of the largest private providers are carrying very high levels of debt, creating a risk that disorderly failure of highly-leveraged firms could disrupt the placements of children in care[5]"

"Overall, our view is that there are significant problems in how the placements market is functioning, particularly in England and Wales."

Competition and Markets Authority

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1 Children Act 1989 Section 22G
2 Independent Review of Children's Social Care website
3 Right Support, Right Place Right Time, Green Paper
4 Children's Social Care Market Study, by the Competition and Markets authority, published March 2022
5 As above paragraph 4 page 5

The Competition and Markets Authority also identified regional working as an important element to addressing these challenges:

"For market shaping and procurement, the UK Government should support the increase in wider-than-local activity by funding collective bodies to trial different market shaping and procurement techniques and improving understanding of what market shaping and procurement models work well [6]".
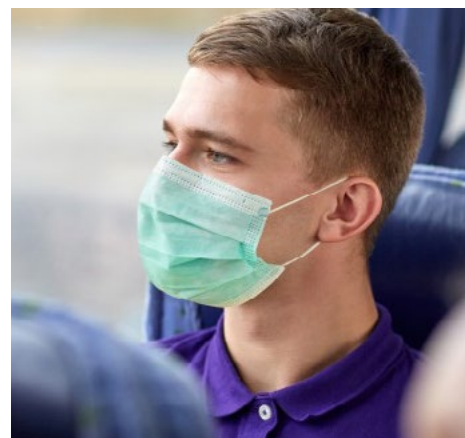
The South West Sufficiency project is in many respects a pioneer of this approach.

In addition to these major reviews wider changes in the policy and public services landscape are expected. These include a new registration and inspection regime for 'unregulated' independent accommodation, to be implemented in 2023, which could affect the availability of accommodation for young people as they move toward independence, and major changes in the way local health services are commissioned and delivered, with Integrated Care Systems replacing Clinical Commissioning Groups.

The Covid-19 pandemic is another important contextual factor to consider. Although the long term consequences of the pandemic for children and young people are not yet known, early evidence suggests that measures to prevent the spread of the virus had a very significant impact on children, particularly through disrupted education and increased mental health problems. Referrals of children to mental health services between April and September 2021 were 81% higher than in the same period in 2019, which compares with an increase of 11% for adults. This surge in demand led to longer waiting times for already stretched child and adolescent mental health services (CAMHs).

Foster carers, providers and schools have been also been severely impacted and the pandemic has exacerbated recruitment and retention challenges across social care and education.
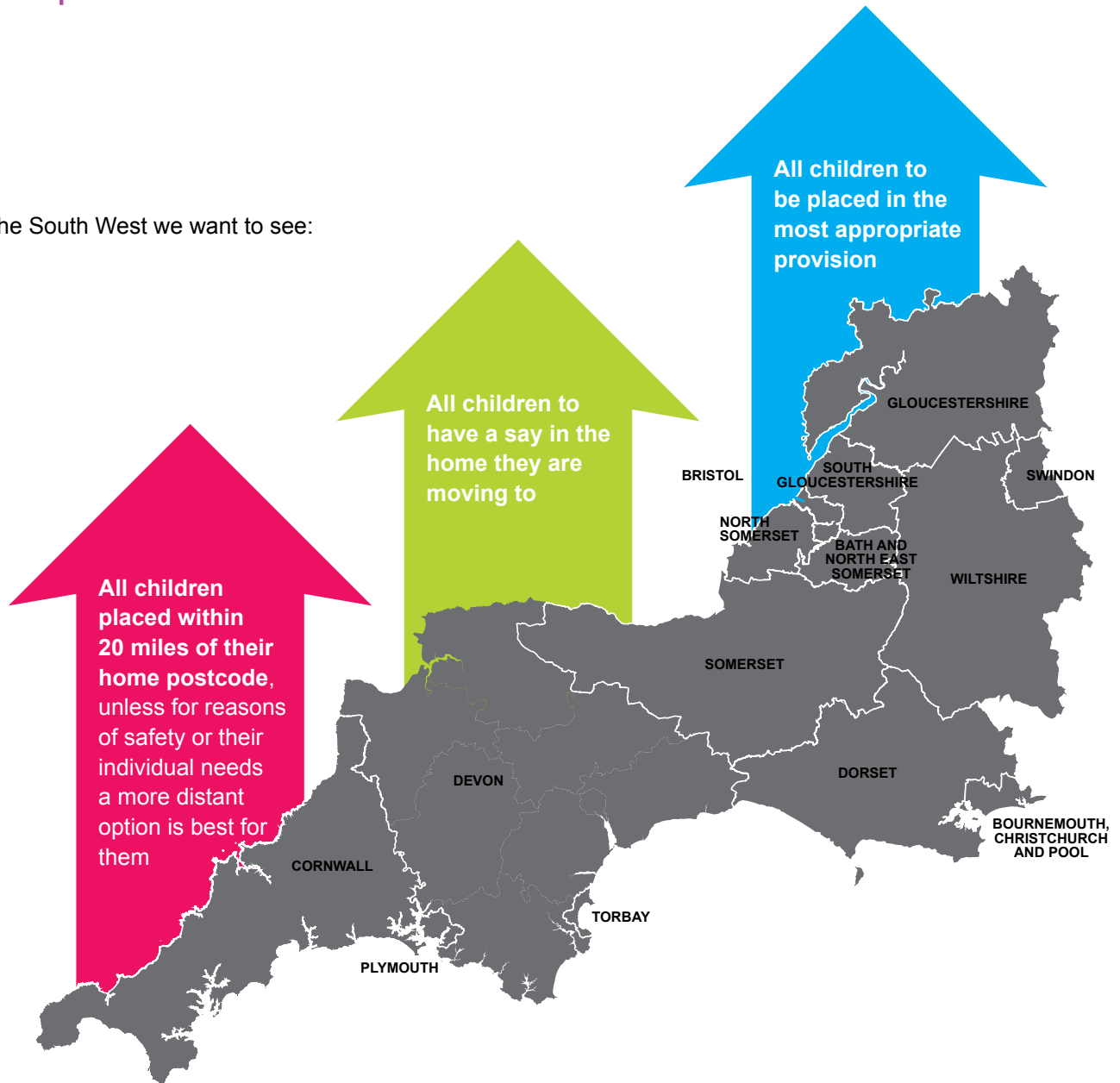
The South West Sufficiency project is in many respects a pioneer

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6 As above paragraph 40 page 14

4. Aspirations

In the South West we want to see:

All children to be placed in the most appropriate provision

All children to have a say in the home they are moving to

All children placed within 20 miles of their home postcode, unless for reasons of safety or their individual needs a more distant option is best for them

GLOUCESTERSHIRE

BRISTOL

SOUTH GLOUCESTERSHIRE

SWINDON

NORTH SOMERSET

BATH AND NORTH EAST SOMERSET

WILTSHIRE

SOMERSET

DORSET

DEVON

BOURNEMOUTH, CHRISTCHURCH AND POOL

CORNWALL

TORBAY

PLYMOUTH

To achieve these aspirations, stronger partnerships will be essential, both with providers and between authorities. Across the region we would like to see:

More co-production with providers, building long term and mutually beneficial relationships	**New models for commissioning** that will compliment existing approaches and give local authorities increased levels of sufficiency	**A larger pool of foster carers** and more children's homes and special education provision	**A stronger shared evidence base in terms of data, market intelligence and best practice**	**Joint commissioning on a regional and sub-regional basis** for those needs which individual local authority commissioning is less effective	**Regular regional engagement** with regulators to promote arrangements which help us achieve our aspirations

5. The South West

The South West is geographically the largest of England's nine regions with a growing population of around 5.6 million people, including over 1.1 million children.

There are 14 local authorities responsible for children's services (not including the Isles of Scilly), representing a mixture of single-tier unitary and two tier county councils. Together we spend over £1billion on children's services and around £390 million a year purchasing provision from independent and voluntary sector providers.

The region varies enormously from large cities to national parks and rural villages and hamlets. It benefits from exceptional natural assets including over 700 miles of coastline but also has significant challenges including inequalities, low pay, a shortage of affordable housing and poor public transport.

The population of the South West is expected to continue to grow over the next decade (by 6%), but the number of children is projected to grow more slowly (by 1.1%), as most growth will be amongst older age groups.

The population is less ethnically diverse than England as a whole, but there are significant variations between areas. Up to date data on diversity will be available when the 2021 Census is published, but in the meantime the most recent estimates suggest that Swindon and Bristol are the areas with the greatest diversity, with around 1 in 5 residents identifying as having backgrounds other than 'White British', compared to around 1 in 10 for the South West as a whole.
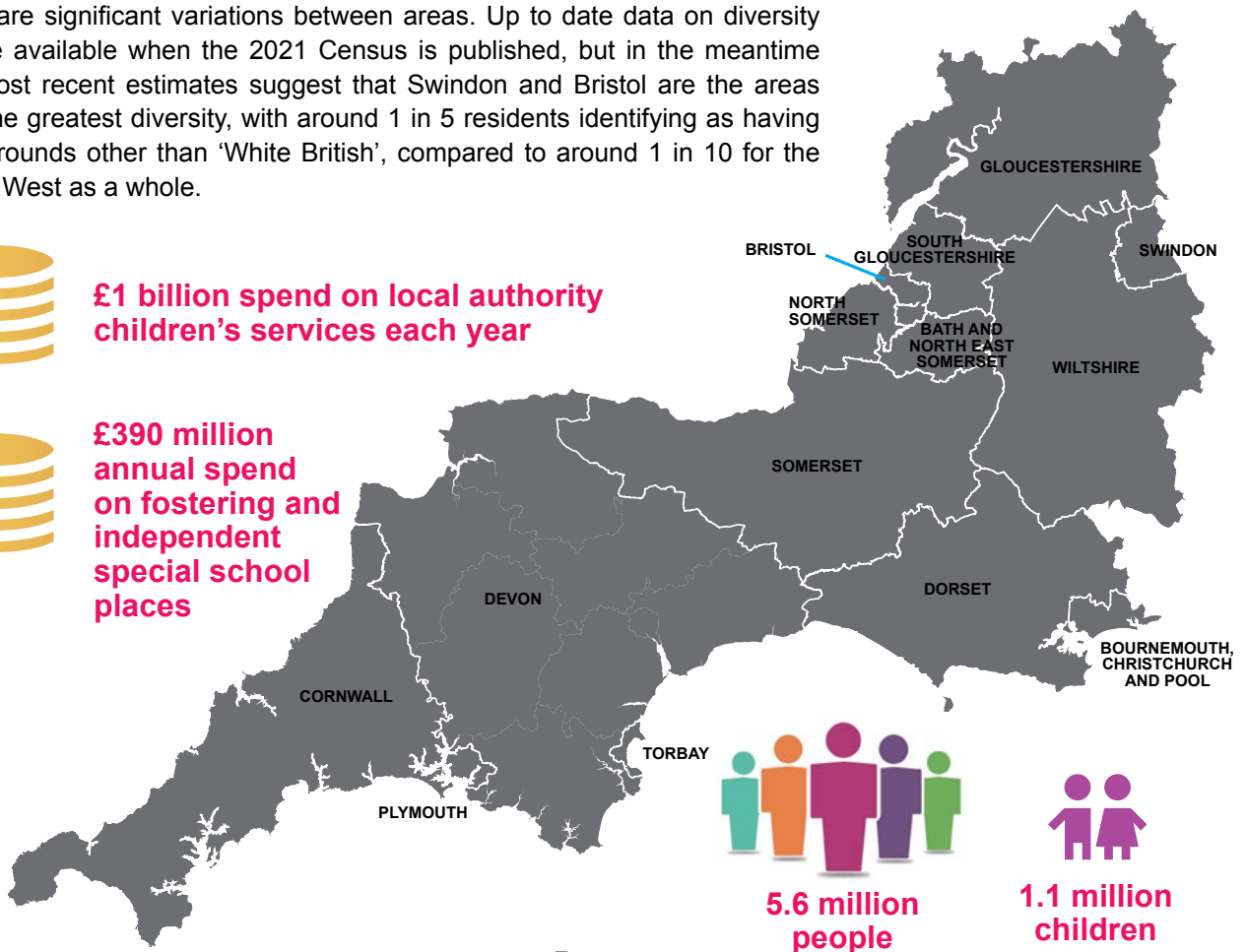
Together we spend over £1billion on children's services and around £390 million a year purchasing provision from independent and voluntary sector providers.

