

## London Borough of Enfield

Children, Young People and Education Scrutiny Panel: 10<sup>th</sup> January 2023

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**Subject: Level of care places in the borough and the national shortage of care places**

**Cabinet Member: Cllr Abdul Abdullahi**  
**Executive Director: Tony Theodoulou**

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### **Purpose of Report**

1. The purpose of this briefing is to provide members of the Children, Young People and Education Scrutiny Panel with an update on the level of care places in the borough and the national shortages of care places.

### **Relevance to the Council Plan**

2. Looked After Children are an extremely vulnerable group, the majority of our looked after children have experienced trauma, abuse and neglect and/or a range of other challenges.
3. Statutory guidance requires local authorities to take steps to secure sufficient accommodation for Looked After Children within the local authority's area which meets their needs – 'the sufficiency duty'.
4. The sufficiency duty is laid down in 22G of the Children's Act 1989, which states that it is the **General duty of the local authority to secure accommodation for Looked After Children**.
5. Finding local suitable placements continues to be a priority for Enfield's children's services. The current Commissioning Framework (2020-2023) and the Placement Sufficiency Strategy (2021-2026) sets out our plan to ensure looked after children will have access to provision locally and allow us to deliver on the right outcomes for children and young people.
6. The Placement Sufficiency Strategy is overseen by the Corporate Parenting Board, chaired by the Lead Cabinet Member with the delegated authority to carry out this function on behalf of the Council.

### **Background**

#### **National context**

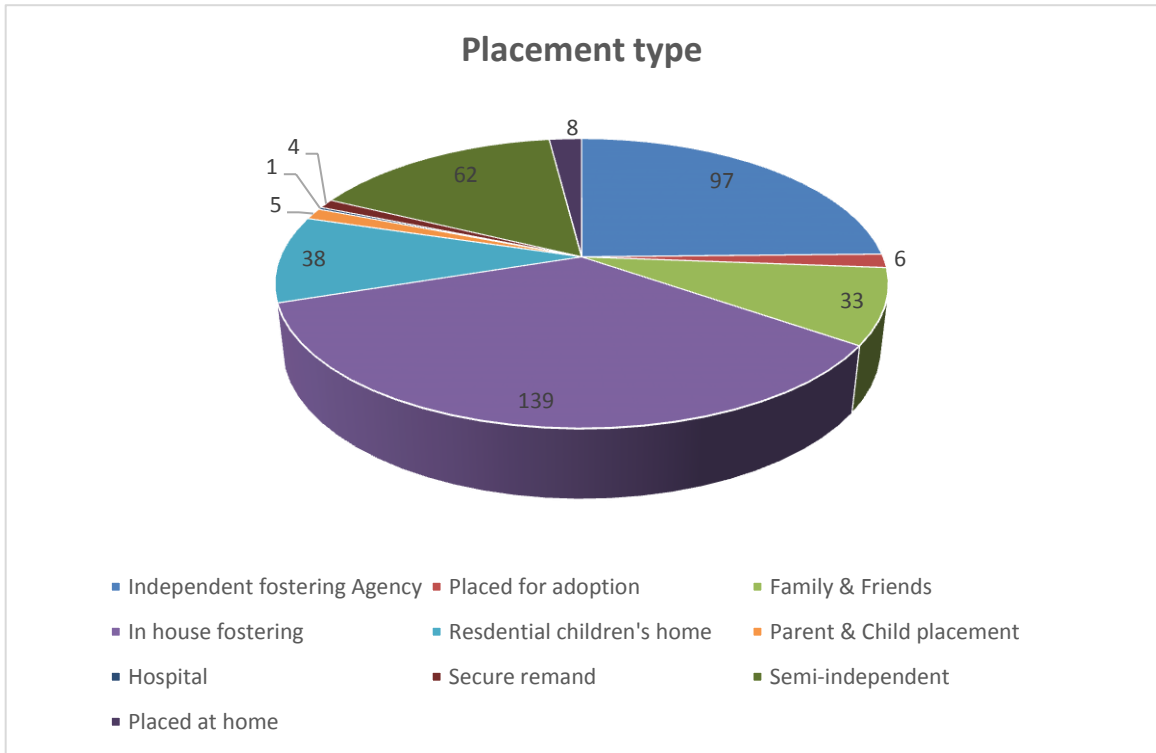
7. There are 80,850 looked after children in England and over two-thirds of looked after children live in foster care and 16% live in residential care.
8. The current annual cost for children's social care services is circa £5.7 billion.

