

MARKET POSITION STATEMENT – D2N2 CHILDREN IN CARE PLACEMENTS

Introduction

Derby City, Derbyshire County, Nottingham City and Nottinghamshire County Councils known collectively as **D2N2**, are working together to develop sub-regional commissioning of placement provision for their children in care via the 'D2N2 Children in Care (CiC) Framework'

D2N2 is one of the largest Local Enterprise Partnerships in England covering an area of 4900km² and with a total population of just under 2.2million; the D2N2 local authorities fall within this footprint.



Following the expiry of the current arrangements in January 2020; **D2N2** will be promoting a collaborative approach to the commissioning of residential children's home and foster care placements. We aim to develop our own local authority provision and to work with providers in the independent sector to ensure that there is enough provision to meet the needs of our children and young people in their local community wherever possible.

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Each Local Authority will publish their own individual Children in Care Sufficiency Strategy.

This Market Position Statement (MPS) sets out how these individual strategies and D2N2 collaboration will impact on the collective D2N2 market, and it aims to provide the business intelligence that will support our partners in the independent sector to develop provision in the local area.

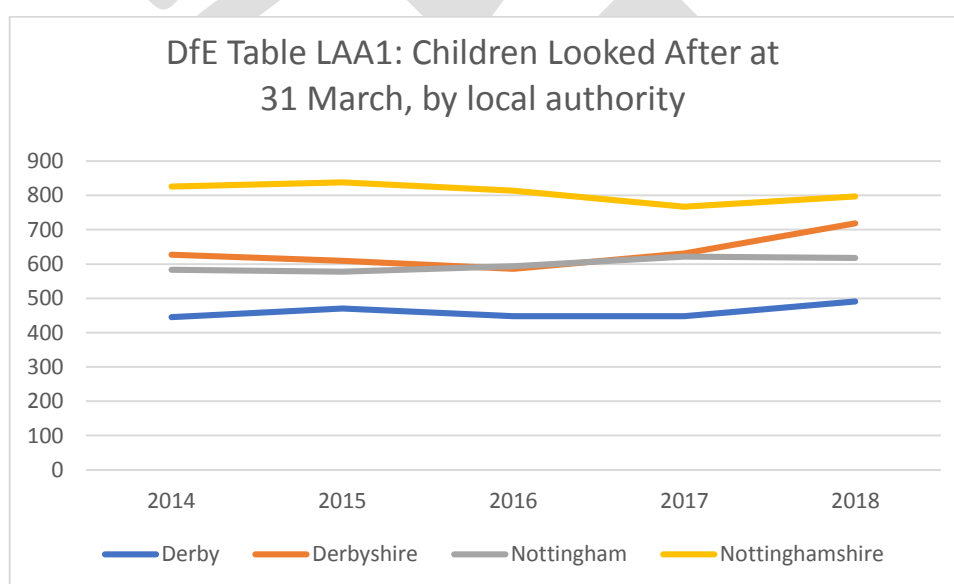
Key issues

- **The number of children coming into care continues to rise**
- **Nationally the market for external placements is saturated; it cannot cope with increased demand**
- **Market forces are pushing up unit costs**
- **Young people are presenting with increasingly complex needs and/or challenging behaviours**
- **Outcomes for young people are potentially being compromised by being placed in a setting that happens to be available rather than one that fits best with their care plan.**

Predictions of Future Demand

At 31 March 2018, the number of children looked after by local authorities in England increased, up 4% to 75,420 from 72,590 in 2017, continuing increases seen in recent years. This is equivalent to a rate of 64 per 10,000 in 2018, which is up from 62 per 10,000 in 2017 and 60 per 10,000 in 2016.

Our local data shows that the national trend is replicated in the D2N2 area.

