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Research and analysis

# How local authorities plan for sufficiency of accommodation that meets the needs of children in care and care leavers

Published 18 November 2022

## Applies to England

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## Executive summary

The sufficiency duty is local authorities' responsibility to have enough suitable homes for children looked after. [\[footnote 1\]](#) Local authorities can find it difficult to meet their sufficiency duty for many reasons. These include:

- the rising numbers of children in care and an older profile of children
- an increase in children who require specialist provision that can support complex needs and, in particular, mental health needs
- a lack of secure provision for children nationally, meaning alternative places need to be found for children with complex needs
- issues with recruitment and retention of foster carers, residential care workers and other social care and wider children's professionals
- not having the right quantity and mix of provision for the children in their area
- difficulties in working in the private market, where private providers have more power and local authorities have little choice

These challenges are not new, though some have been exacerbated by the COVID-19 pandemic. 'The independent review of children's social care' (the Care Review) and our research report 'Children's social care 2022: recovering from the COVID-19 pandemic' highlighted these issues. [\[footnote 2\]](#)

What Works for Children's Social Care reported that only 56% of local authorities have published a sufficiency strategy. This means that some local authorities have not made clear, publicly, how they plan to meet this duty. [\[footnote 3\]](#) Few strategies included detailed information on, or analysis of, their local provision, particularly independent sector provision. In addition, many strategies showed that the local authority's own forecasting was not credible.

In summer 2022, we investigated how local authorities fulfil their sufficiency duty and how they know if it works. We explored the challenges and barriers that local authorities face when planning for sufficiency and some of the ways these have been overcome.

This report draws on:

- research literature
- interviews with representatives of organisations that have expertise in sufficiency issues
- a focus group with regional sufficiency groups
- focus groups with local authority staff in a variety of roles
- interviews with practising social workers

The report summarises our findings on local authorities' planning for sufficiency. It also considers what we could do differently, through our inspections of local authority children's services (ILACS) and other activities, to help improve planning and outcomes for children.

## Main findings

**A lack of sufficient provision means that many local authorities often do not follow their own strategy when making decisions.** Strategies often favoured certain approaches, for example using in-house foster care or placing children near their homes, but a lack of available homes means these aims are rarely fully met.

**The complex and unpredictable nature of children's needs means the demand for places for children with some kinds of needs is difficult to forecast.** As a result, too much time is spent responding to cases as they arise. This often leaves little time to think strategically (that is, with long-term aims, and how to achieve them, in mind). Even when local authorities can plan, there is often a lack of available accommodation and care for more complex needs. We heard little about longer-term planning and solutions to ease sufficiency issues.

**Some local authorities report having an ageing population of foster carers, which is leading to a lack of stability for some children.** Although this may not be a national issue, in some areas this is making it hard to plan for permanency because older carers, who sometimes prefer to

look after younger children, will retire before the child is ready to leave care. This, together with an increase in older children and children with complex needs entering care, is adding to sufficiency issues in many areas.

**To find placements, local authorities rely on informal relationships between their own staff and those individuals' contacts in agencies or providers.** These relationships are not always formalised, despite being recognised as crucial. This means that links and information are sometimes lost when staff move.

**By working with each other, local authorities were able to share data and insights about local needs and local providers.** This also helped them to make joint bids for new provision, enabling them to share financial risk. However, not all local authorities were working together like this.

**Providers now have more power in the market and are able to choose which children they take.** This means that it takes social workers and placement officers much longer to find homes for children. It also means that providers are less willing to enter block contracts.

**Many local authorities do not evaluate their sufficiency strategies effectively.** Often, these evaluations are too narrow, typically focusing only on reviewing individual cases where something went wrong. Local authorities do not always review and learn from positive experiences. Also, they do not always evaluate their strategies in a broader way. Many social workers believe that some of the learning they share from individual cases, good and bad, gets lost without a strategic approach to evaluation.

**Social workers said that they were able to advocate for children's best interests, even when that went against the local authority's overall strategic approach.** However, a lack of suitable provision often limited local authorities' ability to remain child-centred.

**Unregistered provision is used too often because of a lack of suitable regulated alternatives.** Too many children, particularly those with the most complex needs and including those deprived of their liberty by court order, are living in unregistered provision. This provision has no regulatory oversight of the suitability and experience of the staff, the facilities or the care arrangements.

## Introduction

The sufficiency duty requires each local authority to ensure, so far as reasonably practicable, that it can offer enough suitable accommodation in its area to meet the needs of children who are looked after.<sup>[footnote 4]</sup>

Local authorities must take into account the relevant statutory guidance.

Two of the requirements are that local authorities:

- include the plans for meeting the sufficiency duty in their commissioning strategies
- work with partners so that they can offer, where reasonably practicable, sufficient accommodation for children looked after in their local authority area

The second point refers to local authorities working closely with relevant partners to identify and assess children's needs, including those of children in need or children who might go into care or custody. The guidance says that local authorities must make arrangements that support cooperation with relevant partners, with a view to improving the well-being of children in their area.

When this guidance was published in 2010, there were around 60,000 children in care in England. By March 2021 this had increased to 81,000.<sup>[footnote 5]</sup>

This increase puts considerable pressure on the social care sector. It is not just an overall increase in the number of children that makes it difficult for local authorities to find enough suitable accommodation. There has also been an increase in the number of children with mental health difficulties.

A move among health partners to reduce mental health inpatient beds and care has contributed to this. The move followed a recommendation as part of the House of Commons Health and Social Care Committee inquiry into children and young people's mental health.<sup>[footnote 6]</sup> It means that there are now more children who have complex needs or are a significant risk to themselves or others, but who cannot be detained under the Mental Health

Act. These children either do not meet the criteria for a secure accommodation order, cannot be placed in a secure children's home (SCH) because of severe placement shortages, or a SCH would not meet their needs even if there was space available. This means that children's social care services are now having to find and fund provision for children who might otherwise have been in these facilities.

A 2020 report on 'Price trends and costs of children's homes' estimated that the average weekly cost of placements in independent children's homes rose by 40% in the 6-year period from 2013 to 2019. [\[footnote 7\]](#) The reasons for this rise included more use of spot placements in homes that were not part of price-controlled commissioning frameworks and reported imbalances in supply and demand for places for children with complex needs.

Finding appropriate places for children with complex needs is a key challenge for local authorities. The Care Review noted that there are not enough suitable homes, or staff with multidisciplinary skills, to care for children who may be a danger to themselves or others, or who are being exploited. Many registered children's homes were reluctant to accommodate these children because they believed it could have a negative impact on their Ofsted rating. [\[footnote 8\]](#)

The shortage in homes for children with complex needs:

- drives up the cost of places in homes, and can lead to profiteering in the market
- increases the time and resources needed to find a place, reducing the time social workers have for other casework
- can lead to local authorities creating bespoke homes or placements, which is costly and can reduce the number of places available for other children
- can lead to children living in unsuitable provision, under deprivation of liberty orders (which allow children to be restrained or restricted to prevent harm to themselves or others) [\[footnote 9\]](#)
- can lead to the unacceptable use of unregistered placements when local authorities are unable to find alternative registered provision

A joined-up approach between the secure estate, health services and children's social care is required to meet the needs of many children.

Another part of the problem is the growing issue with foster carer recruitment and retention. Between 2017/18 and 2021/22, foster care capacity in independent fostering agencies increased, but local authority fostering capacity decreased. Across both sectors, the number of fostering places has decreased 5% since 2018. [\[footnote 10\]](#)

The Care Review noted that local authority services were not as successful in recruiting new carers as independent fostering agencies and attributed this to a lack of specialist marketing, recruitment, training and support in local authorities. Our data, however, shows that although independent fostering agencies receive many more enquiries, these do not always lead to applications or approvals. In 2021/22, the ratio of initial enquiries to completed applications was low across both sectors but was higher in local authority services. They had a ratio of 8 to 1, compared with 23 to 1 in independent fostering agencies. [\[footnote 11\]](#) This may suggest that enquirers to local authorities are getting more information or support to take their applications forward.