**£1 billion spend on local authority children's services each year**

£390 million annual spend on fostering and independent special school places

GLOUCESTERSHIRE

BRISTOL

SOUTH GLOUCESTERSHIRE

SWINDON

NORTH SOMERSET

BATH AND NORTH EAST SOMERSET

WILTSHIRE

SOMERSET

DORSET

DEVON

BOURNEMOUTH, CHRISTCHURCH AND POOL

CORNWALL

TORBAY

PLYMOUTH

5.6 million people

1.1 million children

6. What matters to children

Compared with the general population a higher percentage of children in care felt safe where they lived.
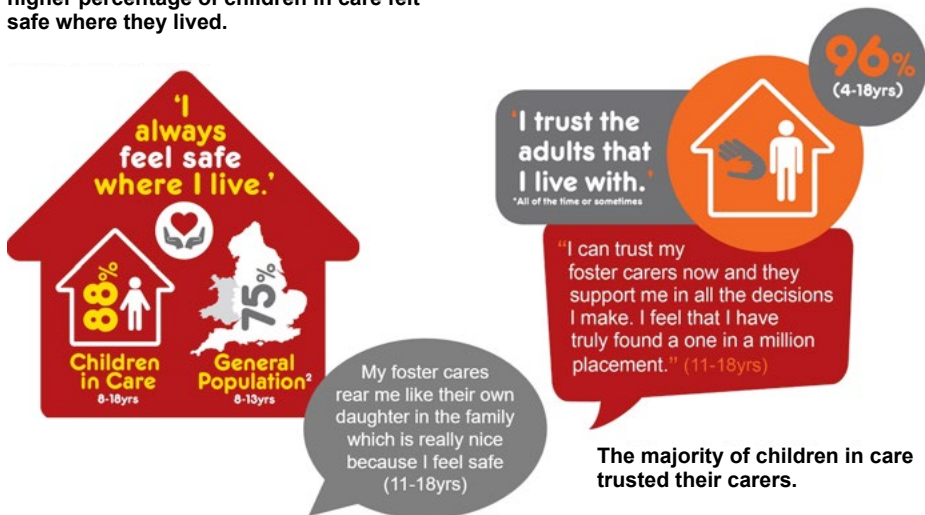
The majority of children in care trusted their carers.

Listening to children and young people and acting on their views is fundamental to ensuring that they have the best possible opportunities and lives.

But subjective wellbeing tends to decline sharply when young people move towards independence.

Source: Bright Spots with kind permission of the Rees Centre, University of Oxford and Coram Voice

Listening to children and young people and acting on their views is fundamental to ensuring that they have the best possible opportunities and lives. There has been progress in recent years, but much remains to be done to ensure that this happens consistently, whether designing and commissioning services or involving children in decisions about their day to day lives. The South West Sufficiency Project has compiled some of the key themes from engagement with children and young people across the region. Some key messages are summarised in the table below:

Messages from engagement with children and young people across the South West

Young people's wishes and wants			
We want a social worker we like who doesn't keep changing so we can get to know them	Listen to what young people say	Matching the placement with the person is really important	A good introduction - meet the carers beforehand
Healthy lives			
Support for as long as I need it	Being healthy means having a good social life and spending time with people who make me happy.	We need you to prioritise our provision with a range of suitable accommodation	Listen to what young people say
Relationships and stability			
Only put us in places where we are close enough to see our family	Keep me safe and support me in staying safe	Keep brothers and sisters together	A loving home where I have good relationships, respect and the opportunity to see my family
Housing, education and independence			
We'd like better access to gym facilities and to be able to have hobbies that interest us	We need more training to prepare us for life after supported accommodation	I would prefer to live closer to my school, my friends and my family because I feel safer	To have links with my local community where I am trusted, respected and accepted. This means I can access the local community and I am not left out.

One of the best sources for insights about what children in care or leaving care think and feel about their lives is the Bright Spots programme. Bright Spots is a partnership between the University of Oxford and Coram Voice to help local authorities systematically understand the subjective wellbeing of children and young people aged between 4 and 25 through bespoke surveys which have been co-designed with care experienced children and tested to ensure they are age appropriate. Over 50 local authorities nationally use Bright Spots, including several in the South West, and since 2013, the surveys have been completed by over 17,000 children and care leavers.

One of the key messages from Bright Spots is that the vast majority of children in care feel very positive about their experiences, often more so than children in general. For example, nationally 82% of children in care aged between 8 and 18 feel that their lives are getting better and 88% aged 10 or 11 'always feel safe' where they live compared to 82% of children in the general population. The vast majority of children in care like their school and 96% of children aged 11 to 15 say that the carers they live with take an interest in what they do at school or college compared to 88% of children in that age group generally.

However wellbeing scores typically decline significantly when young people leave care and they frequently feel less secure, less safe and more isolated. This underlines the importance of good support during the transition to independence and of 'staying put' and 'staying close' approaches.

Bright Spots research has also highlighted differences between local authorities. The factor most associated with higher levels of subjective wellbeing is having a trusted adult, whether a relative, foster carer, residential worker, social worker or personal assistant. This underlines the importance of stability for children not just in where they live and go to school but also in their relationships.

The factor most associated with higher levels of subjective wellbeing is having a trusted adult

Beyond this, the Bright Spots surveys repeatedly show that children in care value the same things as children generally, including friends, pets, school and the opportunity to get good jobs when they reach adulthood.

Much less is known about the views of children with special educational needs and disabilities. This partly reflects the challenges of obtaining the views of children with more profound disabilities but the best work in the field shows that these barriers can be overcome with sufficient effort and resources. The range of needs covered by SEND is of course very wide so we should be cautious of generalisations.
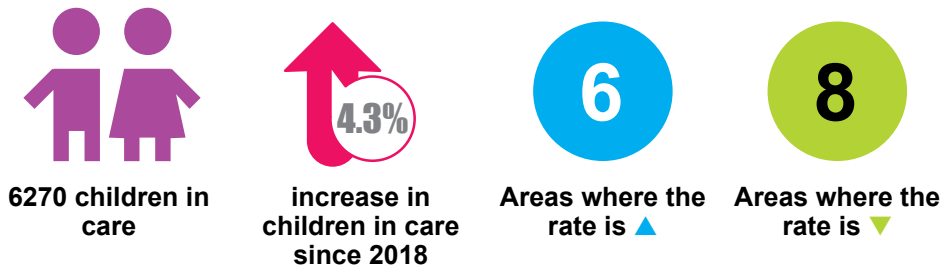
The Council for Disabled Children working with the National Children's Bureau, KIDS and others demonstrates some of the best practice in capturing the voices of children and young people, such as their annual young people's SEND conference, designed and delivered by young people. The National Participation Programme for disabled children and those with SEN is co-led by the Council for Disabled Children and KIDS and includes two projects in the South West.

The Children's Commissioner for England carried out the biggest survey of children ever undertaken anywhere in the world in 2021. The Big Ask reached over half a million children including 97,000 with additional needs or disabilities. The Big Ask found that the vast majority of children enjoyed and valued school and that children with SEND were even more likely to say that a good education was important to them.

Research suggests that the extent to which Education Health and Care Plans capture children's views is very variable[7] and this is one important way in which all those working with young people with additional needs can make a difference.

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7 Capturing the Voices of Children in the Education Health and Care Plans: Are We There Yet?
  Olympia Palikara, Susana Castro, Carolina Gaona and Vasiliki Eirinaki Frontiers in Education 2018
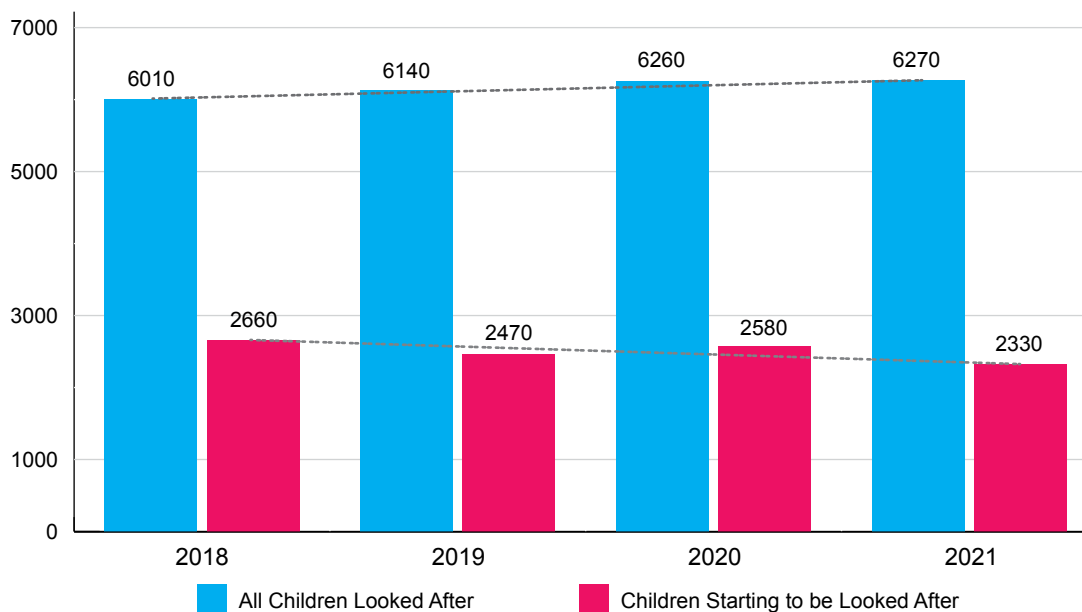
7. Children in care trends in demand

6270 children in care

4.3% increase in children in care since 2018

6 Areas where the rate is ▲

8 Areas where the rate is ▼

The number of children in care in the South West has increased in recent years, although not by as much as for England as a whole.

The number of children in care in the South West has increased in recent years, although not by as much as for England as a whole (an increase of 4.3% between 2018 and 2021 for the South West compared to 7.3% for England). The increase is not because more children are entering care - the number of children starting new care episodes actually fell by 12% between 2018 and 2021 - but rather because, on average, children are remaining in care for longer.

South West trends

|	2018	2019	2020	2021
All Children Looked After	6010	6140	6260	6270
Children Starting to be Looked After	2660	2470	2580	2330

Source: Children looked after in England including adoption:2020 to 2021

The increase in average time in care has also been evident nationally. It may well reflect good practice with fewer children leaving care prematurely and increased use of family and friends foster care, which frequently provides long term stability. In the South West the proportion of children leaving care aged 18 increased from 29% to 37% between 2018 and 2021.

Trends vary within the region however. Six areas saw their rates of children in care increase while six saw decreases between 2018 and 2021.

*Change in children in care rate per 10,000 children 2018-21*
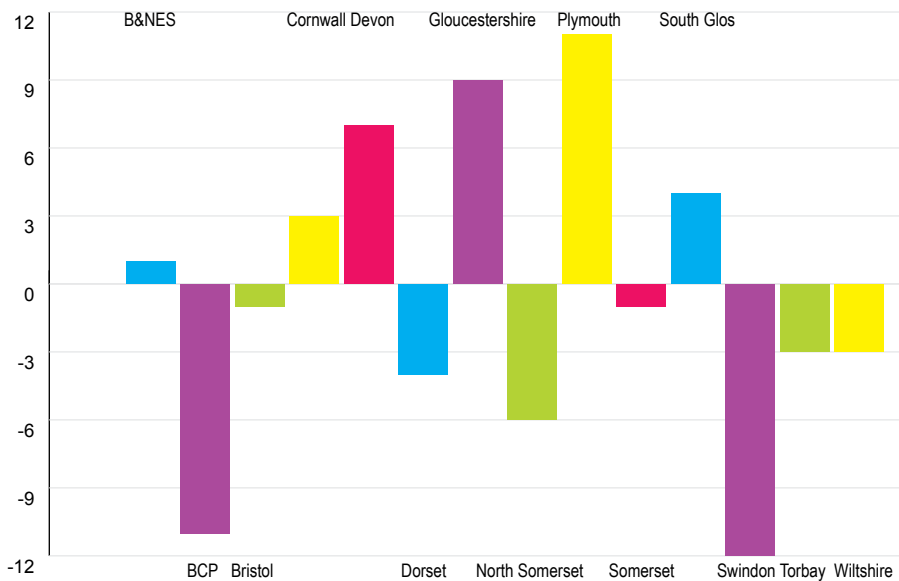
Source: Children looked after in England including adoption:2020 to 2021 (note that Bournemouth, Christchurch and Poole data is only for two years due to boundary changes)

The vast majority of children in care are placed with foster carers, and the South West has the highest proportion of children placed with foster carers or for adoption of any region (77%). The proportion placed in residential homes or semi-independence (14%) is similar to the England average.