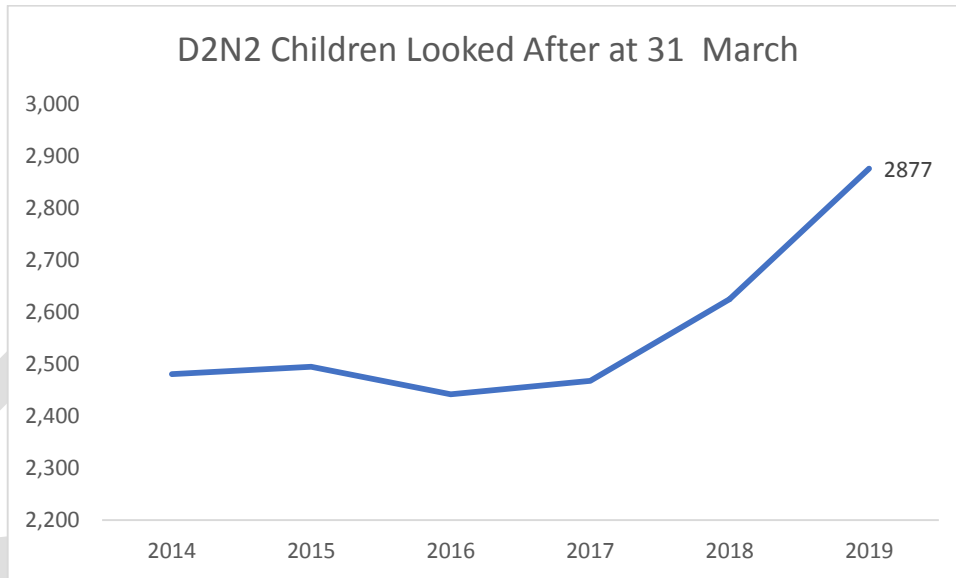


Data source: DfE Statistics: Looked After Children 2017 to 2018

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D2N2: The total number of children in care at **31 March 2019** was 2877; this is an increase of 252 (9.6%) on the previous year

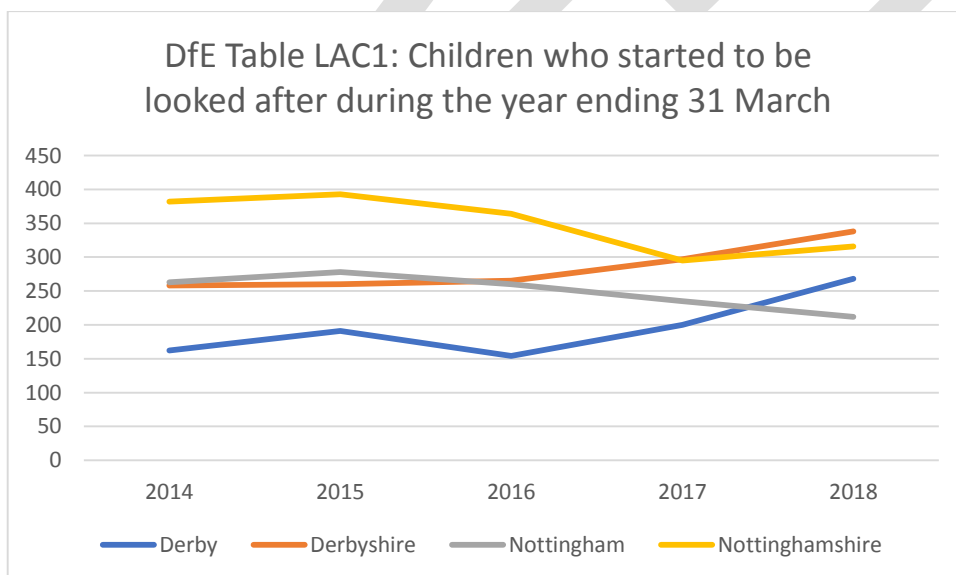
The total number of children in care has fluctuated over recent years; **D2N2** saw an increase of 6.4% between 2017 and 2018. Provisional figures suggest that the increase has been even greater between March 2018 and March 2019 with a rise of 9.6% over that period.



Data source: DfE Statistics: Looked After Children 2017 to 2018 (and local data for 2019)

In three of the four authorities the number of 'new' children entering care increased between 2017 and 2018; whilst Nottingham City saw a drop in that period, the overall trajectory is that the number of LAC is increasing. The total number of D2N2 LAC at the end of March 2019 was 2877, an increase of 252 on the figure at March 2018.

D2N2: There were 1134 CYP who started to be LAC in the



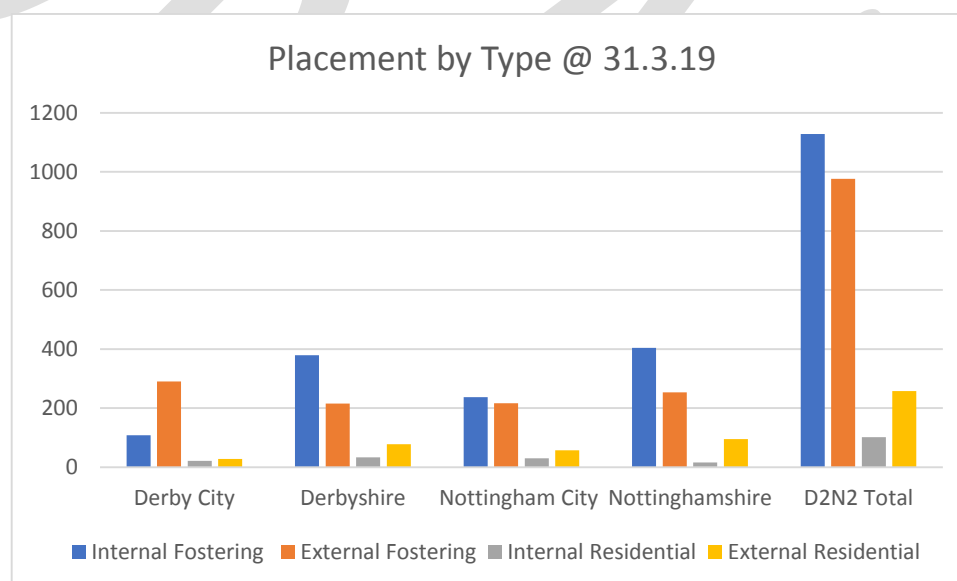
Data source: DfE Statistics: Looked After Children 2017 to 2018