The large discrepancy between enquiries and applications seen in independent fostering agencies represents a steady increase since 2017/18, when the ratio was 14 to 1. Among both sectors, the proportion of applications that are approved is also low, with 27% in independent fostering agencies and 28% in local authorities in 2022.

Overall, the number of children's homes is increasing, with a 7% increase in 2021/22. However, the homes tend to be smaller, so the number of spaces in these homes has increased by a smaller amount (4%). [\[footnote 12\]](#) In addition, while there has been an increase in new homes in all regions, they are not evenly distributed. The largest increase was in the North West, which has around a quarter of all homes and places. London remains the region with the fewest homes and second fewest places.

In addition, foster homes and residential children's homes do not always operate at full capacity. There are a number of reasons for this. Foster carers may be temporarily unavailable because of illness or other constraints. Homes sometimes have fewer children than they are registered for because of staffing shortages or so that carers can better manage risks related to children who go missing, or are vulnerable to gangs or exploitation, or to meet the needs of individual children (for example, those

that cannot be placed with other children).

This all contributes to the challenges that local authorities face in ensuring that there is enough suitable accommodation for the children in their area.

## Planning for sufficiency

The needs of children in care are very varied and can change. As a result, a good understanding of current and future need is essential. During our fieldwork, we heard from local authorities, representatives of cross-local-authority sufficiency groups and provider representatives about how they plan to meet children's needs. Various aspects fed into their planning, including using data and insights to develop an accurate understanding of current need and to attempt to forecast changes. Relationships and joint working were also identified as being important.

### Understanding needs

Local authorities, representatives of cross-local-authority sufficiency groups and representatives of providers told us of the many different ways they use to understand the needs of children in care, children on the edge of care and care leavers in their local area.

#### **Review and analysis of datasets to understand current local need**

Many local authorities, sufficiency groups and providers review and analyse data to understand needs in their area. Much of this work concentrates on identifying provision gaps to inform future plans, for example potential bids for new residential care or recruitment of foster carers with specific skills.

As well as data on referrals and placements, local authority and sufficiency group representatives mentioned different types of data they used for sufficiency planning:

- national and local data on the characteristics of children in care and



children in need, which can be used to analyse emerging trends and changes in these populations (Ofsted's annual publication of national social care data and the Department for Education's annual collection of 'children looked after' data were mentioned)<sup>[footnote 13]</sup>

- data on the length of time children are in care in their local area and data on potential barriers to children leaving care (for example, backlogs and bottlenecks in family court hearings)
- data on placement stability
- benchmarking that compares actual placement data with the local authority's own placement targets
- population trends (for example, census data)
- economic trends that could affect the sector or the local area (for example, large local employers closing down or coming into the area)

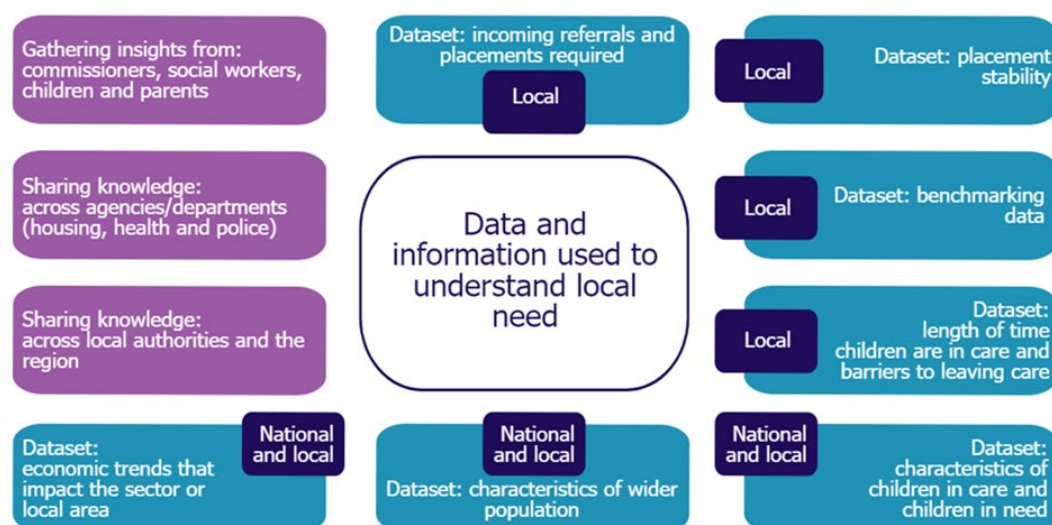
Using multiple sources of data was considered useful because it can provide a 'holistic' picture.

Some of those we spoke to mentioned problems with, or gaps in, the data that is available. Provider representatives suggested that the sharing of information between local authorities and private sector agencies is not always good, and can be a barrier to sufficiency planning. For example, data about the emerging needs of local children can help independent fostering agencies to predict the needs they may be asked to meet in the future. Some fostering providers believed that this information was not shared effectively by local authorities, reducing their ability to plan relevant foster carer training or recruitment to meet children's needs.

Foster care capacity data can complicate sufficiency planning, because the number of places available is often lower than the registered number. Also, differences in the way foster carers are approved by different agencies can add to the complexity.

In addition, we heard that the data we give to local authorities on providers could be more dynamic and could be made easier to incorporate into local authority systems. In response, we are running a consultation in autumn 2022 to seek local authorities' views about how we could improve the usability of our data. We will then make improvements in the light of this feedback.

**Figure 1: Examples of information used by local authorities to plan and monitor sufficiency**



### Gathering insights from stakeholders, other local authorities and agencies

The sufficiency group representatives, and many of the local authorities we spoke to, talked about holding meetings with various colleagues and stakeholders to gather information on the needs of children in their area. As it was typically senior managers responsible for producing sufficiency strategies, many recognised the potential gaps in their knowledge because they do not personally deliver frontline services. To address this, managers told us that they engage with their commissioning teams, who are responsible for finding suitable places for children to live, and with social workers who work directly with children. This provided deeper understanding of children’s needs, which managers could incorporate into the strategy.

Sometimes local authorities work with each other to understand local needs and plan for future sufficiency. This happens as a result of strong relationships between neighbouring authorities, formal processes or membership of cross-authority or regional sufficiency groups. One of the biggest challenges of working together, as noted by a regional sufficiency

group, was understanding the range of needs across different areas.

The sufficiency duty requires local authorities to work with partners to ensure that there is sufficient accommodation for the children in their area. Cross-agency working gives local authorities access to useful data and supports coordinated planning for the future. Local authorities and sufficiency groups held meetings with other departments, such as housing, health and the police. A stakeholder who worked with housing authorities explained that they are a rich source of information about homelessness and housing, including supported accommodation. They noted that joint commissioning arrangements help local authorities to understand, and in turn address, their own sufficiency needs. However, these arrangements are not always in place or do not always include housing partners.

“ [Housing authorities]... have a wealth of data about support needs, age 16–17, care leavers, supported housing. Particularly in large 2-tier authorities... if [local authorities] don't engage with them and share data, they miss out on a wealth of information”

(Stakeholder for housing)

## **Planning for future need**

Some local authorities and sufficiency groups reported that although they have data and insights on previous and current needs, it is difficult to use this to predict future sufficiency. Many mentioned the fast pace at which children's situations, and therefore their needs, can change. In addition, the profile of children in care can change quickly as a result of policy initiatives in other parts of the system, for example in response to changes in mental health policy or participation in the National Transfer Scheme being mandatory.

“ We monitor and review our sufficiency really rigorously. Because it's so dynamic, it feels like even though you may have an effective approach, actually, it changes all the time. That's the problem we've got.”

(Head of strategic commissioning)

The speed at which children's needs can change was reflected in how frequently some local authorities reviewed their sufficiency planning. Although the strategy was usually updated annually, one local authority had begun to make more frequent changes to keep it current:

“ Our sufficiency strategy predicts the need as far as we can, but what we've found with COVID and the complexity of children, we've got 2 interim sufficiency statements as well because need has been changing so quickly... I'm actually looking at a third interim sufficiency [statement] because we're really having problems in terms of getting residential placements, even though we do have a strategy, and we are struggling with foster carers as well.”