The majority of children in the South West are in care because of 'abuse or neglect' (63%), with family dysfunction (12%) and 'family in acute stress' (10%) the next largest categories. The age profile of children in care in the South West is similar to other regions with the largest group (41%) being aged 10 to 15 years, and the next biggest group 16 or 17 year olds (25%). This profile has changed little over recent years.

South West age profile
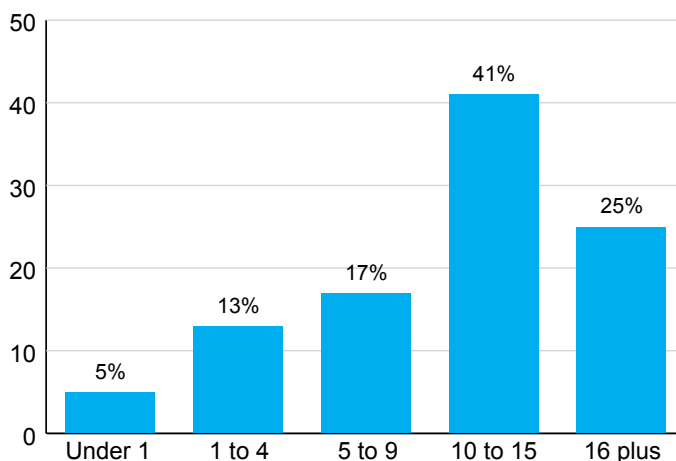
Source: Children looked after in England including adoption:2020 to 2021 Source: Children looked after in England including adoption:2020 to 2021

The South West has the highest proportion of children placed with foster carers or for adoption of any region
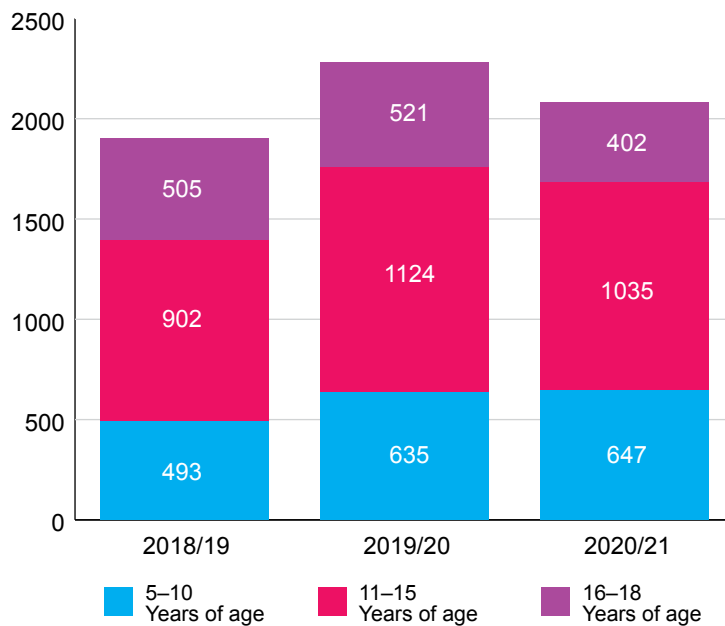
The age profile of children in foster care is younger than for children in residential care as shown below:

Age profile of children living in foster homes compared to residential homes
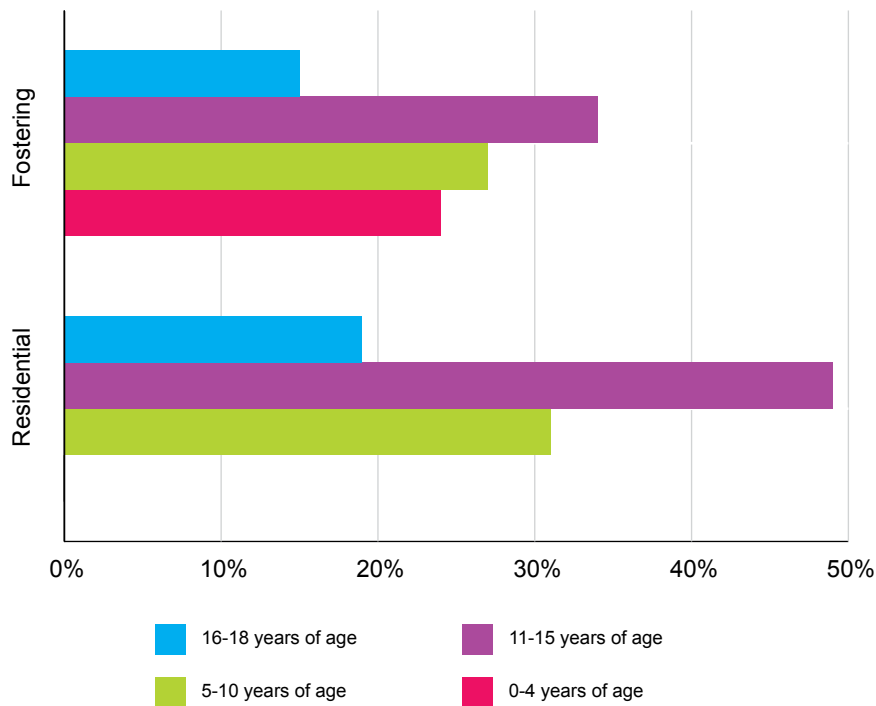
Source: South West Sufficiency Project data collection

However in recent years there has been a marked increase in the number of children aged under 11 in residential care:
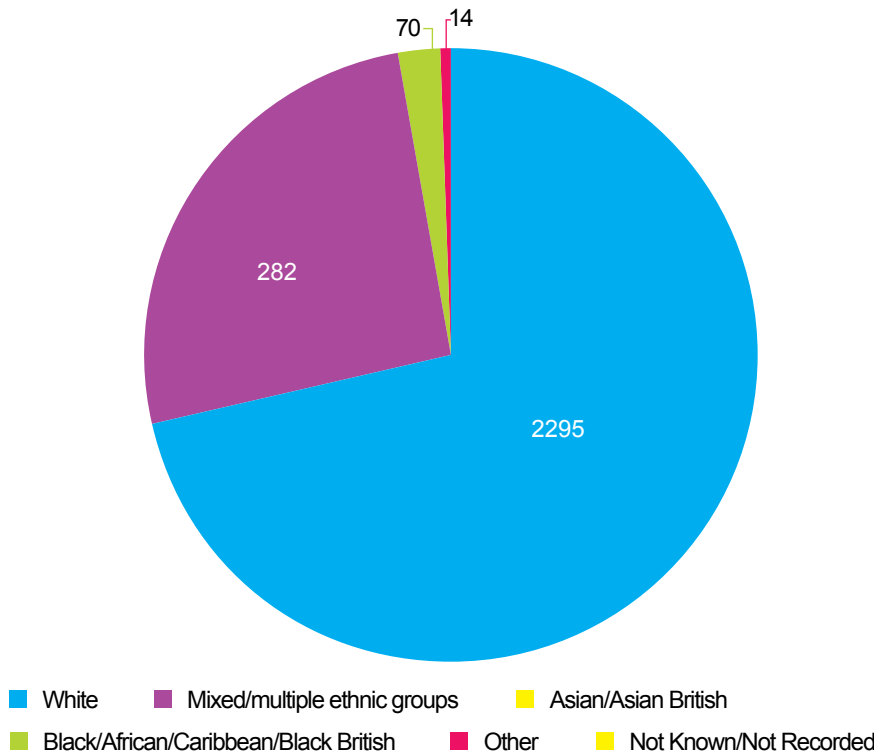

Source: South West Sufficiency Project data collection

There were 154 more children aged between 5 and 11 in residential care in 2021 than in 2018, a 31% increase. Greater complexity of needs at younger ages may be a factor but it is more likely to reflect a shortage of appropriate foster homes.

Children from black and other minority ethnic backgrounds are over-represented in the care population compared to the region's population as a whole. The biggest disparity is in children from 'mixed or multiple ethnic groups', who account for 7% of children in care in the South West but an estimated 1% of the region's population[8]. The data collection for the sufficiency project suggested that dual heritage children are even more over-represented amongst those in residential homes, accounting for around 11% of the total:

Children living in residential homes by aggregated ethnic background 2021

■ White	■ Mixed/multiple ethnic groups	■ Asian/Asian British
■ Black/African/Caribbean/Black British	■ Other	■ Not Known/Not Recorded

Source: South West Sufficiency Project data collection

Local authority foster carers are a more ethnically diverse group than the general population but do not yet match the profile of children in care. Again, the biggest disparity is for dual heritage children, with only 1% of local authority foster carers' ethnic background recorded as 'mixed or multiple ethnic groups' in the South West compared to 6% of children living in foster care.

The number of unaccompanied asylum seeking children in care in the South West decreased between 2018 and 2021. The South West Sufficiency data collection showed that the number of asylum seeking children placed in foster care reduced from 303 in 2018/19 to 224 in 2020/21. However recent changes to the National Transfer Scheme mean that this trend is likely to have reversed.

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8 Data for the general population is not very current. This estimate is taken from ONS research published in 2017 but better estimates will be available for different geographies and groups when the 20221 Census is published

Children from black and other minority ethnic backgrounds are over-represented in the care population compared to the region's population as a whole.

In terms of gender, boys are slightly over-represented amongst children in care in the South West, and more so amongst children living in residential homes. However in recent years the proportion of girls in residential care has increased and gender split is now similar to fostering:

Children living in residential homes by gender
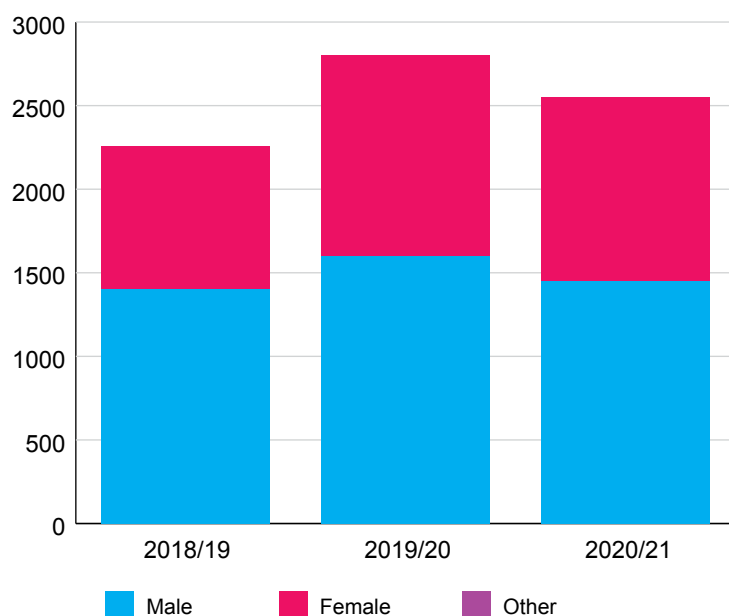
Source: South West Sufficiency Project data collection

Emerging Needs

The data collection for the South West Sufficiency project showed that increasing numbers of children aged under 11 and girls are being placed in residential care. Local authorities were also asked about emerging trends for children who are particularly hard to place. Three themes came up repeatedly:

- Children with mental health problems manifesting in self-injurious behaviours or suicidal ideation
- Children who have been subject to criminal exploitation, such as 'county lines' or sexual exploitation
- Children with multiple needs, sometimes including autism or learning disabilities alongside other needs

In relation to mental health needs one authority commented:

"These young people will often have been assessed as not having a diagnosable or treatable mental health condition, but will still require a very skilled response to providing nurture while managing risk robustly"
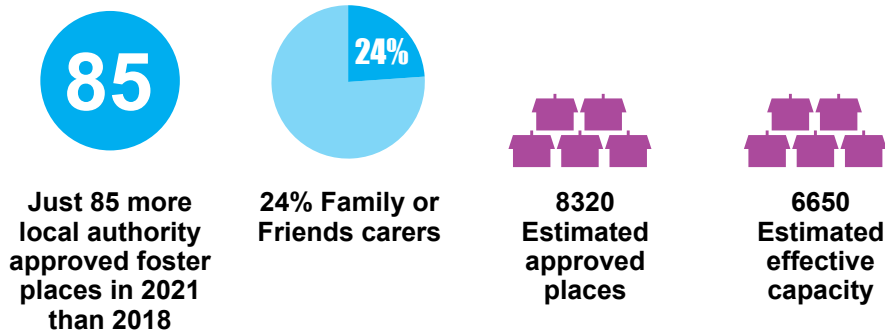
Females were more likely to be mentioned in relation to self-harm and suicidal ideation, males in relation to child criminal exploitation and autism, however all these issues cut across genders and some authorities specifically highlighted this:

"Emerging trends are around self-harm and children involved in [child criminal exploitation]. This tends to be teenagers of both genders"

Other issues mentioned included:

- Late entrants to care who may have experienced significant trauma but do not want a 'new family'
- Behaviours which pose a risk to others such as violence and aggression or fire setting

8. Availability of homes for children in care

85

Just 85 more local authority approved foster places in 2021 than 2018

24%

24% Family or Friends carers

8320 Estimated approved places

6650 Estimated effective capacity

Recruitment of additional carers has not kept pace with increasing numbers of children in care

8.1 FOSTERING

Recruiting and retaining sufficient foster carers is a challenge nationally and regionally. Nationally, recruitment of additional carers has not kept pace with increasing numbers of children in care:

Increase in fostering places and children in care between 2017 and 2021 – England
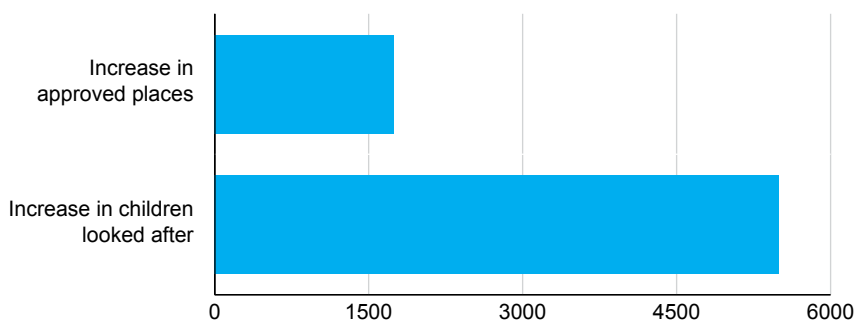
Source: Fostering in England 1 April 2020 to 31 March 2021 - note approved places includes both local authority and IFA places. Directly comparable data is not published at a regional level.

All of the net increase in approved carers nationally was in the independent sector: there were fewer local authority approved places across England in 2021 than five years previously despite widespread recruitment campaigns.

The South West has done better than the national trend, but has only achieved very modest increases in approved local authority carers and places over the last four years – a net increase of just 85 places across the region between 2018 and 2021. This is less than half the increase in numbers of children in care over the same period.

In terms of choice of foster homes for children, the picture is even more challenging. A growing proportion of local authority approved households

are 'family and friends' carers, which means there are fewer homes available for any suitable child. There were just five more local authority approved households across the South West in 2021 than there had been in 2016, but the number of 'general' households as opposed to 'family and friends' was 125 fewer than five years previously.

Data on the number of Independent Fostering Agency (IFA) places is not available on a regional or local authority basis (Ofsted collected postcode level data from IFAs for the first time in 2021 but this has yet to be published). The number of approved households, carers and places per agency are published however, and in 2021 IFAs with offices registered in the South West had 1,015 approved households, which was 15 fewer than a year previously. This however is likely to be an underestimate of IFA capacity in the region as it does not include households approved by national IFAs.

In the absence of comprehensive data, the best that can be done is to estimate IFA capacity based on national data. The South West has around 10% of the population of England and 9.4% of the approved local authority households. If the South West also has 10% of IFA households, that would give an estimate of 1,583 for 2021.

The table below combines estimated IFA capacity with the robust published data for local authority households, to give a total estimated fostering capacity for the region.
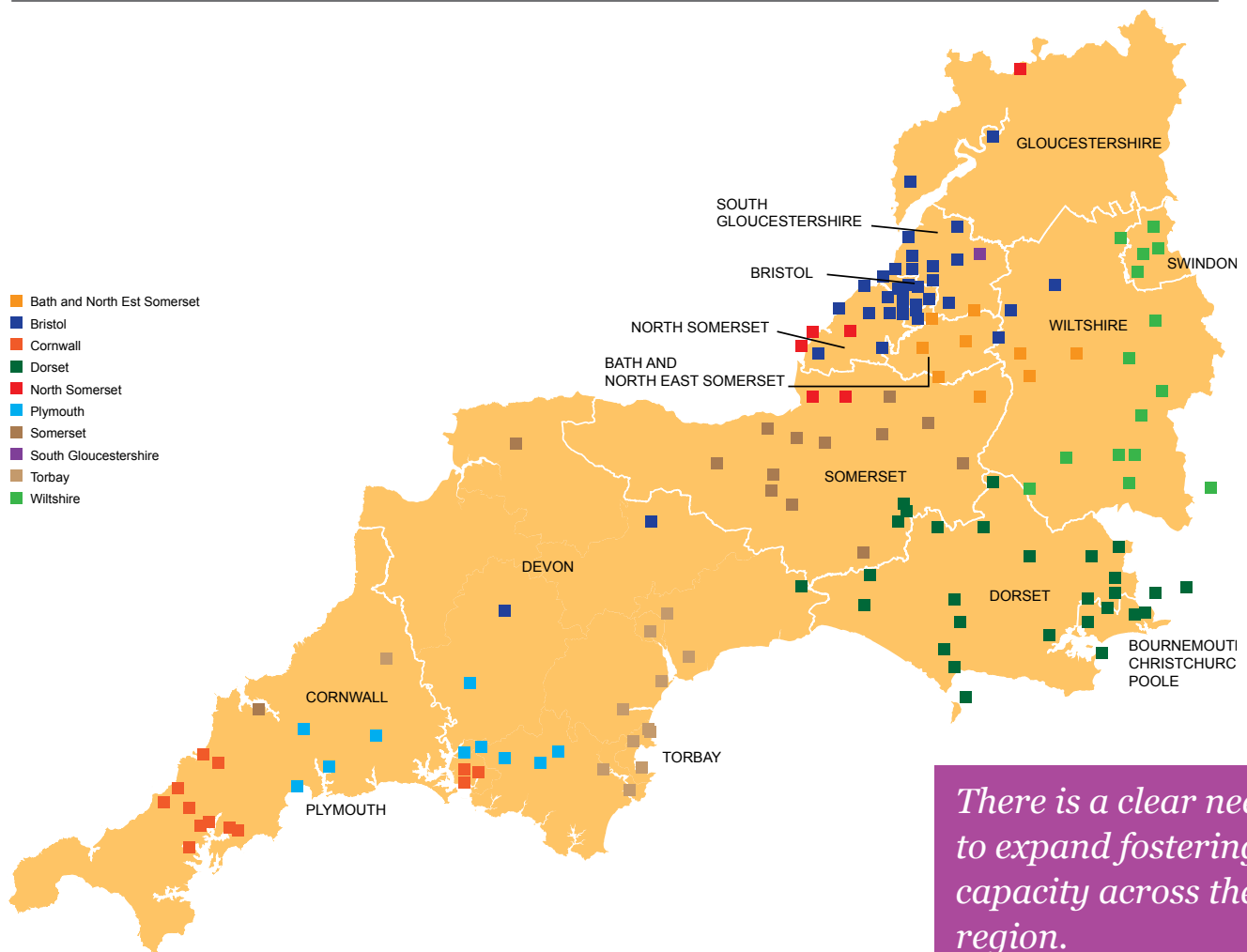
Estimated Maximum Fostering Capacity

Type of capacity	Approved households	Approved places
Local authority	2,795	4,830
IFA (estimated)	1,583	3,490
Total	4,378	8,320

Source: Fostering in England Statistics

Of course, approved places will not always be available for all sorts of reasons. Carers may be taking a break or a child may be best placed on their own for example. Nationally in 2021, 63% of places were filled and 20% were unavailable, leaving 17% 'vacant'. Assuming a similar picture for the South West the effective maximum capacity of foster places is around 6,650, which taking account of family and friends carers, and the many important constraints in matching children appropriately, is not sufficient to ensure a good choice of foster homes for every child.

Geography is also an important factor to consider, especially in the more rural parts of the region where public transport is often patchy. The South West sufficiency project has mapped local authority approved carers, at post code district level, rather than full postcode to preserve anonymity. The map shows data from the ten councils shown in the legend. It shows that, generally, local authorities are recruiting carers within or close to their own boundaries and that there are concentrations of carers in the main cities and towns. Children from more rural areas will therefore have less opportunity to be placed close to their families or community.

Bath and North Est Somerset
Bristol
Cornwall
Dorset
North Somerset
Plymouth
Somerset
South Gloucestershire
Torbay
Wiltshire

There is a clear need to expand fostering capacity across the region.

There is a clear need to expand fostering capacity across the region. Foster carers of all types are needed but there are some skills, services and characteristics which are in particularly short supply. These include:

Foster carers able to meet the needs of complex young people aged 12 or over

Foster carers able to deliver evidence based therapeutic approaches

Foster carers able to provide parent and child placements

Foster carers from Black, Asian and other ethnic minority backgrounds

What works well in the fostering sector?

There are many examples of good practice across the region, such as the Mockingbird approach, which aims to build a community of foster carers so they can support and help each other.

The quality of support available to carers and children, including out of hours, is crucial to retaining and recruiting carers. Examples of good practice include:

19

- Creating an out of hours phone line specifically for local authority carers, which is staffed by supervising social workers; if foster carers have an emergency, they can get through for advice from someone who knows about fostering. It is not used that often, but foster carers are really pleased it is there.
- Access for foster carers to mental health professionals as an additional point of engagement to understand the impact of the traumatic experiences of children and young people and to suggest support strategies.
- Opportunities for more established foster carers to mentor and support others.

Several authorities have implemented 'step across' projects to support children to transition successfully from residential to foster care when appropriate, such as the Therapeutic Parenting Pathway and Step Forward, and others are looking to implement similar approaches.

Both support and 'step across' present key opportunities for co-production and co-design with fostering and residential providers.