9. The Office for Standards in Education, Children's Services and Skills (Ofsted) is the independent regulator of services that care for children. Both fostering services and children's homes fall within Ofsted's remit.
10. In England, local authorities use a significant amount of private provision for children's homes, with around 78% of places being provided by the private sector. Over the last five years, the private sector's share of children's homes in England has risen by 26%, while the number of local authority homes have declined by 5%. The voluntary sector is very small and is in decline.
11. The average size of children's homes have also fallen, with most children's home now providing four or fewer places.
12. Local authorities maintain their own in-house fostering agencies, but also rely on Independent Fostering Agencies (IFAs). In England, local authorities provide 64% of foster placements with 36% of foster placements with IFAs
13. The number of looked after children has also increased steadily, both in absolute terms and as a proportion of the population. In the last five years, the number of looked after children rose by 14%. Needs are also shifting, with placements needed for much older children, unaccompanied asylum seeking children and children with more complex needs, which has led to an increased demand in specialist foster placements and therapeutic residential placements.

### **Enfield context**

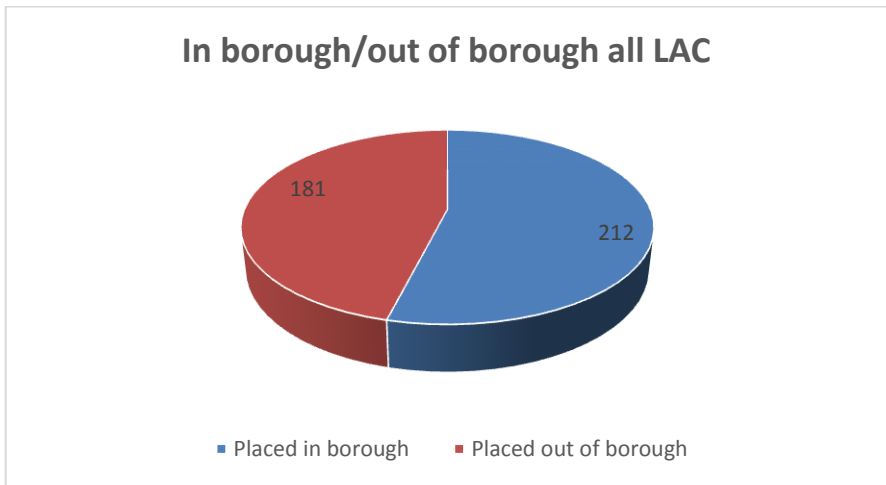
14. Currently (September 2022) there are 393 children in care and the breakdown of their placements are as below:

<b>Type of placement</b>	<b>No. of LAC</b>
Independent fostering Agency	97
Placed for adoption	6
Family & Friends	33
In house fostering	139
Residential children's home	38
Parent & Child placement	5
Hospital	1
Secure remand	4
Semi-independent	62
Placed at home	8



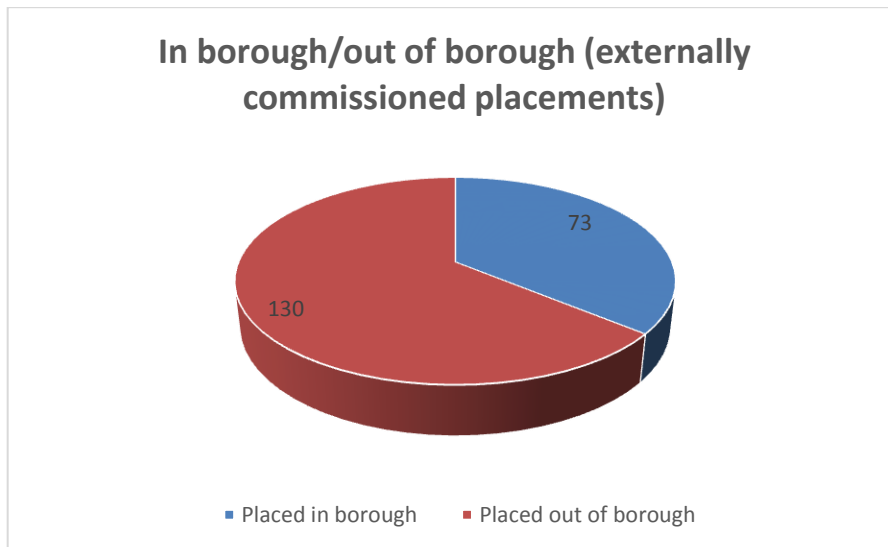
### Location of our Looked After Children

In borough/out of Borough	No. of LAC
Placed in borough	212
Placed out of borough	181



In borough/out of Borough (Externally commissioned)	No. of LAC
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placement )	
Placed in borough	73
Placed out of borough	130