(Head of strategic commissioning)

Representatives from this local authority said that their sufficiency strategy was the most dynamic it had ever been. They were confident that this was not because their planning had been bad. They were tweaking their sufficiency plans in response to the changing context.

Some other local authorities had started to look at sufficiency strategies more regularly, and to share them with senior leaders 'so they know the pressure at the front'. Although we heard these examples of closer monitoring of sufficiency strategies in line with the changing context, most local authorities reported that they update their strategies annually. As strategies provide high-level plans for meeting the sufficiency duty, an annual update is appropriate. However, the details of children's needs and the effectiveness of practice should be continually monitored, with necessary tweaks to plans and practice made in the interim to reflect changes in children's needs.

A number of local authorities told us about the challenges related to the arrival of unaccompanied asylum-seeking children. Under the National Transfer Scheme, the responsibility for unaccompanied asylum-seeking children is shared between local authorities, rather than falling to the local authority in which the children arrive. However, there are additional issues and responsibilities for the local authorities that are ports of entry. The scheme specifies the maximum number of children for each local authority, based on its size. Even so, authorities said they do not always know the number of unaccompanied asylum-seeking children that they will become

responsible for in advance, which makes it difficult to plan effectively. We heard that a high number of unaccompanied asylum-seeking children can be transferred into a local authority, meaning that they become a substantial proportion of the children in care in their area over time.

“ [Unaccompanied asylum-seeking children are] a really difficult cohort to plan for, with spontaneous arrivals. You don’t know what you will get numbers-wise, and numbers have gone up significantly over the last year.”

(Head of service for permanency, placements and sufficiency)

Some of our focus group participants told us about difficulties related to housing. For example, in London the lack of available space was making it hard to keep children with connected carers (for example, with grandparents) or with their brothers and sisters. One participant also noted that it is difficult to work across boroughs, because properties are owned by different registered social landlords (also known as housing associations) and councils.

Despite the reported difficulty in predicting future need, there were some examples of local authorities using data for planning. Some local authority staff mentioned that they review data on children at the edge of care and use this to help them plan for children who may soon need a place to live.

Having heard about the difficulties in predicting need, we looked at data on children who started to be looked after throughout the year. [\[footnote 14\]](#) Nationally, there are seasonal fluctuations in the numbers of children entering care. These can largely be predicted. The numbers are more volatile at a local level, making it harder for local authorities to plan and prepare. However, for most local authorities, the number of children entering care each year does remain fairly stable. Knowing this, and when to expect the highest and lowest numbers, might help with planning. The most recent national data is from March 2021, during the COVID-19 pandemic, meaning that any trends in the data may have been obscured. Data on need is not very detailed, but does, nevertheless, indicate that there is no substantial change from previous years in the reasons for children entering care.

## Relationships with providers

Good relationships between local authority staff and providers are important. Commissioners told us that having good relationships with providers meant that they were better able to find homes for children with more complex needs and negotiate the cost of placements.

Local authorities recognised that having good relationships with providers benefited them. This was because they were able to go to people or teams they knew and talk them through a child's needs, rather than the provider seeing only the limited information on paper. The staff from one local authority told us about an independent fostering agency that they have a good relationship with that will approach them when it has vacancies.

“ If you are a provider and you can choose the kind of young person in your placement that will work best for you, of course you are going to do that. Where we have good relationships with foster agencies and children's homes, we can rely on that to pick up the phone and have a conversation. It's a small market and everyone is vying for the same spots.”

(Team manager for children looked after)

Provider representatives also noted the importance of local authorities knowing the providers in their area well but said that not all local authorities engage well with them.

In our research, we spoke to both local authority staff and representatives of groups of providers. Although both have the common goal of providing children with a safe, stable home that meets their needs, the two different perspectives were clear. This is to be expected given their different roles in achieving this goal.

Both local authority staff and provider representatives said that relationships between local authorities and providers are sometimes strained. For example, when timescales change, providers can feel that the local authority has 'messed them around'. This can lead to providers offering places preferentially to children from another local authority in the future.

One provider representative attributed some of the problem in relationships to the fact that ‘there is not a market or system in place for local authorities to work with the providers’.

In practice, some social workers and placement or brokerage teams rely quite heavily on their personal knowledge of placements that have ‘worked’ before. For example, a social worker may prefer foster carers or children’s homes where they have previously had success and will approach these first. Equally, they may have providers that they do not hold in high regard and would not consider. The local knowledge and experience of staff is an organisational asset. However, with high staff turnover, this knowledge can easily be lost unless it is shared or recorded at team level.

## **Working with other local authorities and regional sufficiency groups**

Many local authorities were part of regional or cross-local-authority sufficiency groups. This enabled them to look regularly (for example, quarterly) at placements and at current market needs, and assess what to commission. One regional group, which covered 4 local authorities, was putting together a service specification to commission 4 2-bed homes. Another group worked with the majority of local authorities in its region. The group’s representative told us how sharing information about needs allowed authorities to team up to bid for provision. They found that it was easier to do this for 6 children from different authorities than for 1 or 2 children in a single authority. A further advantage of commissioning as a collective was the sharing of financial risk.

Some local authorities found that being part of larger regional groups led to useful discussions about planning, gave them reassurance that the difficulties they were experiencing were not unique and offered them opportunities to work with other authorities to resolve these difficulties. One local authority representative said:

“ I do think the regional group has helped, it’s certainly helped me in keeping it in context, thinking it’s not just us. It’s [not] us getting anything wrong necessarily, it’s just the state of where we are. It’s definitely



something we are going to focus on, with our regional group: what we've got and how we can use it more smartly.”

(Commissioning manager)

Although we heard about many benefits of belonging to regional groups, not everyone was positive about them and not all local authorities wanted to be members. Reasons for this included the size difference between local authorities, which could be a barrier to inclusion, and the demographic and operational differences between the members, which could slow down decision-making.

## **Strategic approaches to managing challenges**

Local authorities recognised that the current climate in children's social care is particularly difficult. One head of strategic commissioning, who had worked in sufficiency for 5 years, said, 'this is the most difficult it's been in terms of the dynamic of the system'.

Some specific challenges were mentioned by all the people we spoke to. These were:

- the changing market and the high costs of placements for children
- an increase in older children and those with more complex needs, including meeting the very specific needs of individual children that require a multi-agency response
- issues with capacity in the social care workforce and among foster carers

We explored how these challenges affect local authorities and their partners when they are making strategic plans for achieving sufficiency, and what they are doing to manage these challenges.

### **The high cost of placements and the power of the market**

Many of the specific challenges we heard about related to resources, such



as the high costs of placements and providers being able to ‘charge what they want’. We heard about barriers to opening and operating children’s homes, which are sometimes not recognised by local authorities. For example, salaries make up around two thirds of a home’s operating cost. Another difficulty is that local authorities traditionally set fees on a long-term basis (usually for 4 years). In a changeable market, the long-term commitment can put providers off fixed fees:

“ The problem is that their operating costs, everything from fuel, energy bills, food bills, everything has gone up. So, they’re locked into a fee. And the local authorities now... the traditional way they’ve done it, is each year they will consider a fee uplift, but that only applies to new placements, not existing placements, and it’s often only 2%.”

(Deputy chief executive officer, provider representative)

Some local authorities noted tension in their relationships with providers. They believed that finding the right place for a child was not collaborative, because external providers ‘cherry-picked’ the children they took into their care. They also recognised that the market has changed, with providers now frequently rejecting certain requests. There are instances when it is appropriate for providers to refuse a referral, for example if they cannot meet the child’s needs or if the child’s move into the home would have a detrimental effect on children already living there. However, representatives of local authorities thought that providers were increasingly refusing placements for ‘ease’ and because they knew that other referrals would come along soon.

One senior commissioning officer believed that ‘providers are waiting and holding out for those slightly easier children’, and that the local authorities trying to find homes for children with more complex needs are all competing for the same places, so providers can charge what they like. Similarly, a social worker believed that external providers run homes like a business. The social worker said, ‘[External providers] can charge ridiculous amounts for their services [and]... [they do not] even always meet the child’s needs.