The number of children placed in children's homes by South West authorities has increased much more rapidly than the number of places

8.2 residential care

+70 70 extra places since 2018

+207 207 more children placed since 2018

The number of children's homes in the South West has increased over recent years but they are on average offering fewer places. Meanwhile, the number of children placed in children's homes by South West authorities has increased much more rapidly than the number of places:

Children's home places compared with the number of children placed in residential care - South West

Year	Children's home places in the South West	Children placed by South West LAs
2020/21	668	822
2019/20	590	749
2018/19	598	615
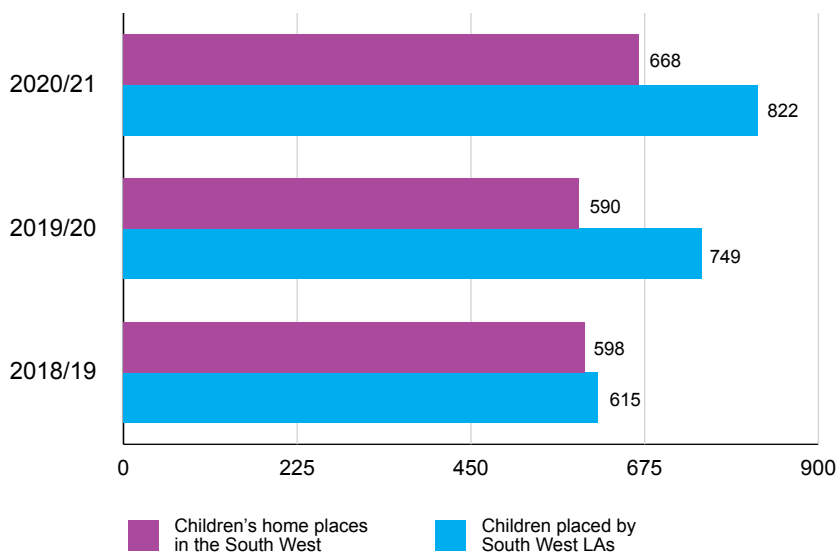
Sources: Ofsted provider data for places, South West Sufficiency Project data collection for places purchased
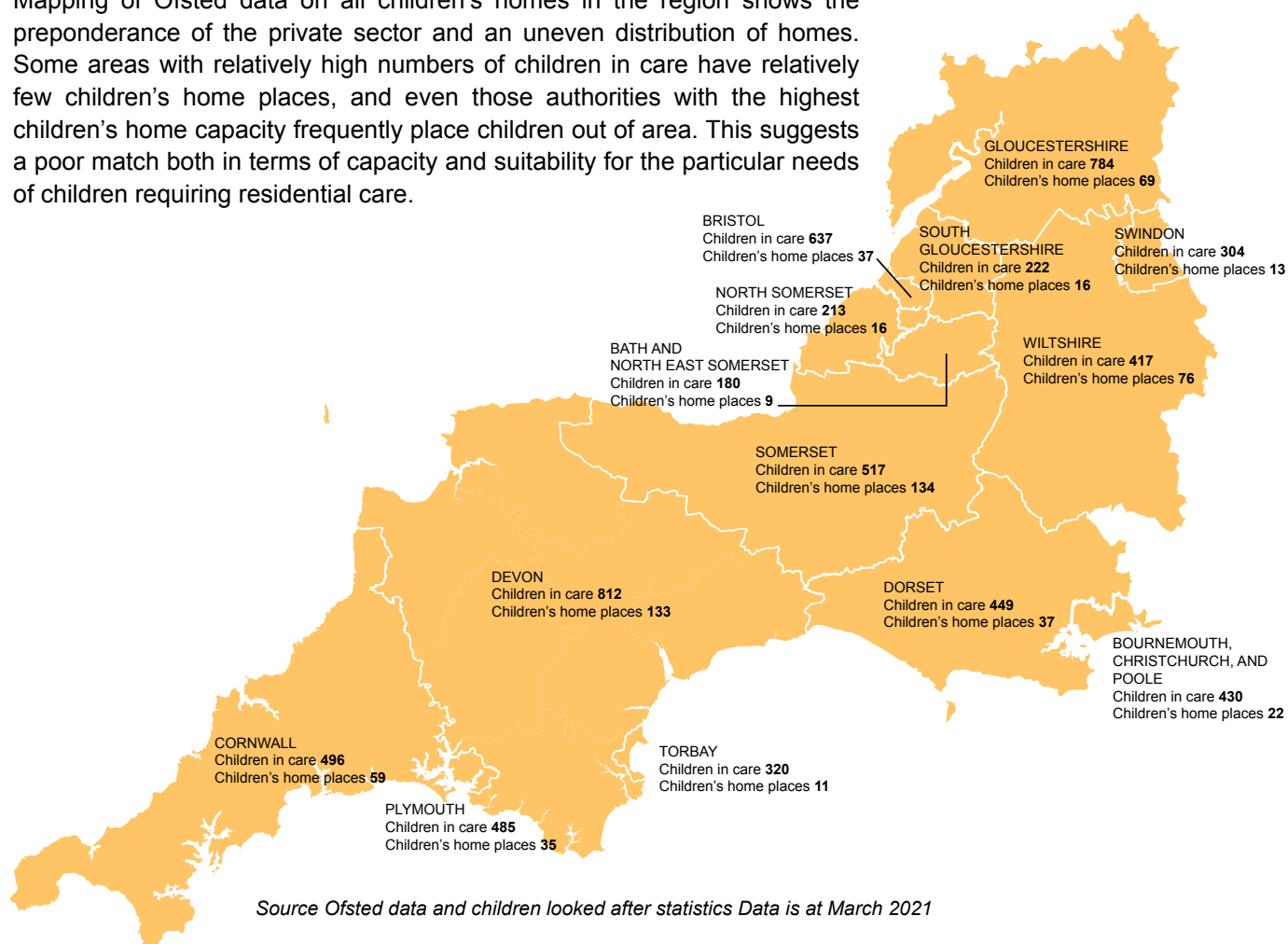
The increase in children's home places in 2021 shown in the above graph came after several years when places in children's homes were not increasing in the South West. However this recent growth in places is insufficient to match the increase in demand.

National figures also showed an increase in places in 2021, with the vast majority of new capacity being in the independent sector. Growth was not evenly distributed across regions however. Almost a quarter of new children's home places were in the North West of England and only 6% in the South West, the lowest growth of any region[9].

There has been a small increase in the number of local authority children's homes in the South West, increasing from 18 in 2019 to 25 in 2021. However the independent sector is by far the dominant provider with 164 homes out of 200 in the South West, or 82%. There is a growing interest in developing not for profit provision but this is not yet reflected in new capacity: there were 8 voluntary sector homes in the South West in 2021 compared to 13 in 2016.

As with fostering, approved places in residential care are not always available in practice because of matching and compatibility issues. The data collection for the project showed an increased number of children living on their own in group children's homes – 31 in 2021. Such arrangements carry high costs and mean places are not available for other children.

Mapping of Ofsted data on all children's homes in the region shows the preponderance of the private sector and an uneven distribution of homes. Some areas with relatively high numbers of children in care have relatively few children's home places, and even those authorities with the highest children's home capacity frequently place children out of area. This suggests a poor match both in terms of capacity and suitability for the particular needs of children requiring residential care.
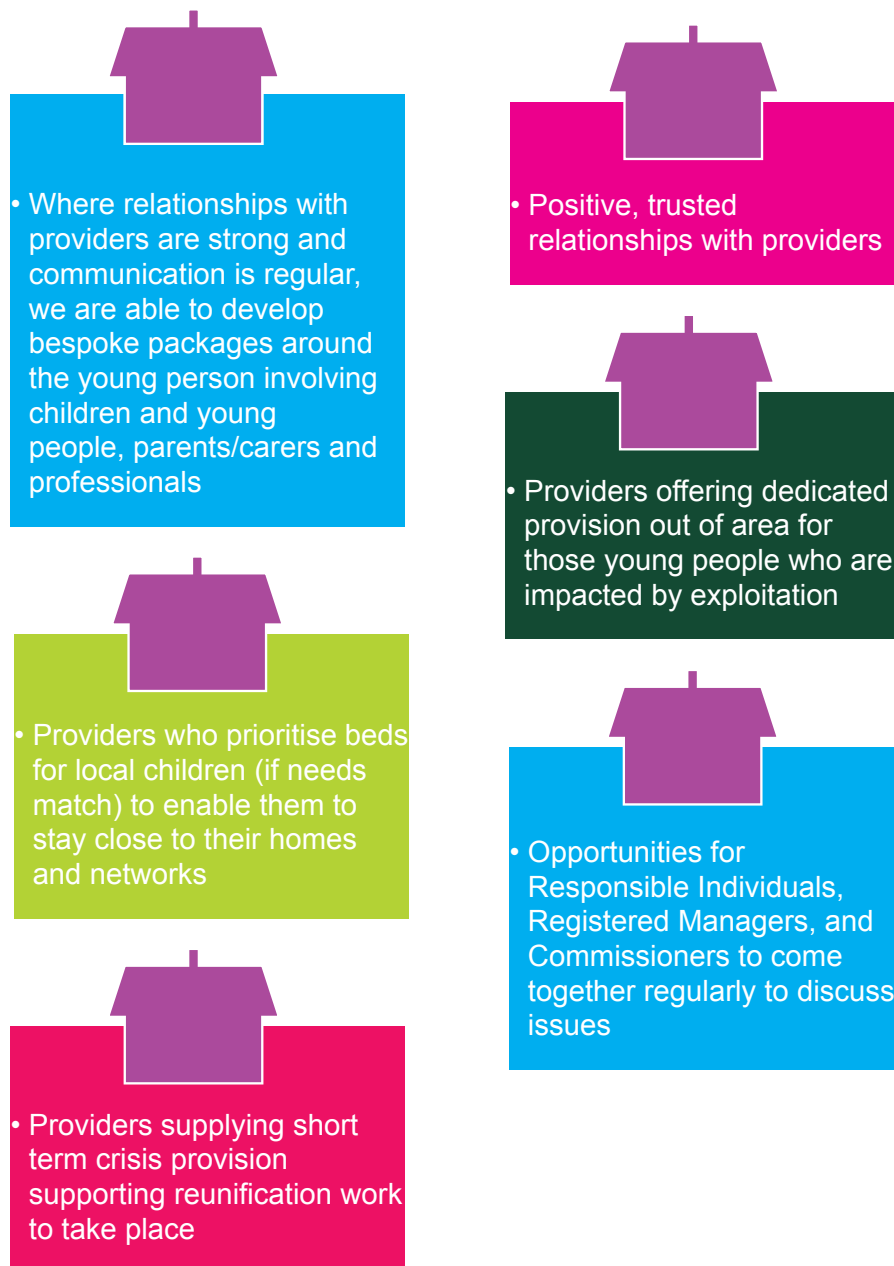
GLOUCESTERSHIRE
Children in care **784**
Children's home places **69**

BRISTOL
Children in care **637**
Children's home places **37**

SOUTH GLOUCESTERSHIRE
Children in care **222**
Children's home places **16**

SWINDON
Children in care **304**
Children's home places **13**

NORTH SOMERSET
Children in care **213**
Children's home places **16**

BATH AND NORTH EAST SOMERSET
Children in care **180**
Children's home places **9**

WILTSHIRE
Children in care **417**
Children's home places **76**

SOMERSET
Children in care **517**
Children's home places **134**

DEVON
Children in care **812**
Children's home places **133**

DORSET
Children in care **449**
Children's home places **37**

BOURNEMOUTH, CHRISTCHURCH, AND POOLE
Children in care **430**
Children's home places **22**

CORNWALL
Children in care **496**
Children's home places **59**

TORBAY
Children in care **320**
Children's home places **11**

PLYMOUTH
Children in care **485**
Children's home places **35**

Source Ofsted data and children looked after statistics Data is at March 2021

9 National statistics Main findings: children's social care in England 2021. Updated 16 July 2021

It is important to note that many of these children's home places will be purchased by authorities outside of the South West. Statistics are not available for this but the increasing difficulty of sourcing homes for children suggest that it is a significant issue.
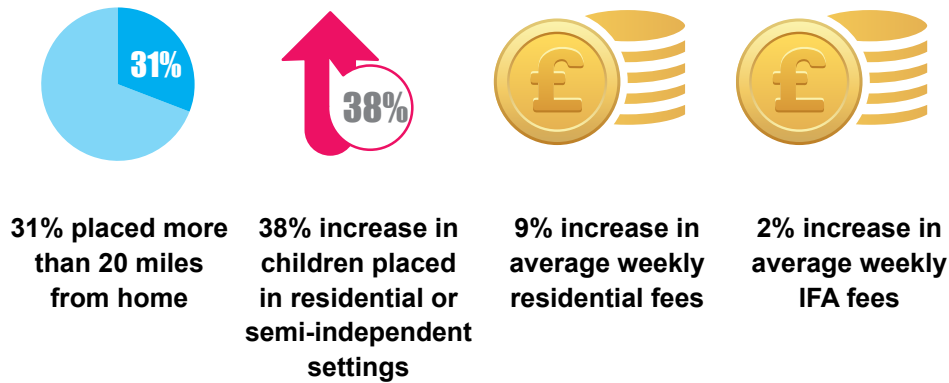
What works well in the residential sector?