### **Main Considerations for the Panel**

15. The Competition and Markets Authority (CMA) published a report on 'Children's social care' in March 2022 and Josh MacAlister published 'The independent review of children's social care' in May 2022 which both state that there is a shortage of appropriate places in children's homes and with foster carers, meaning that some children are not getting the right type of care. It also states that children are being placed at a distance from their family home or their local authority.
16. The shortage of care placements is also leading to local authorities including Enfield having to pay high prices for foster carers and residential placements.
17. Enfield is committed to ensuring, wherever possible, that children looked after receive the right type of placement.
18. When a child comes into care an assessment of need is undertaken and a decision is made on the type of placement that is required. This is usually a foster placement, a residential placement or a semi-independent placement.
19. Due to a lack of local placements, Enfield children are having to be placed away from the borough and sometimes many miles away from their parents, school and social networks. Research evidence shows this consistently leads to poor outcomes for children.
20. In Enfield, we have an in-house fostering service that recruits local foster carers.
21. Currently Enfield does not have any in-house or a contracted local residential home provisions and as a result Enfield purchases all our residential placements from private providers on a 'spot-purchase' basis.

22. The placements market is failing to provide sufficient supply of the right type of placements which leads to looked after children being placed in settings that are not suitable. For instance:

- Out of borough and sometimes even more than 20 miles from their home
- Separated from their siblings, due to the shortage of carers who can take sibling groups
- Unable to access local services, such as education and therapy
- Children in some occasions having to be placed in unregistered and unregulated settings, which is illegal.

23. The average weekly fee in Enfield has increased from circa £3000 per week to £5000 per week for residential care in the last 3 years and the increase is much higher for residential placements with therapeutic input. The CMA have stated that the profit margins of the residential homes are averaging at 22.6% and for IFAs it is 19.4%, with an average annual increase of 3.5% after accounting for inflation.

### **Recommendation**

24. There are a number of recommendations that is being recommended by various reports notably the two mentioned above 'Children's social care market study' by the CMA and 'The independent review of children's social care' by Josh MacAlister. Some of the recommendations which Local Authorities can implement are:

- Increase local authority foster care provision - to look at innovative projects, either by individual local authorities or group of local authorities, targeted at recruiting and retaining more foster carers to reduce reliance on IFAs.
- Working with other local authorities to shape the market and procurement techniques and improve understanding of what market shaping and procurement models work well
- Individually or sub-regionally develop new in-house care homes that are needed to transform care, which will have the benefit of better guaranteeing that children remain in their home area and it significantly reduces scope for profit making from private providers.
- Sub-regionally look at ways to increase capacity to end inappropriate placements and Local Authorities to take on the responsibility for the commissioning and running of secure homes.

### **Enfield's commissioning priorities**

25. Enfield have a Commissioning Framework and a Placement Sufficiency Strategy which identifies the gaps in the market and the response we are taking to the above recommendations.

26. The following are our strategic priorities and commissioning intentions for the next three years to tackle the issue of shortage of placements:

- Housing First – this is a scheme run by Centrepoin, who will work with our high risk care leavers to access to council tenancy much earlier than our current pathway.

- Changing the use of the current Barnardos children's home in borough from a solo unit to a 3 bedded children's home, to increase our children's residential home provision for Enfield Looked After Children.
- To develop 2 x three bedded children's home in borough, with a care provider being appointed to further increase our children's residential home provision for Enfield Looked After Children.
- Looking to increase allowances and fees paid to Enfield foster carers, which will help recruit more in house foster carers and mitigate high cost out of borough placements with Independent Fostering Agencies (IFAs) and to increase Enfield's in house pool of foster carers.
- To invest in loft conversions for our existing foster carers, which would increase capacity within Enfield's in house fostering and avoid costly out of borough IFA placements.
- To move away from spot purchasing Home Care to implementing a robust Home Care tender which will allow quality support agencies to work with our children and families and support them in their home to prevent children coming into care.
- Working with Pan London boroughs, to develop a 22 bedded secure welfare children's home in London, for children who are at risk of exploitation, which will avoid unsuitable placements out of borough and provide more suitable placement capacity.
- Working with Housing Gateway to open 3 x three bedded semi-independent units, which will be for young people who are not yet ready to hold their own tenancy but are independent enough to live on their own with some support. within Enfield for care leavers, which would increase capacity for semi-independent placements.
- To develop a children's short breaks unit in borough, to prevent children coming into care by providing respite for the parents of children with disability/complex needs

## **Conclusions**

27. It is evident from the above report that demand outstrips supply in the children's care market.
28. It is a statutory duty for all children to have the right type of placement and for Enfield to meet its 'sufficiency duty'.
29. In order to meet our sufficiency duty, Enfield has a number of commissioning priorities and intentions which will increase capacity across all placement types over the next few years.
30. Enfield and other partners to work collaboratively to deliver the right type of provision and access more local support services to increase outcomes for our children and young people.

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### **Appendices**

Appendix A – Commissioning Priorities Timeline

### **Background Papers**

<https://www.gov.uk/government/publications/childrens-social-care-market-study-final-report/final-report>

<https://childrensocialcare.independent-review.uk/>