One local authority representative was frustrated that providers in the area were not willing to sign up to the commissioning framework and were able to hold their own prices on spot purchases, which meant that providers

controlled the market:

“ There seems to be something in the [region], and I don't mean to sound harsh, [which] is that if any provider joins at any price, that's okay.”

(Assistant director)

Although some local authorities tried to encourage providers to enter block contract arrangements, this was having limited success.

### **Developing new provision**

A number of local authorities were in the process of opening new provision or changing the terms of their current provision. This was often in response to individual need, but some were thinking strategically about their current and future needs.

For example, one local authority had plans to rely less on private providers. It was buying and building accommodation for children, including those who were stepping down from tier 4 mental health services and those needing emergency placements. The local authority already had residential provision for children coming from secure welfare placements and was working with foster agencies to offer provision for children released from police custody. Its aim was for 90% of its children looked after to be living in local-authority-owned provision within 3 years.

“ It's testing the market. We don't want to buy what's just out there, we want to build and buy, in partnership, what our children and young people need.”

(Assistant director)

Not all local authorities are able to make this level of investment in their own services, so are reliant on provision they already have (possibly with adaptations) or on services they can commission.

Some authorities believed that the registration process was too slow, and that this sometimes resulted in children living in places that were not suited to their needs or, in some cases, unregistered provision. Our internal data shows that half of applications take less than 4 months to be registered, and three quarters take less than 5 months. However, where it does take longer,

it is often because the registered manager was found to be unsuitable and a replacement could not be found, or the provider withdrew the application. The current legislation requires managers to register separately from the home itself, which means they have to re-apply if they move to a new home. [\[footnote 15\]](#) This can leave homes without a registered manager for longer. The shortage of registered managers is evident from the registered manager vacancy rate in existing homes, which has increased from 10% in 2019 to 17% in 2022.

We heard from some local authorities that new homes had opened in their areas without their knowledge. Applicants must consult with relevant parties as part of their location assessment, and seek planning permission where required, before opening a children's home. Close working between local authority planning teams and children's social care departments should provide alerts about new provision intending to open. Therefore, it appears that information about potential children's homes is not routinely shared between departments within the local authority.

## **The complex and changing needs of children**

Social workers and senior staff in local authorities told us it had become more difficult in recent years to find suitable homes for children with specific characteristics or needs.

During our social care COVID-19 recovery research, we heard from local authorities and providers that children's needs had become more complex since the pandemic began, with mental health needs particularly increasing. [\[footnote 16\]](#) Some of the complexity was attributed to delays in identifying needs or disruption in existing support. The unpredictability of the pandemic had made it hard for local authorities to plan for subsequent changes in children's needs.

This increase in the number of children with complex needs presenting to local authorities is not related to the COVID-19 pandemic alone. As mentioned in the [introduction](#), a lack of specialised mental health and secure provision for children who would benefit from these facilities has placed a strain on local authorities in recent years.

These children sometimes live in other accommodation, such as supported accommodation, under deprivation of liberty orders. In 2020/21, 579 applications were made to deprive children of their liberty in alternative provision, a 462% increase since 2017/18.<sup>[footnote 17]</sup> All children subject to a deprivation of liberty order are in receipt of care and so should be in a registered children's home. It is unacceptable that there is such a dearth of registered provision for some of the most vulnerable children who need specialist help.

The complexity of children's needs was the biggest challenge for all the local authorities we spoke to. We heard that finding homes for some children took up disproportionate amounts of time and resources:

“ It's getting the balance between the 99% of placements that are okay and effective as opposed to those that challenge because they are difficult, complex and, from a finance perspective, unbelievably expensive. We could spend an awful lot of time pursuing these sorts of things in sufficiency strategies [but] this can detract from the 99% of things that actually aren't too bad. Maybe [we] need to make a little bit of a shift, because the drivers for those decisions are not the right ones.”

(Director of children's services)

Sometimes local authorities are unable to find accommodation that meets these complex needs, so children are placed in unregistered provision. Almost all of the local authority staff that we spoke to had been in the position where they thought that this was the only option. They were open with Ofsted when this happened, and worked with us and the provider to register the provision (for example, through a fast-track application). However, this does not always happen as quickly as we would want.

These placements are never acceptable, because children can be at risk when there is no oversight of the building or the manager. For this reason, Ofsted can trigger a criminal investigation, which can lead to prosecution. Some local authorities closely monitored the use of these placements through regular meetings, and only used them as a last resort when other homes could not be found for the children.

Through our inspection and policy work, we hear that some providers are

reluctant to take children with complex needs for fear of being downgraded at inspection. During this research, we heard further evidence of this perception, even when local authorities had reassured the providers:

“ Very often when we’re putting out some of our more challenging young people, who may have gone missing a few times... providers are always very nervous about their Ofsted registration and whether it would be detrimental to them... As long as they’re working proactively, can evidence that they’ve done what they need to... and that’s the... information that we give back to them... But it’s always a worry, their Ofsted registration.”

(Assistant director of commissioning)

Many of the local authority representatives indicated that local authorities had lost their power in these negotiations, with one telling us:

“ Providers are holding and waiting for those slightly easier children. The providers have the market and choice... We are all on the phone to the same providers and begging them to the point where they can charge us anything.”

(Senior commissioning officer)

Some local authorities had tried practical approaches to managing providers’ reluctance to take children with more complex needs. For example, some used personalised placement referral requests, or profiles, that gave more detail about the child, such as their likes and dislikes. Providing additional information sometimes meant that providers would consider a child who they might not have been willing to care for if they had only been given the usual, more basic information. This was more successful when local authorities had good relationships with providers, because the local authority staff could talk to the providers about the child’s strengths and answer the providers’ questions about anything that concerned them.

One way in which local authorities were working strategically to manage the increased complexity of needs was through investment in preventative services and working with children on the edge of care, sometimes with partners in other sectors. For example, in one area, social workers were

working in schools to offer services in the community. Another local authority in the same region had a budget from the council to do some joint work with the health service. This work concentrated on ensuring that babies born during lockdown were visited by professionals, if they had not already been seen.

### **Children who need secure accommodation**

Children who need places in secure children's homes (SCHs) are particularly affected by the lack of suitable accommodation. The secure estate is vulnerable. It is high risk and high cost, and running this type of provision is a considerable undertaking for a local authority. The number of SCHs has reduced from 29 in March 2002 to 14 in March 2022.<sup>[footnote 18]</sup> The number of places has reduced from 425 to 231 over the same period.<sup>[footnote 19]</sup>

In 2021, we reported that at any one time, an average of 25 children were waiting for a welfare place in one of the 13 SCHs in England.<sup>[footnote 20]</sup> By 31 March 2022, that number had almost doubled to 48. Additionally, 30 children at any one time are placed in Scottish secure units by English local authorities due the lack of provision in England.<sup>[footnote 21]</sup> Also, the lack of mental health provision means that some children who need mental health care are placed in SCHs because no other provision can look after them and keep them safe. The children who cannot be placed in a SCH often end up in unregistered provision.

The Secretary of State for Education is responsible for the approval of SCHs. Having recognised the need for more secure provision, the Department for Education has recently been given funding to expand the number of places available. It is working with local authorities, providers and stakeholders to do this, though the work will likely take a number of years.

Meanwhile, the SCH sector is under pressure, with the Youth Custody Service also facing challenges in placing vulnerable children who have been remanded or sentenced by the courts, particularly vulnerable girls. This is because of the closure of 3 secure training centres since 2015; a delay in the opening of the first secure school; and difficulties faced by SCHs, including recruitment and retention of staff, buildings requiring investment and children's needs becoming more complex.

During this research, we heard that there is real concern about the lack of homes for children who require secure accommodation. One area had placed more children in Scotland than they had in England or Wales in recent years, and was concerned that Scotland is now putting limits on who can be placed in its homes. Some areas were planning to develop new secure accommodation. For example, one authority in the north had received funding to develop a 6-bedroom secure unit and similar initiatives had been proposed in London authorities. Other local authorities were relying on bespoke solutions, such as solo placements in children's homes and giving foster carers intensive support. Some were making use of unregulated settings, but by the nature of the arrangements for children, these providers will be operating unregistered provision.