Local authorities across the South West recognise the important role that residential care plays in meeting the needs of children, and would like to see residential care used where it is the best choice for the child and not as a last resort. There is much good practice already. Good outcomes are promoted by:

• Where relationships with providers are strong and communication is regular, we are able to develop bespoke packages around the young person involving children and young people, parents/carers and professionals

• Positive, trusted relationships with providers

• Providers offering dedicated provision out of area for those young people who are impacted by exploitation

• Providers who prioritise beds for local children (if needs match) to enable them to stay close to their homes and networks

• Opportunities for Responsible Individuals, Registered Managers, and Commissioners to come together regularly to discuss issues

• Providers supplying short term crisis provision supporting reunification work to take place

Local authorities across the South West recognise the important role that residential care plays in meeting the needs of children, and would like to see residential care used where it is the best choice for the child and not as a last resort.

These suggest some key areas for co-production and collaboration, others include 'step across' models, joint workforce initiatives and outreach models.

9. Conditions in the market for provision for children in care

31%

31% placed more than 20 miles from home

38%

38% increase in children placed in residential or semi-independent settings

9% increase in average weekly residential fees

2% increase in average weekly IFA fees

With capacity stretched, it is becoming increasingly hard to find homes for children appropriately close to their families and communities..

With capacity stretched, it is becoming increasingly hard to find homes for children appropriately close to their families and communities.

The number of children placed more than 20 miles from their home has increased significantly and the South West has the second highest proportion placed at this distance of any English region (31%):

Number of children placed more than 20 miles from home

Placed more than 20 miles from home

— Percentage
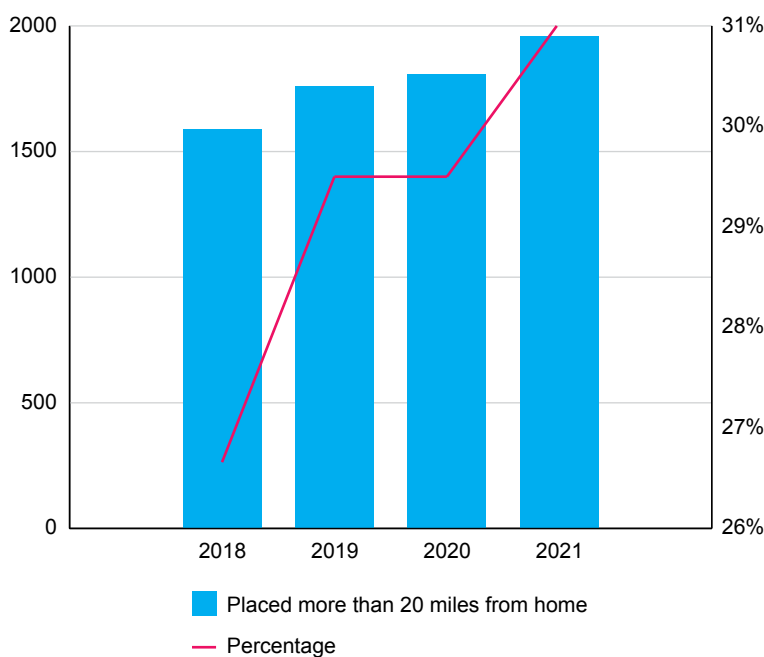
The number of children placed outside of their home local authority area has also increased, from 2,009 at March 2019 to 2,230 at March 2021. In some circumstances this is in a child's best interests, but it is harder to maintain contact with family and friends and sustain continuity of education and health

services when children are living at a distance or out of area. The graph below shows how the number of children placed in children's homes outside their local authority area has grown:

Children living in homes outside local authority area by South West authorities
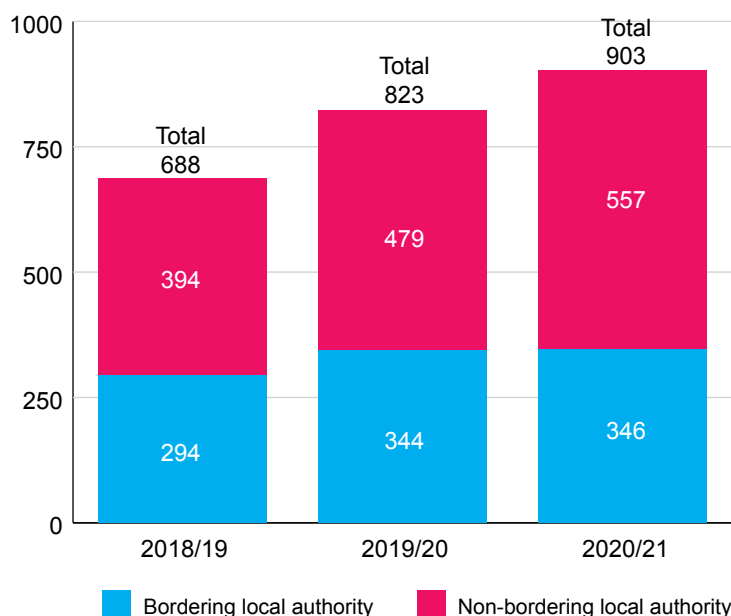
Source: South West Sufficiency Project data collection

Councils also provided data on the reasons why children were placed in children's homes out of area and at a distance. By far the most common reason identified was lack of availability of children's homes within a 20 mile radius with suitable vacancies.

Places purchased from private providers have increased by 11% since 2019 while those provided by local authorities have fallen slightly, and voluntary or third sector have fallen by 26%.

The number of South West children in care living in 'secure units, children's homes and semi-independent accommodation' (grouped together in national data) increased by 38% between 2019 and 2021.

The proportion of children experiencing significant instability (3 or moves in a year) varies across the region, with some areas seeing increase and others decreases in this performance indicator. The South West Sufficiency project collected data about the reasons for unplanned endings or breakdowns but there was no strong pattern, reflecting the fact that reasons for unplanned endings are varied and often multiple. Research and best practice evidence suggests that better matching (enabled by sufficiency of homes for children) and good support and training for carers promote stability.

All 14 authorities participate in one or more framework contracts or dynamic purchasing systems covering different geographies, some of which extend outside the region. The table below shows the frameworks and Dynamic Purchasing Systems used in the South West for fostering, residential care and independent special schools.

Name of Framework/DPS	Area
Peninsula IFA Framework	Fostering
South Central IFA Framework	Fostering
South West IFA Framework	Fostering
Cornwall DPS for the Provision of Fostering Placements	Fostering
South West and South Central	INMS
West Sussex	INMS
Peninsula (South West & South Central Flexible Framework for Independent/ Non-Maintained Special Schools	INMS
Cornwall DPS for the Provision of Education (SEND) Placements	INMS
Peninsula	Residential
South Central CRC Framework	Residential
South West Framework	Residential
Special guardianship and parents and child framework	Residential
UASC	Residential
DPS for the Provision of Residential Placements	Residential

This presents a complex landscape for providers and dealing with multiple frameworks and portals is inefficient.

The vast majority of foster homes in the South West are purchased through frameworks or dynamic purchasing systems but data collected for the South West Sufficiency Project found that almost half of residential places were purchased off contract, another sign that capacity does not align with demand:

Purchasing method
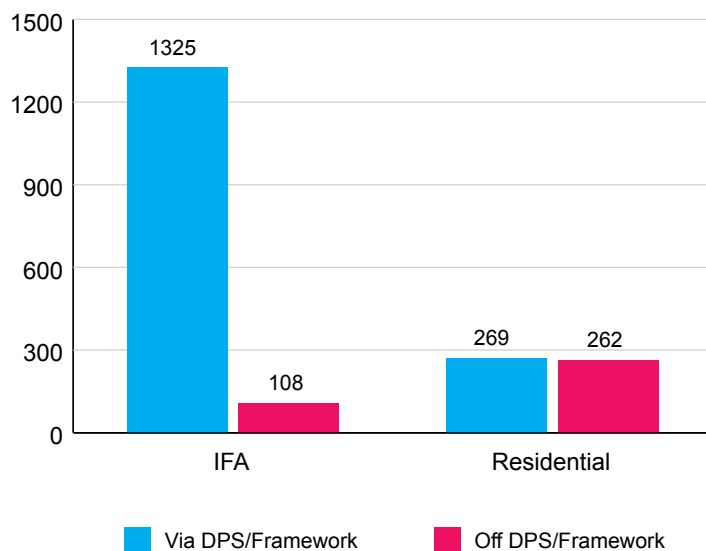
Expanding capacity is very challenging for providers from all sectors. Recruitment and retention of both foster carers and residential staff and mangers are key constraints and adding residential capacity requires capital investment and time.

Given rising demand and capacity constraints it is not surprising that expenditure has increased significantly.

Total Spend

Type of provision	2018/19	2019/20	2020/21	Percentage increase
IFAs	£67,497,417	£69,403,110	£70,741,312	5%
Children's homes	£99,155,887	£118,430,671	£133,444,355	35%
Total	£166,653,304	£187,833,781	£204,185,667	23%

Source: South West Sufficiency Project data collection, data is for 13 councils.[10]

The increase in expenditure on children's homes is much greater than for IFAs. This partly reflects faster growth in the number of children placed but it is also because average fees have risen faster in the residential sector.

Average weekly fees
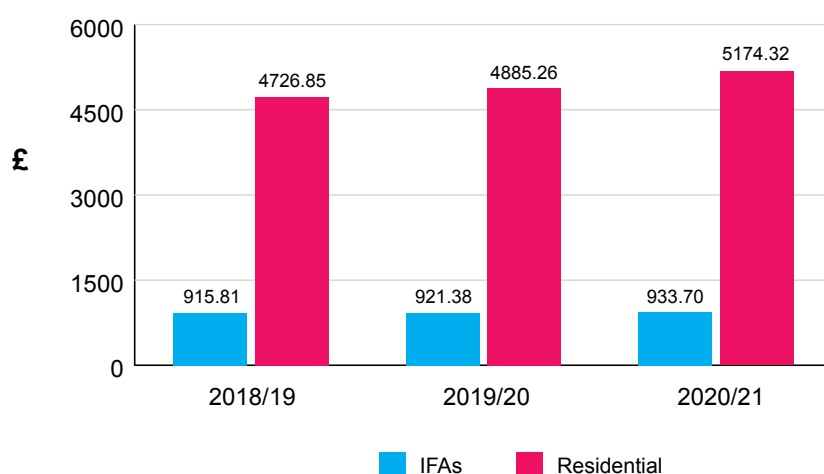
Source: South West Sufficiency Project data collection, data is for 13 councils, averages are weighted to reflect different numbers of children placed and, for fostering, the age profile.

The average weekly fee for IFAs has increased only 2% over two years whilst the average residential fee increased by 9%. This may be because inflationary pressures, are greater in the residential sector and because more places are purchased off framework.

The overall picture masks significant variations between councils and sometimes within councils in terms of rates. For example, average weekly rates for an IFA foster home for a child aged 0-4 ranged from £770 to £1,295. Variations between the highest and lowest fees were wider: the lowest rate for a child 0-4 was £673 and the highest £2,902.

There is similar variation in average weekly residential fees. Ignoring one outlier, local authority averages range from £4,077 a week to £5,037. The lowest weekly fee was £680 and the highest £13,414 (again ignoring the outlier).

The economic outlook is very uncertain following the pandemic and providers are facing significant challenges. South West local authorities are committed to working with providers to overcome these challenges and grow capacity of the type and quality which is needed.

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10 Bournemouth Christchurch and Poole is not included as the authority was newly formed during the period so data is not available on a comparable basis

10. Children with Special Educational Needs or Disabilities: demand for services

The number of children with Education Health and Care Plans (EHCPs) in the South West has increased by 45% since 2015/16. The increase is partly due to the transition from Statements of SEN to EHCPs but it also reflects increased identification of needs.

The increase in the South West was higher than the national figure of 38%. Every local authority in the region saw an increase but there were variations. The biggest increase was in Somerset (54%) while Plymouth saw the smallest increase (4%).

Schools of all types, except state funded nursery schools, have seen an increase in the number of children with EHCPs. The biggest increase in absolute terms has been amongst pupils of state funded special schools (up by 10,911 over four years from 2017/18 to 2020/21 or 23%), but in relative terms the biggest increases have been in Pupil Referral Units (up 96.9%) and independent schools (up 72%).