Some local authorities had difficulties engaging with health services, in part because they did not have a good understanding of which health partners to engage. One health stakeholder suggested that, as a third party, it could bridge the gap and encourage communication between the local authorities and the relevant partners. Another health stakeholder said that local authorities and health services had got better at working together in recent years, and that with the introduction of integrated care systems this will improve further, although this has yet to be tested. [\[footnote 22\]](#)

There was some suggestion that collaborative working between local authorities and health partners has improved since the COVID-19 pandemic began:

“ I think there has been a lot more activity and a lot more partnership working since the pandemic actually... I think the challenges at the beginning drove a real change in behaviours, and the very quick evolution of dynamic support registers has helped... [\[footnote 23\]](#) Some of that might have dropped off, but some tools are still in place, and being used more effectively than they were previously.”

(Stakeholder representing health)

Although we did not hear about the dynamic support register from the local authorities we spoke to, some areas had worked with health partners for specific purposes. One region had commissioned a multi-agency model to provide coordinated services for care leavers. The model involved teams made up of mental health professionals, speech and language therapists,



clinical psychologists, mental health practitioners and social care professionals.

Some areas benefited from working with police and health partners as part of a 'no wrong door' type model. This model involves offering residential or outreach services through a hub, where a single multidisciplinary team provides wraparound support. A clinical psychologist is included in the hub team so children and young people can receive some mental health support through the hub. [\[footnote 24\]](#)

### **Increasing challenges in placing all children**

It is becoming increasingly difficult to find places for children in specific situations or who have specific needs. However, it is also becoming more difficult to find homes for children who had previously been 'simple' to place, either because they were younger or had fewer complex needs. For example, one London authority told us:

“ We have a... 10-year-old at the minute, in a special school, but no issues, absolutely thriving. We are struggling to find somewhere for him, it's outrageous. Before COVID, 2 years ago, that was an easy placement, job done. But now we are struggling... over the age of 10 it just seems to be difficult.”

(Children's and commissioning team, business manager)

Some foster carers prefer to care for younger children. This is often because they are worried about caring for teenagers or feel ill-prepared to support them, particularly those who have previously gone missing from foster homes or have been involved in crime. Staff from one local authority told us that teenage children are often placed in residential children's homes, even though these cannot meet their needs. One of the local authority staff members said, 'No foster placement will touch them because they're a teenager.

Social workers also said that it is difficult to find places for groups of brothers and sisters. As a result, siblings often have to move out of area or live separately, both of which can be harmful for children. Although finding homes where children can live together has always been a challenge, one local authority is even having difficulty finding sibling group placements for



very young children (aged under 5) because of the lack of available carers.

Many local authorities were trying to meet these challenges by recruiting more foster carers. They were having limited success, especially with recruiting carers for older children and teenagers. To address this, a number of authorities had invested in providing targeted support to encourage foster carers and to prevent placement breakdowns. Examples of this support included a dedicated foster-care support team made up of social workers and family support practitioners, a specialist foster care scheme and improved access to in-house respite foster care.

## **Workforce and capacity**

Several local authorities had an ageing population of foster carers. Staff from one London local authority thought the authority was ‘sleepwalking into a problem’ regarding the age of its in-house carers, because ‘50% of them would retire in the next 5 to 10 years’. Representatives of a local authority in the north thought that more foster carers were resigning or retiring because of COVID-19. Older carers may be more vulnerable to, or concerned about, COVID-19 and unwilling to care for children who would be going out and mixing with other young people or family members. [\[footnote 25\]](#)

In March 2021, 40% of carers were aged 50 or older. This group accounted for the highest proportion (three fifths) of de-registrations in the year. The high proportion of carers aged over 50 could affect continuity of care. Older carers may not be able to care for a child in the long term/until they turn 18 because of retirement or other age-related reasons. This is particularly relevant because older foster carers tended to look for matches with younger children.

Reviewing the age profiles of carers allows local authorities to consider the potential stability of placements. It also gives them an idea of when foster carers with certain skills may leave the role, creating a skills gap. Our data shows that most new foster carers are in their 30s or 40s, so the issue of an ageing foster carer population may not be occurring nationally. [\[footnote 26\]](#)

Many local authorities are trying to improve their sufficiency by recruiting

more foster carers. Local authority and provider representatives said the increased cost of living was having an effect, because the foster carer allowances had not risen at the same rate. One fostering service manager said:

“ I’m sure there are loads of people out there who would make fantastic foster carers but actually, with the kind of young people and the trauma they have experienced and the needs they’ve got, you probably do need someone around 24/7 and many people now cannot afford to be around 24/7.”

(Fostering service manager)

There are now fewer registered foster carers, particularly in local authority fostering services. One area had commissioned a public relations company to run recruitment campaigns and another had used advertising companies. One of the provider representatives believed that potential carers are confused by local authorities and independent fostering agencies advertising separately. They said, ‘the lack of cooperation on advertising and marketing stops getting people into being foster carers’. Another provider representative said that a national fostering service would put the profession on the same footing as teaching because it would operate through national recruitment campaigns, funded by government and run by marketing experts, rather than through the work of local authority social work teams.

The idea of a national campaign was included in the Care Review, which proposed ‘a new national foster carer recruitment programme, to approve 9,000 new foster carers over 3 years’.<sup>[footnote 27]</sup>

We also heard about staffing problems in registered children’s homes. Staff shortages had either reduced the number of places available or led to placements breaking down. This sometimes happened within days of children arriving because homes were unable to meet the staffing ratios or levels of support needed for some children with complex needs. Although these homes were suitable ‘on paper’, records did not show recent staff departures, which made planning very difficult.

A number of local authorities had plans to open their own homes. However, staffing difficulties meant that they sometimes had to rethink these plans

and were not always able to operate the homes themselves:

“ We failed to recruit a registered manager on 3 rounds of recruitment. We had an empty building and children needing the homes... We are going out to the market... so we are basically giving them our refurbished home to say, “Can you come and manage it and open a service there?”

(Project lead of residential strategy)

## Responding to emerging need

Some local authorities plan well for, and respond to, unexpected or unique challenges. However, most local authorities respond to individual challenges as and when they arise. We explored the different responses used by local authorities to address changes in children’s needs, but also heard about the limitations of purely reactive practice. Without forward planning, staff in local authorities often miss out on chances to work with partners and other teams, and do not have time to reflect on and apply what they have learned. We heard about the negative impact this can have for both children and staff.

### Responsive practice for individual children

Cross-local-authority sufficiency groups used data to identify current gaps in provision, by monitoring incoming referrals and the types of homes that they want to commission for them. For example, if it was difficult to find a suitable place for a child because providers were unable or unwilling to offer one, local authorities were able to flag up that it was a sufficiency issue. This prompted them to identify, or attempt to develop, provision that could meet this challenge in future.

“ [We] use a system that collects data on each referral, that allows us to understand what we’re going out to market for and what our options are or [what] options we don’t have. If we do not get a response for a child, we know it is a gap in the market.

”

(Representative of cross-local-authority commissioning group)

We also heard about good responsive practice for individual children, but this did not usually feed into sufficiency planning. Detailed reviews of a child’s current needs and situation, involving various professionals, were used by local authorities to find solutions. For example, they used them for children considered to be high risk, children in high-cost placements and children at risk of moving from foster care into residential provision.

The unpredictable nature of children’s circumstances can undermine sufficiency plans. It is also difficult to anticipate how stable a placement will be and what the outcomes for the child will be. Even when matches appear to be good, unpredicted breakdowns can happen.

One provider representative said that even when there are early indications that a child will come into care, placement officers lack the time and resources for forward planning. This means that suitable places are not found in advance, resulting in a last-minute response when the child comes into care.

“ There is not even any planning, because they are caught up in the day to day – so they can’t plan for children they know are going to come into care in a few weeks’ time, because they haven’t got the time or place to do it.”

(Chief executive officer, provider representative)

Not only does this mean that children sometimes enter care or move at short notice, but it can also force local authorities to turn to spot-purchasing, which is unsustainable in the long term.

## **Following and updating the sufficiency strategy**

Many social workers had not read their local authority’s sufficiency strategy, although they could outline the overall approach and recall specific policies and procedures that they would follow. Most of them said the approach

concentrated on placing children in provision owned by local authorities, rather than private providers. They also generally favoured foster care over residential care for most children. However, residential care can be a positive option for some children. Having a standard preference for one type of care over another can mean the right option for an individual child is overlooked and lead to more placement moves.

Although frontline staff knew what their local authorities' overall approach to sufficiency was, the 'right' placements were often not available when social workers needed them. This meant that they were often unable to follow their own strategies when making decisions.

The most common examples of this included moving a child out of the local authority area, or to a placement type that would not ordinarily be suitable for the child. Social workers from different local authorities told us that they are seeing a rise in younger children being placed in residential homes, for example, when the most suitable place for them is in foster care.

Staff from several local authorities said that although they updated and amended their sufficiency strategies and plans to meet the changing demands, it was increasingly difficult to predict and meet these demands.

“ Although you might have that perfect plan in place, actually it's not quite coming to fruition at the end of it... We do have regular meetings in the sense of, more a case of planning after the event, rather than beforehand, because we don't have that open market of lots of choices.”

(Senior commissioning officer)

## **Working together to meet individual needs**

Most local authority staff, regardless of their level of seniority, believed that they worked well together, as a children's services team, to find places for children to live. Many of the social workers said that their role allowed them to make suggestions for placements and advocate for children. Even when these suggestions did not line up with those from commissioning teams, most social workers felt confident about expressing their views, because they often had positive responses.

“ With our local authority, we do have autonomy. Our decisions, our opinions do count. That helps, that really does help in the process. You feel like you are being listened to. I am the one visiting the child, so my opinions do count.”

(Social worker)

A small number of senior local authority staff suggested that social workers and brokerage teams are often too short of time to be able to think creatively (for example, when designing wraparound support or working to manage risks in the community), and instead ‘default to a tick-list mentality’.

Interestingly, some provider representatives thought that commissioners were out of touch with what children need, and that social workers should have more power because they know the child. One suggested that the commissioners are too money orientated. This contrasts with what we heard from most social workers we interviewed, who felt they were able to influence decisions on a child-by-child basis.

“ I suppose what we’re doing is setting some general principles. I do think as professionals we are respected in that we know our children really well. If something needs to happen, we’re doing it because it needs to happen.”

(Social worker)

## **Working with multi-agency partners**

Many local authorities work with partners to identify and address needs in their area. For example, we heard about an ‘accommodations panel’ through which the local authority social care team works with housing services to get children into social housing. We also heard about a ‘post-16 hub’ that had links with providers, supported accommodation and housing/homelessness teams. The hub worked as a panel that considered individual cases and aimed to offer young people the most suitable and resourceful options. For example, the local authority supported a young

person to live with his pregnant partner in care in a neighbouring authority, rather than pay for accommodation that he would not use.

This multi-agency working seemed to help in meeting individual children's needs. Social workers tended to be positive about how this worked on a case-by-case basis, but thought that the strategic planning was complicated by geographical and other limits in the various partners, for example health services working across different boundaries.

## **Individual needs versus strategic approach**

When finding a place for a child to live, social workers and placement teams consider the local authority's approach to sufficiency and the individual child's needs. For example, the child may want to move out of the area to be near a friend or relative, or may want a specific type of accommodation that is not standard for someone of their age and needs. Most social workers we spoke to would request a placement that matched the child's needs, even if it was not in line with the strategy.

“ It's just dependent on needs really. If it's best for the child to stay within area, we will really strive for that. It's child's needs-led, and then resource- led. I've got some private providers that are local and that I have very good relationships with, better than some of our [own] children's homes because maybe I don't know them. So, if they've got a space, I would vouch for that and I don't think I've ever had any pushback from anybody, if I'm thinking this is more suitable.”

(Social worker)

In contrast to local authorities, provider representatives did not think local authorities were always child-centred when finding places for children. Some thought that local authorities prioritised cost over the child's needs. Although we did not hear this from the local authorities we spoke to, provider representatives thought that in-house local authority provision was always preferred by local authorities, who saw private providers as more costly.

It becomes a monetary-driven transaction and that to me is wrong when

“  
it’s about making a decision on vulnerable children.”

(Provider representative)

## **Managing children’s views and expectations**

Local authorities gather children’s views through consultations and surveys, and through children engaging with, for example, the children in care council or ‘participation team’. Unfortunately, these channels only receive small numbers of responses from children.

Few representatives talked about how their local authorities gather parents’ views. However, one local authority has a strong parent forum to seek feedback from.

Given the current shortage of appropriate accommodation, social workers are careful in managing children’s expectations when they give their views and preferences on where they would like to live. Many social workers told us that, while they recognise the value in gathering children’s views, they are often unable to find placements that meet children’s preferences.

When a placement does not reflect the child’s preferences, this not only causes disappointment for the child but also affects the stability of the placement. Stakeholders explained that when a child has freedom to control their care planning, it is more likely that their placement will be successful, resulting in stability and permanence. When we spoke to one frontline social worker about a young person they had recently placed, they said:

“ He has settled very, very quickly. He’s happy in his residential unit, and I think [that’s] because of the process of making him a part of the decisions as to where he wants to live.”

(Social worker)

Although these practices can help to secure good placements, it is not always possible to use them. For example, when a move is needed in an emergency, it is harder for social workers to get or act on a child’s views



about where they want to live.

## Impact on the workforce

There is always an element of balancing children's individual needs with available accommodation, but this becomes more difficult when there is not enough accommodation overall. Social workers often spend a lot of time chasing individual placements. This affects not only the children, but also the social workers' workload. For example, one social worker described an instance where they made 300 calls for one child. Some social workers expressed frustration that a lot of their time is now spent hunting for placements that may not exist.

“ In the past you would refer and it was very rare you would not get a placement within 2 days. Now it's a few weeks and there are more interim measures, which comes with more work, lots more high risk, reports to Ofsted and filling out high-risk-placement proformas.”

(Social worker, team manager)

Sometimes the lack of suitable places means that a child gets stuck in a cycle of 'bad' matches. Although local authority staff at all levels knew that each bad match could lead to yet another placement breakdown, they sometimes felt that they had no choice. We heard many examples of staff having to make these difficult decisions:

“ For teenagers, there is that sense that we are moving them, only to move them again, until we can find those carers who are the right carers. That for me can be one of the more heartbreaking elements of the job.”

(Placements officer)

“ It's just what you can do at the time with the resources you've got. That's what's so dire about it. When you think about all the trauma these children have gone through, and you're just putting them in these types of situations again, and you desperately don't want to, but what else can you do? You need a magic wand.”

(Commissioning manager)

## Evaluating what works

In general, local authorities do not evaluate their sufficiency approach systematically. Local authority staff in senior strategic roles all wanted to understand their own practice on a deeper level, to improve it. However, they acknowledged that this was not possible because of a lack of time and resource to stop and reflect on their practice.

“ We don’t have time to reflect even on the good work we’ve done... Because you’re straight on to the next one and the next one... You don’t actually reflect on what you could do. But that also means we don’t learn from what we’ve done because it’s just so fast paced and high volume.”

(Senior commissioning officer)

In most local authorities, evaluation takes place as part of their day-to-day working, rather than at a strategic level. They will evaluate individual cases or programmes of work, but it is rare for them to set aside time to assess their wider approach to sufficiency planning.

Several local authorities told us that they were able to make time for ‘learning circles’ or ‘lessons learned’ meetings. In these meetings, partners and stakeholders would discuss what had happened in a particular case so that they could learn from it, and apply that learning in the future. However, many practitioners said that meetings like this only happened after negative experiences, such as placement breakdowns. As one social worker put it:

“ We are very good, actually, at getting stakeholders around the table afterwards but it is always sort of after it’s happened... What’s frustrating with any learning is, you’ve got to go through something going wrong in order to get there first.”