As the graph below shows, the pattern in terms of primary need is changing with the biggest increases being for Autistic Spectrum Condition (ASC), Social Emotional and Mental Health needs (SEMH) and Speech Language and Communication Needs (SLCN). The number of children with sensory impairments has only increased modestly over the same period and those with Profound and Multiple Learning Difficulty (PMLD) has fallen.
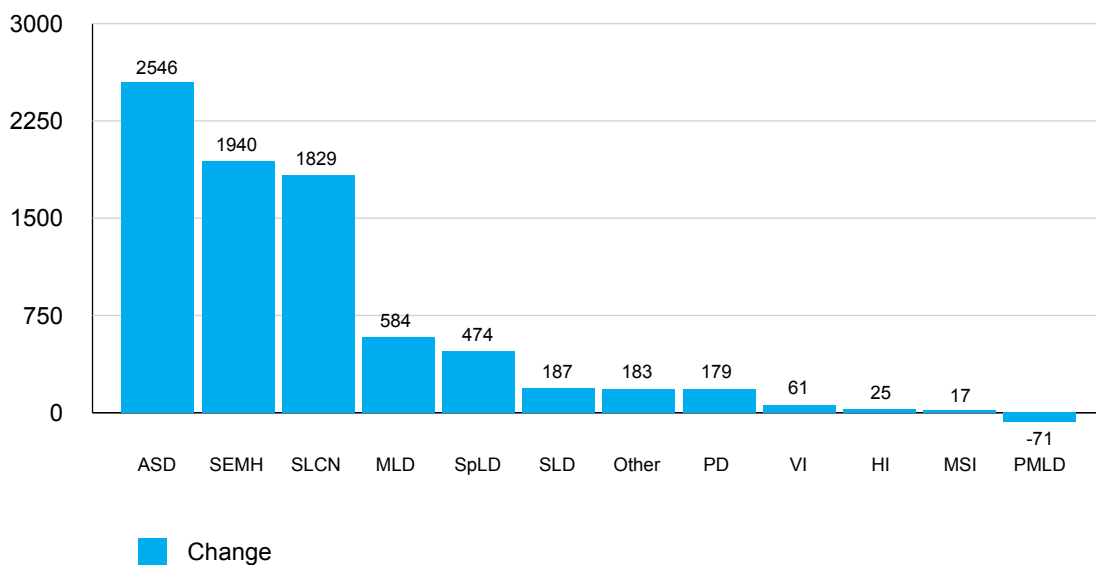
30,921 children with EHCPs

+9,557

9,557 increase since 2016

Children with statements or EHCPs in South West – change 2017/18 to 30/21 by need

Source: Special educational needs in England: January 2021, analysed by IPC, this data is derived from the school Census and does not include independent schools

Three primary needs together now account for 62% of EHCPs in the South West:

- Autistic spectrum condition (27%)
- Social Emotional and Mental Health (18%); and
- Speech Language and Communication Needs (17%)

Emerging Needs

The data collection for the South West Sufficiency project asked authorities to identify emerging trends for children who are 'hard/impossible to place'. Of the 12 twelve authorities that answered this question, 10 specifically mentioned social, emotional or mental health needs, often in combination with autism or other needs:

"Difficult to place children and young people with ASD/SEMH needs, both primary and secondary age. They do not fit neatly into the remit of an SEMH school or ASD school, particularly in the maintained sector"

"SEMH is the most prevalent need in hard to place cohort"

"[Children and young people] with ASC and significant SEMH who would not suit an SEMH provision"

Data was also collected about the needs of children placed out of area in independent or special schools. Of 11 authorities who supplied this data, seven ranked social, emotional and mental health highest, with two ranking it second. Autistic spectrum Condition was ranked first by two authorities and second by five. Three authorities submitted only their two highest ranking needs. No other need category was mentioned by more than two authorities:

For children and young people placed out of area in indepenent special schools, what are the three highest primary needs?
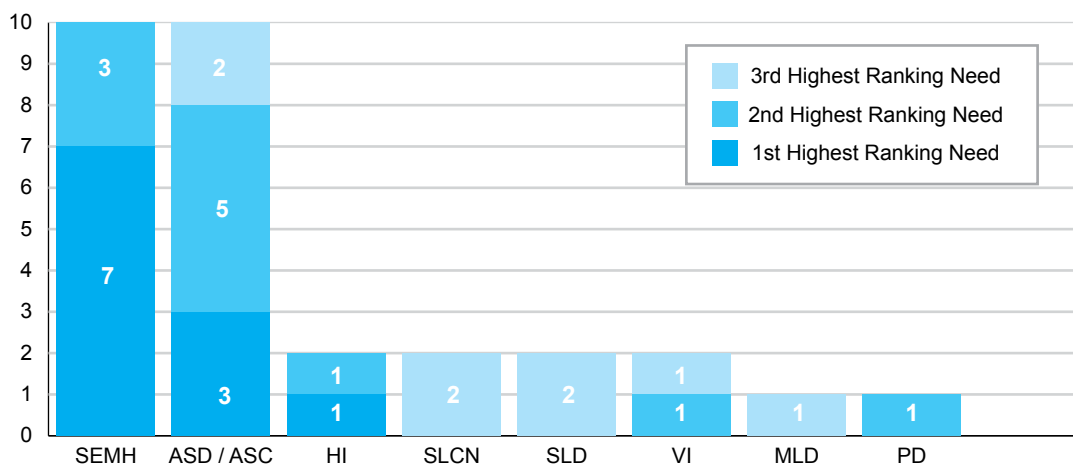

Note: top 3 needs submitted by eight Councils and top 2 by three (total 30)

11. Provision for children with Special Educational Needs or Disabilities

More than half of children with EHCPs in the South West are educated in mainstream state funded schools and the number and proportion have increased in recent years, rising from 12,968 in 2018/19 (53% of EHCPS) to 17,313 in 2021 (56%).

Children with EHCPs in mainstream state funded schools – South West
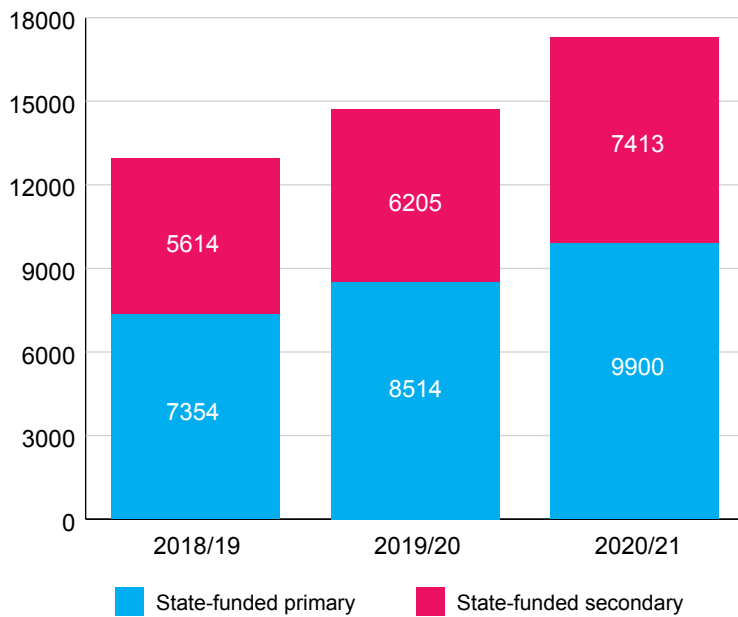
56%

**of children with EHCPs in mainstream schools**

822

extra places in state funded special schools since 2019

Inclusion has been supported by the expansion of specialist resource bases or access centres in mainstream schools. Data collected from 12 councils for the South West Sufficiency Project suggested that the expansion of existing provision is making the biggest contribution to additional capacity: in 2021 there were only three more schools with resources bases or access centres than in 2019 but over 150 additional places across the region.[11]

State funded special schools are also adding capacity. Data from 10 councils able to supply complete and comparable information showed 822 more places in state funded special schools in 2021 compared to 2019.

Data on independent special school capacity is not as comprehensive. Only 9 councils were able to provide data for the last three years for the independent schools in the area, and this showed four additional schools. Thirteen councils, however, provided data in February 2022 for the mapping exercise which identified a total of 2,614 places in independent schools and colleges across the South West:

11 Number of schools with resource bases or access centres based on data from 12 councils, number of places based on data from 10 able to provide complete and comparable data
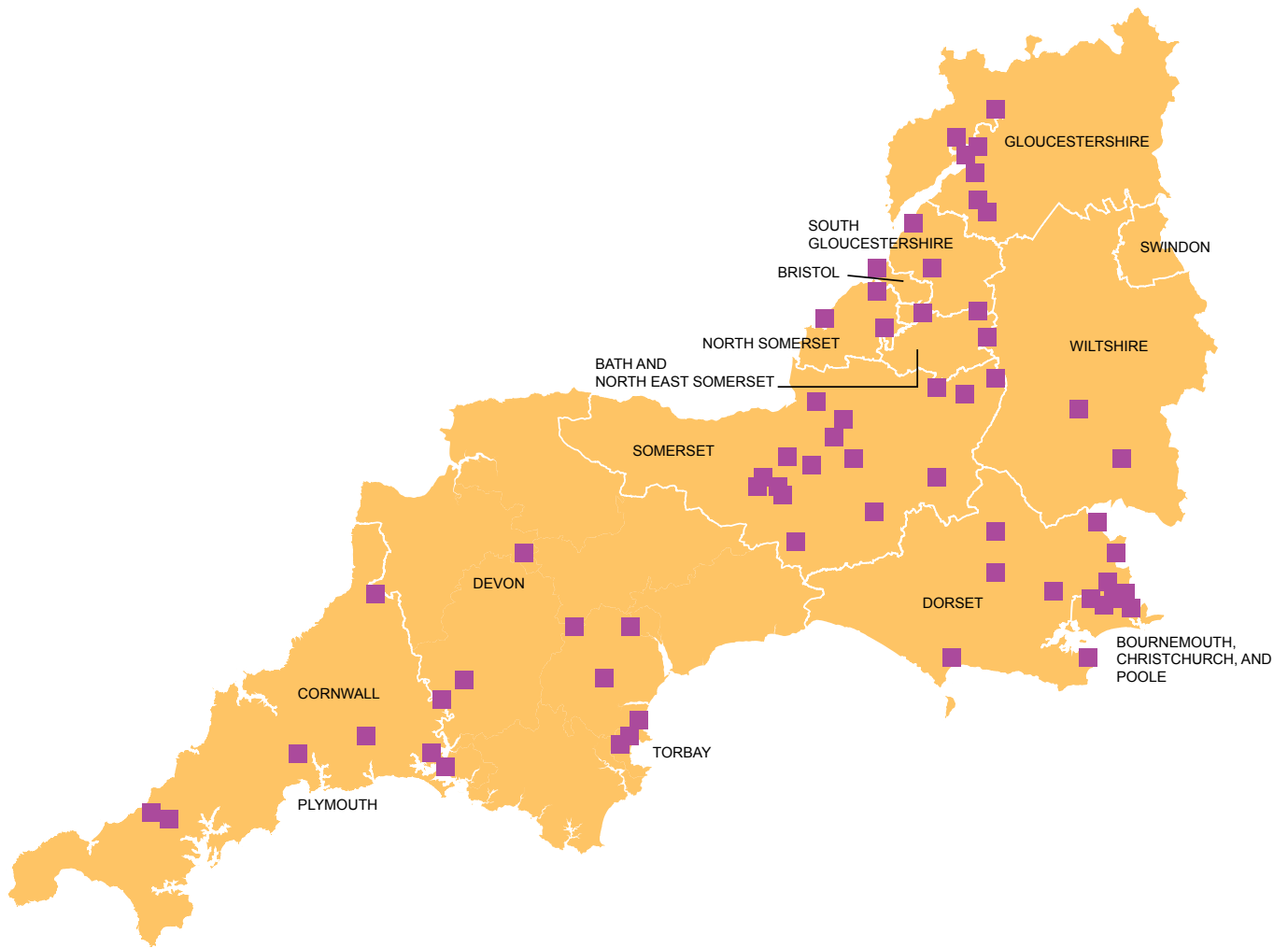
Another source is Ofsted provider data but this does not cover all types of school. This suggests that the number of places in boarding schools residential special schools in the South West, including those registered as children's homes, has been falling, down from 692 in 2018 to 468 in 2021.
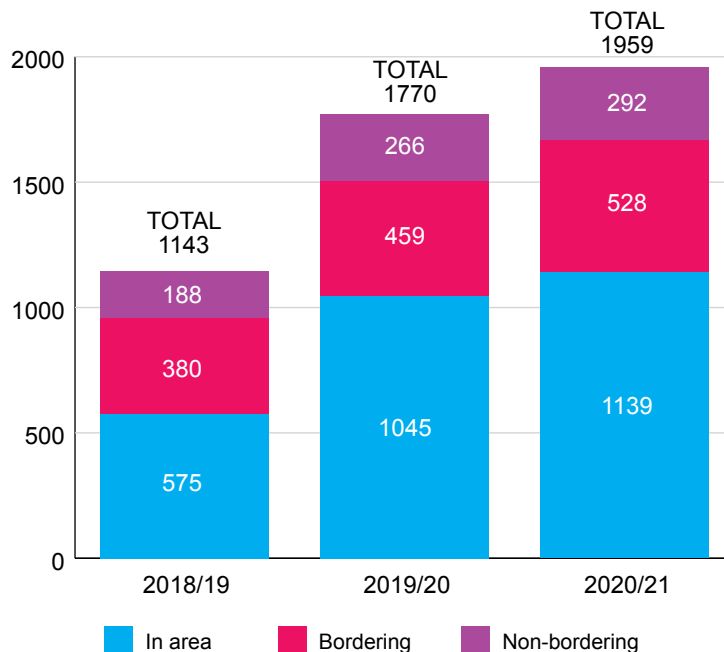
12. Conditions in the market for educational provision in independent special schools