(Practice supervisor )

This was the experience of many frontline social workers. There was only one local authority that told us they reflected on ‘what went well’. However,

this local authority's social workers believed that they should do this even more:

“ I've seen things that have gone well, but I don't think there is much time allocated on a wider level to actually looking at the wider successes of it. It's generally, “What can we learn from when things go wrong?” We should have a celebrating practice circle or something like that to evidence that this is actual good work, good practice in terms of placement stability, placement sufficiency. And this is what we need to install, and that would be good for our policies as well, our placement sufficiency policy.”

(Social worker)

Although it was not always possible for local authorities to evaluate their practice in this way, we found that many authorities were still doing a good job of acknowledging the views of staff, children and young people, and their families in their approaches. Many wanted to listen to the wishes and feelings of children and young people, and to learn from frontline practitioners, other stakeholders and carers.

Even when authorities did have time to think about how they could improve their practice, they often felt that their efforts were futile given the wider system problems:

“ It's very difficult to see that any of the efforts we're making are being effective in terms of generating sufficiency. It's such a complex system, and so little of it is actually within our direct control, that it's incredibly difficult to feel that we can effectively influence sufficiency to the extent that we need to.”

(Head of service)

When assessing their strategic approaches to sufficiency, local authorities used a variety of indicators. According to many of the professionals we spoke to, stability and permanency were the key to a 'successful' placement.

Local authorities also considered other outcomes when evaluating their success. For one authority, the number of care leavers in education, training

or employment was important. In some cases, however, the meaning of 'outcomes' was vague. Staff from a few local authorities said they 'needed to do more to look at outcomes', but did not define the outcomes they were hoping to improve.

In one local authority, care experienced young people directly designed the quality assurance framework, with the central questions concentrated on children and young people: 'Does it work for them?' and 'Are their needs being met?' Another authority had an outcomes-based framework, which fed directly into the pathway plan for care leavers. One of the staff from the authority told us:

“ The real bit for me is: has it made an impact on that child's life?”

(Assistant director of integrated commissioning for children and families)

## Conclusion

This research has explored the major obstacles that local authorities face, how they are planning around them and, most importantly, the effects they have on children and staff. The impact of a lack of suitable accommodation on children is stark. Living in safe, caring homes with adults they trust can have a lasting impact on children's sense of belonging and self-worth. When they live in homes that do not meet their needs, including being far away from family and friends, this can lead to breakdowns and poor emotional well-being. For children living in unregistered provision, we do not know if the adults around them are safe to work with children or have the right skills to care for them.

Ensuring sufficiency at a local level is increasingly difficult given the challenges that exist nationally. There needs to be national and local join-up as national policy changes, such as those in mental health care for children, have had a large impact on sufficiency and no local area can solve the issues alone. There also needs to be better join up across health services, justice and social care, as well as between local areas.

In this research, we heard a lot about the increase in children with complex

needs needing homes, as a result of some of these policy changes, and the impact this was having on placement sufficiency. Some local authority representatives told us that it has never been harder to find suitable homes. Social workers told us that they were spending a lot of time chasing individual placements. Delays in finding suitable places for children to live can compound the impact of abuse, neglect and other trauma.

This also has an impact on staff. There was a shared concern about the mental health and workloads of staff who are having to make matches they know are not right and are likely to break down. The additional pressures on their time also take them away from direct work with children and their families.

The relationships between local authority staff and providers are clearly important. They are beneficial to both sides and help local authorities to secure homes for children with complex needs. However, these relationships can be fragile because they are usually based on links between individuals. Local authority and provider representatives thought that more could be done to formalise strategic relationships, so they were not at risk of breaking down as people left their roles.

Working with other local authorities, for example through cross-local-authority or regional sufficiency groups, allows for information-sharing and gives opportunities for joint bids. Relationships between local authorities, health commissioners, providers and other relevant stakeholders also lead to information-sharing, better planning and joined-up funding. All of these relationships should be built into the sufficiency strategy.

Staff shortages contribute greatly to problems with sufficiency. Unfilled staff vacancies in children's homes reduces the number of spaces within homes.

Local authorities were finding foster carer recruitment and retention particularly difficult. Several authorities had used external services to help recruit more carers. In many areas, there is an ageing population of foster carers, and finding carers for teenagers and children with more complex needs has become increasingly difficult. This, along with the impact of COVID-19 and the increased cost of living, means that it is often hard for local authorities to find suitable foster homes for children who would benefit from this kind of care.

The Care Review recognised this shortage of foster carers and recommended a national recruitment campaign to increase numbers by 3,000 a year for the next 3 years. To make this successful, we need to understand how to overcome the barriers to recruiting and retaining foster carers.

Local authority leaders and social workers learn from individual cases, but this tends to occur only after things have gone wrong, rather than after things have gone well. Also, this learning is not always used to improve their wider strategies. Local authorities will be able to evaluate their practice more efficiently if they define achievements clearly and link them to their overall strategies.

Social workers were, however, positive about having the freedom to champion children's needs. They told us they were listened to and were able to ensure that decisions were child focused. Stakeholders told us that children were more likely to have a stable placement when their preferences were met and/or when they had a part in their own care planning.

## **What we are doing or will do**

This report is the third in our series on 'making good decisions for children in care and care leavers'. [\[footnote 28\]](#) One aim of this research was to identify if there was anything that we could do to help improve sufficiency planning. In response to the findings of this report, we will:

- carry out the next phase of our work, which will look at children's home placement decisions for children with complex needs, and how permanence and/or stability can be achieved for these children
- consult with local authorities about how we can improve the usability of our provider data. Where required, we will make improvements based on this feedback
- consider how to strengthen the way we look at location risk assessments at registration. This will ensure that providers have:
  - engaged with the relevant professionals, including the host local authority

taken full account of children's access to local services (such as schools and mental health services)

- considered whether they will be able to recruit staff in the local area
- consider whether we can do more during ILACS and through annual engagement meetings to look at whether local authorities' sufficiency planning, and how these plans work in practice, is adequate and effective
- work with the Association of Directors of Children's Services and other stakeholders to explore how our regulatory approach can continue to tackle poor provision and report without fear or favour, but not dissuade providers from working with children who have complex needs

## **Learning for local authorities**

From this report, we have also identified the following key learning for local authorities:

- good relationships between local authorities and providers can help to find suitable places for children to live. Too many of these relationships are between individuals, which means that they can be lost when there are changes in staffing. Forming organisation-wide relationships with providers should be built into local authority strategy, along with formal structures for sharing useful information about providers. Currently, much of the knowledge about providers (such as previous good or poor experiences) is held by individual social workers or individual staff in commissioning teams
- monitoring children who are at the edge of care can help in forward planning for placements. Finding good placement matches at the last minute is especially difficult and local authorities should help to minimise this happening through effective monitoring. This would ensure that staff have enough time to plan ahead
- local authorities should learn from what works well, rather than primarily from individual cases where things have gone wrong. Social work and commissioning teams will have learning that can inform strategic planning
- communication across a local authority between the planning and children's social care departments should be improved so that children's

social care teams know about, and can influence plans for, new homes in their area

- all children's homes must be registered with Ofsted. Local authorities should encourage providers to register and avoid using homes until they have done so. Registration, and the oversight this provides, helps local authorities be assured that the home offers safe and secure accommodation for children

## **Acknowledgements**

We would like to thank all the local authorities, social workers and other stakeholders that participated in this research, for sharing their time and insights with us.

Thanks also to everyone who contributed to the fieldwork, including Ofsted's research team and inspectors working as researchers on the project.

## **Annex A: Methodology**

This was a qualitative study looking at how local authorities plan to meet their sufficiency duty. Specifically, we were interested in how they know what accommodation is needed in their area, how they forecast future changes, how they work with partners and others to share knowledge and how they know that their strategy is effective.

The aims were to:

- understand the different challenges and barriers faced by local authorities, and how they overcame them
- identify if there was anything that Ofsted could do to help improve planning



## **Research questions**

Our overall research question was: ‘How does local authorities’ strategic planning to fulfil their sufficiency duty support good decision-making for a range of children with different needs?’

Within this, there were several sub-questions.

### **Understanding the need**

What are the different ways in which local authorities understand and monitor their local need?

### **Responding strategically**

What are their plans to ensure that they have enough provision in the local authority area to meet the different needs of individual children?

How do they respond to specific challenges and barriers to ensure that they have sufficient accommodation?

### **Evaluating**

How do local authorities evaluate the effectiveness of their strategic approach to sufficiency and monitor its impact on children?

### **Working in partnership**

How do local authorities, partners and stakeholders work together to understand local need and respond strategically?

## **Data collection**

To answer these questions, we spoke to people either directly involved in planning, commissioning and finding homes for children, or stakeholders with other expertise in sufficiency issues.

Our fieldwork, which took place between April 2022 and July 2022, included:

- 1 focus group with 5 stakeholders from existing sufficiency and commissioning groups (regional and/or cross country)
- 3 interviews with one or more representatives from organisations that have expertise with sufficiency issues, including:
  - the Department for Levelling Up, Housing and Communities
  - the Association of the Directors of Children's Services
  - the National Children's Bureau
- 4 interviews with provider associations for fostering and residential care, which are referred to as 'provider representatives' in the report:
  - the Children's Homes Association
  - the Children's Services Development Group
  - the Nationwide Association of Fostering Providers
  - The Adolescent and Children's Trust (TACT)
- 8 focus groups across 2 different themes:
  - 4 'strategy' focus groups with local authority professionals involved in commissioning and sufficiency; the professionals' roles included head of service, commissioning manager, director of children's services and assistant director
  - 4 'practice' focus groups with individuals involved in frontline work; the individuals' roles included fostering service manager, residential manager, brokerage officer and placements manager
- 8 interviews with practising social workers

In these interviews and focus groups, we engaged with people from local authorities across different regions. These were chosen so as to include a variety of local authorities with different challenges. We included:

- London, which has very few children's homes and the joint highest proportion of children in care aged 16 and over living independently or semi-independently
- the North West, which has a disproportionately large number of children's homes
- the North East, Yorkshire and the Humber, which has the lowest proportion of children in care aged 16 and over living independently or semi-independently

- the South West, which has a mix of rural and urban areas, as well as many coastal communities, and has its own sufficiency group covering all of the mainland South West local authorities
- the East of England, which has the joint highest proportion of children in care aged 16 and over living independently or semi-independently
- the East Midlands, which has a mix of big cities and rural areas

## Terminology

We recognise that the term ‘placement’ is not favoured in the social care sector, especially by those who have care experience. We are fully aware of efforts to address this, for example through TACT’s publication ‘Language that cares’ [\[footnote 29\]](#)

However, it is difficult to discuss the subject of sufficiency without using the terms ‘places’, ‘placements’ or ‘placed’. The terms are integral to the regulations and guidance around having sufficient accommodation, and they are often used by the social workers or other local authority staff we are quoting. We have used alternative language where we can, but it has not been possible to avoid this terminology altogether.

## Limitations

A limitation of the research is that we asked local authorities to nominate people for our focus groups and to be interviewed. This may have skewed their responses. Also, there were fewer people involved in frontline work than we would have liked for our ‘practice’ focus groups, with many more senior leaders attending. However, we also held interviews with practising social workers to get a clearer idea of how sufficiency affects decision-making about placements.

Although we tried to engage a cross-section of local authority staff, social workers, provider representatives and other stakeholders, some groups or organisations were missing from our discussions, such as the NHS and the

police.

Despite the clear benefits of including inspectors on our research projects – that is, their working knowledge of the impact of sufficiency on local authority practice from both a practice and inspection angle – we know that some participants may have responded differently to inspectors than they would have to researchers.

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1. The sufficiency duty is set out in section 22G of the [Children Act 1989](#). By ‘homes’, we mean all types of accommodation where children in care may live, including: children’s homes, foster care, independent or semi-independent supported accommodation, secure provision or any other accommodation that meets children’s needs. [↪](#)
  2. J MacAlister, [‘The independent review of children’s social care: final report’](#), May 2022, page 118; [‘Children’s social care 2022: recovering from the COVID-19 pandemic’](#), Ofsted, July 2022. [↪](#)
  3. [‘What can we learn from sufficiency strategies?’](#), What Works for Children’s Social Care, March 2022. [↪](#)
  4. The sufficiency duty is set out in section 22G of the [Children Act 1989](#). Although the sufficiency duty specifies that, as far as possible, children should be found a home within the local authority area, it does recognise that some children need to be placed outside of the local area for their welfare. The statutory guidance on securing sufficiency accommodation for looked after children is made under section 10 of the Children Act 2004. [‘Statutory guidance on securing sufficient accommodation for looked after children’](#), Department for Education, March 2010. [↪](#)
  5. [‘Children looked after in England including adoptions’](#), Department for Education, November 2021. [↪](#)
  6. [‘Children and young people’s mental health’](#), House of Commons Health and Social Care Committee, December 2021. [↪](#)
  7. This figure is not calculated to include inflation. The report specifies that the cost has increased at a rate ahead of underlying inflation. See: A Rome, [‘Price trends and costs of children’s homes’](#), National Centre for Excellence in Residential Child Care, February 2020. [↪](#)
  8. J MacAlister, [‘The independent review of children’s social care: final](#)

- [report](#), May 2022, page 118. ↵
9. J MacAlister, [‘The independent review of children’s social care: final report’](#), May 2022, page 111. ↵
  10. [‘Fostering in England 1 April 2021 to 31 March 2022’](#), Ofsted, November 2022. ↵
  11. [‘Fostering in England 1 April 2021 to 31 March 2022’](#), Ofsted, November 2022. ↵
  12. [‘Main findings: children’s social care in England 2022’](#), Ofsted, July 2022. ↵
  13. The most recent of these publications: [‘Children’s social care data in England 2022’](#), Ofsted, July 2022; [‘Statistics: looked-after children’](#), Department for Education, March 2022. ↵
  14. [‘Children looked after in England including adoptions’](#), Department for Education, November 2021. ↵
  15. Section 11, [Care Standards Act 2000](#). ↵
  16. [‘Children’s social care 2022: recovering from the COVID-19 pandemic’](#), Ofsted, July 2022. ↵
  17. A Roe, [‘What do we know about children and young people deprived of their liberty in England and Wales? An evidence review’](#), Nuffield Family Justice Observatory, February 2022. ↵
  18. [‘Secure children’s homes – helping the most vulnerable children’](#), Ofsted, June 2020. March 2022 figure refers to the number of places in secure homes in England in reporting year 2022. Data taken from; [‘Children accommodated in secure children’s homes’](#), National Statistics, May 2022. ↵
  19. Figure refers to the number of places in secure homes in England in reporting year 2002. Data taken from: [‘Children accommodated in secure children’s homes: 31 March 2010’](#), Department for Education, July 2010. ↵
  20. [‘Children’s social care in England 2021’](#), Ofsted, July 2021. ↵
  21. [‘Children’s social care in England 2022’](#), Ofsted, July 2022. ↵
  22. [‘The journey to integrated care systems in every area’](#), NHS England, 2022. ↵

23. The dynamic support tool is a health-led tool which helps local authorities to understand children’s complex needs and improve the dialogue between health and social care. [‘Dynamic support tool – physical health \(DST-PH\) for people with intellectual disability’](#), NHS England, December 2019. [↪](#)
24. C Lushey and others, [“No wrong door” innovation programme: evaluation’](#), Department for Education, July 2017. [↪](#)
25. [‘COVID-19 series: briefing on children’s social care providers, October 2020’](#), Ofsted, October 2020. [↪](#)
26. [‘Fostering in England 1 April 2021 to 31 March 2022’](#), Ofsted, November 2022. [↪](#)
27. J MacAlister, [‘The independent review of children’s social care: final report – executive summary’](#), May 2022. [↪](#)
28. The first 2 reports in this series were: [‘Matching in foster care: making good decisions for children in care and care leavers’](#), Ofsted, November 2020; and [“Ready or not”: care leavers’ views of preparing to leave care’](#), Ofsted, January 2022. [↪](#)
29. [‘Language that cares: changing the way professionals talk about children in care’](#), The Adolescent and Children’s Trust, March 2019. [↪](#)

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