All sectors are struggling to add sufficient capacity to meet rising demand. Recruitment and retention of qualified and experienced staff is a huge challenge and adding capacity takes significant time and investment.

The challenge of adding sufficient additional capacity in state funded schools is reflected in both an increased use of independent special schools and increased out of area school provision.

Data collected for the project (complete for 11 councils, partial for two) shows this clearly:

Children placed in independent and non-maintained schools

47% increase in use of out of area independent provision since 2019

20% increase in spend on independent provision since 2020

10.7% increase in number of independent school places purchased since 2020

Given these trends, it is not surprising that suitable places are getting harder to find and that cost pressures are gradually building. The data collection for the South West Sufficiency project showed that as of January 2021, 393 children were waiting for a specialist school place which had not yet been identified. The majority either had a Social Emotional and Mental Health need (143) or Autistic Spectrum Condition (126).

Total expenditure on places in independent special schools has increased. Data from 13 councils collected for the project showed expenditure of £185.496 million in 2020/21, up from £153.904 million in 2019/20, an increase of 20.5%. Over the same period the number of school places purchased by the same councils increased by 10.7%, which indicates an increase in the average cost, (rising from £86,951 to £94,689).

Recruitment and retention of qualified and experienced staff is a huge challenge and adding capacity takes significant time and investment.

Precise unit costs are difficult to calculate as not all authorities were able to provide full detail broken down by type of provision (day, 38 week boarding or 52 week residential) and primary need type. However, data from 7 councils, weighted to reflect the number of children placed, suggested the following unit costs:

Estimated Weighted Average Unit Costs

| Type of provision	2018/19	2019/20	2020/21
Day	£39,474	£42,314	£47,723
38 Week	£100,978	£74,657	£86,425
52 Week	£112,135	£150,589	£176,539

Source: South West Sufficiency Project data for 7 councils

Broadly, this suggests increasing unit costs with the largest increase being for 52 week provision.

Average costs for individual councils and different primary needs vary significantly and often relate to very small numbers of children. Eight councils provided a detailed breakdown of costs by need group. The highest average costs were for 52 week provision for children with Speech Language or Communication needs, Autistic Spectrum Condition or Profound and Multiple Learning Difficulties. The highest average costs for 38 week provision were for children with a Social Emotional and Mental Health need or an Autistic Spectrum Condition. For day provision, the highest average costs were for children with a Hearing Impairment or Physical Disability.

Commissioning approaches

Most authorities in the region participate in a framework contract or dynamic purchasing system for independent special schools. The data collection indicated that the two most popular are the West Sussex and South West and South Central Dynamic Purchasing Systems. However it also showed that the vast majority of independent school places are purchased 'off framework': This is likely to be because fewer schools choose to join frameworks than providers of foster or residential homes:

19%

81%

■ Placed via framework//DPS

■ Placed off framework//DPS
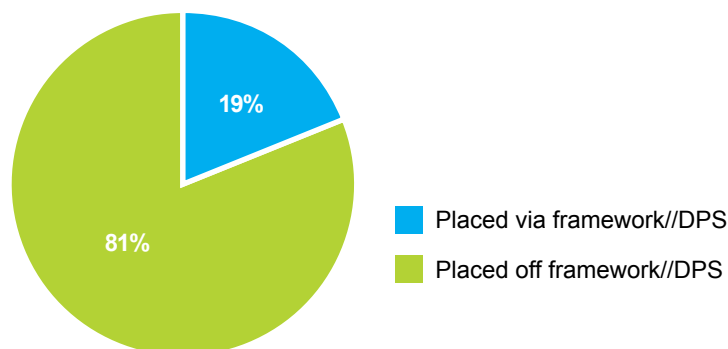
What works well between Local Authorities and independent special education providers?

Local authorities recognise the important role of the independent sector in providing special education. The characteristics of strong partnerships highlighted by local authorities and providers include:

There are lots of opportunities for co-production and cross sector working,

- **Regular communication:** prompt response to referrals, transparent, costed formal offers, detailed support and interventions, addressing the child's and young person's EHCP outcomes. Local authorities can then commission provision that is person centred and value for money.

- **Relationships are strong and there is regular communication.** Local authorities are able to negotiate and develop bespoke packages that are co-produced, involving the children and young people, parents/carers, and other agencies working with the young person.

- **Good quality EHCPs** and regular attendance at annual reviews.

- **Early communication** if things are not working well for the child and thinking creatively to sustain the school place, or if appropriate, to move the young person in a planned way to avoid breaks in education provision.

- **Clear transition planning for post 16:** with the young person at the centre of their journey, and a focus on outcomes for education, employment, training and preparation for adulthood.

- **Joint quality assurance frameworks:** agreed standards and expectations with local authorities working together to share reports, and good practice of their commissioning of independent providers.

13. Challenges

Considering the issues across both the care and education markets, it is clear that the South West faces significant challenges to achieving the aspirations set out in section 4.

The main challenges include:

• **Demand pressures across education, health and social care provision,** especially for children with special educational needs and disabilities and their families but also from the growing number of children in care

• **Recruitment and retention of sufficient foster carers, residential staff, managers and teachers,** which, combined with the investment, regulatory hurdles and time required to open new provision means that capacity is not keeping pace with demand

• **Growing complexity and acuity of needs,** particularly in relation to mental health and Autistic Spectrum Condition often in combination with other needs, compounded by difficulties in accessing mental health services and reflected in increased numbers of children in residential care and children educated in special schools

• **Finding provision for children and young people is especially hard for complex needs** including:
· children with multiple mental health and developmental needs
· children with behaviour that poses increased risk to themselves or others, such as self-harming and violence
· children who have been subject to criminal exploitation
· children with substance misuse problems
· groups of siblings
· younger children (under 12) who require 52 week residential school provision

• **Identifying provision at short notice** either due to an emergency or a breakdown is very difficult and there is a lack of emergency options

• **Stretched local authority resources** in terms of social workers, budgets and commissioning capacity which impacts relationships with providers

• **Gaps in data and inconsistent use of evidence and analysis** combined with the inherent complexity of forecasting demand for low volume but complex needs

• **Overall, a system which is not dynamic enough** to meet the needs of our children and young people consistently

14. Priorities

The 14 local authorities in the South West Sufficiency project have identified a series of high-level priorities to address our challenges and achieve our aspirations for children:

- **Regional sharing of and intelligent use of data**

- **Develop a strategy including training and development to strengthen and expand our workforce across all sectors**

- **Develop relational commissioning and move away from transactional approaches, by establishing co-production, co-ownership, and co-responsibility to increase local provision**

- **Identify a regional approach to sharing best practice**

- **Find where possible a consistent approach to funding, contracts, assessments, EHCPs, and referrals**

- **Testing different initiatives, models and partnership arrangements to increase provision (especially short-term crisis provision)**

- **Building capacity in local, sub-regional and regional provision, ensuring that the right type of provision is geographically in the right place so all authorities can place within their own area**

- **Improve working relationships with regulators to understand barriers to placing children with more complex needs**

- **Develop and build SEN resilience in mainstream schools so that CYP can be educated in local mainstream schools whenever possible. This will include partnership working with special schools to challenge and support provision and promote inclusion**

The South West Sufficiency Project is developing detailed recommendations and actions to be taken forward in partnership with providers at local, sub-regional and regional levels.

Next steps

The South West Sufficiency Project is developing detailed recommendations and actions to be taken forward in partnership with providers at local, sub-regional and regional levels. The recommendations will be agreed in Autumn 2022 alongside a programme of work to implement them.

15. Key messages for providers

Demand for homes for children in care and school places for children with SEND is strong and there are shortages of foster homes, residential provision and special school places across the region.

To achieve the best possible outcomes for children we need more provision of the right quality available close to children's own families and communities.

Traditional approaches to commissioning and contracting will not deliver the additional capacity needed or secure it for local children in current market conditions.

New models are therefore required which:

• **Build long-term partnerships with providers**	• **Address gaps in provision including specialist needs which require regional or sub-regional collaboration**
• **Recognise and address recruitment and retention challenges**	• **Focus on outcomes for children and promote quality**
• **Offer more certainty than spot purchasing or traditional framework contracts but more flexibility than block contracts**	• **Ensure that the voices of children are consistently heard and always influential in the design of services and the delivery of care**

All fourteen local authorities involved in the South West Sufficiency project are keen to work with providers who share this ethos, and to develop additional capacity in partnership with the independent and not for profit sectors.

Traditional approaches to commissioning and contracting will not deliver the additional capacity needed or secure it for local children in current market conditions.

16. Further information

Children's voices

The findings from the Bright Spots programme are published on the University of Oxford and Coram Voice websites. Publications and resources include the voices of children in care and care leavers on what makes life good, the 10,000 voices webinar and the practice bank which showcases practical steps taken in response to children and young people's views. Survey findings for individual councils are sometimes published or summarised on their websites

The Council for Disabled Children publishes a ranges of resources about the views of children with special educational needs and disabilities, including blogs and podcasts produced by young people on the Department for Education's national young SEND advisory group FLARE.

The Children's Commissioner for England carried out the biggest survey of children ever carried out anywhere in the world in 2021. The Big Ask reached over half a million children including 97,000 with additional needs or disabilities.

The National Participation Programme with disabled children and those with SEN is being co-led by KIDS and the Council for disabled children. KIDS have published some useful resources to promote participation. The Hull Young Persons Engagement Group, supported by KIDS, has produced a video which demonstrates how the voices of children with a wide range of needs can be heard.

National Data

The main sources used in this MPS are:

Children looked after in England including adoption: 2020 to 2021
Special Educational Needs in England: January 2021
Fostering in England 1 April 2020 to 31 March 2021
Children's social care data in England 2021 which includes Ofsted data on providers and places at local authority level.

These statistics are increasingly published in ways which make it easier to create your own tables, download data and look at specific areas or aspects.

Special Educational Needs and Disabilities Abbreviations

The use of abbreviations has been minimised but in the field of Special Education they are difficult to avoid altogether. The ones used in this document are:

ASC   Autistic Spectrum Condition
EHCP   Education Health and Care Plan
HI   Hearing Impairment
MLD   Moderate Learning Difficulty (MLD)
PMLD   Profound and Multiple Learning Difficulty
SEMH   Social, emotional and mental health difficulties
MSI   Multi-sensory impairment
PD   Physical disability
SEND   Special Educational Needs and Disabilities
SLCN   Speech, Language and Communication Needs
SLD   Severe Learning Difficulty
SpLD   Specific Learning Difficulty
VI   Visual impairment