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Current Supply

D2N2 currently procure placements for looked after children from a range of internal and external provision that includes; providers on our current framework solution; block contract and spot purchase placements.

Data as of 31/03/19	Internal Foster	Independent Foster	Internal Childrens Homes	Block-Contract Childrens Homes	Independent Childrens Homes	Total
Derby City	108	290	22	N/A	28	448
Derbyshire	379	216	34	N/A	78	707
Nottingham City	237	217	30	12	48	541
Nottinghamshire	404	254	17	28	67	770
D2N2 TOTAL	1128	977	103	37	221	2466



Through D2N2 collaboration the four authorities will continue to secure the best possible placement in an open market whilst at the same time maximising the use of internal provision.

D2N2 (2018/19)	Internal	External
Residential Children's Home	103	258
Fostering Placement	1128	977

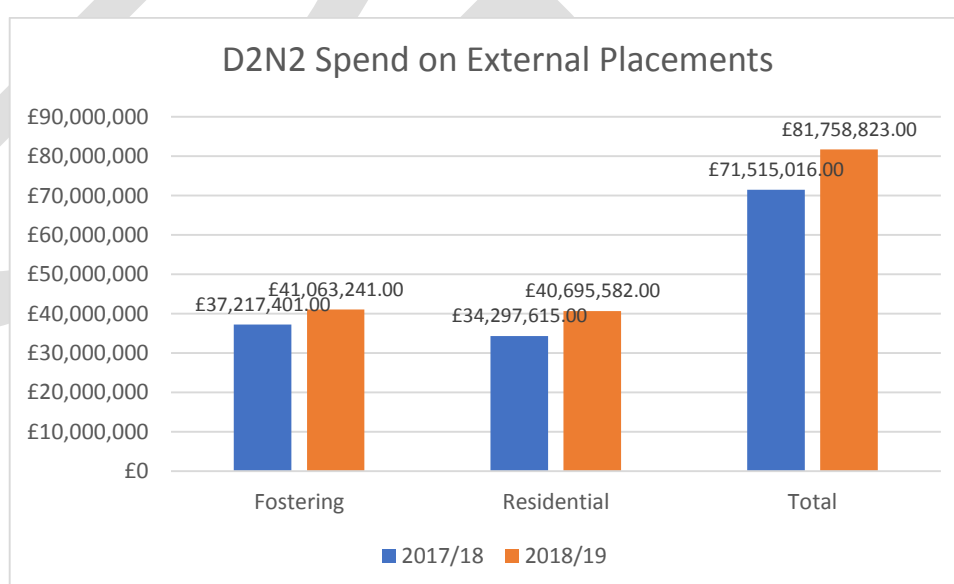
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Current Expenditure

D2N2 spent £71.5million in the 2017/18 financial period on procuring external placements from residential children's home and fostering providers.

Provisional D2N2 figures show that spending has risen by over £10million in 2018/19 compared to the previous year;

- Spend on fostering increased by more than 10%
- Spend on residential increased by more than 18%



D2N2 Commissioning Intentions

This data alongside a rising population leads us to believe, despite plans to increase capacity in our internal provisions, that there will continue to be an increasing demand for the placement of children and young people in the independent sector.

We are committed to ensuring that our children and young people can be supported in a family placement whenever possible. We face a shortage of foster care provision and we need to increase local supply, we would ask providers to focus recruitment on carers for older children and those who because of the trauma they have faced might initially present with challenging behaviour.

We recognise that some children and young people benefit from the type of support that can only be provided via a residential children's home and in some cases, this will need to be specialist provision.

We have a cohort of children that need support when transitioning from secure children's home placements (remand & welfare) and those that are discharged from adolescent mental health

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provision. We also see a need for these ‘specialist’ children’s homes as a preventative intervention to avoid the need for secure accommodation.

Wherever possible we will want children and young people who are accommodated in residential children’s homes to have the opportunity to move into a family placement, we therefore want providers from both the fostering and residential sectors who are prepared to work with us on these ‘step-down’ care plans.

Derby city, Nottingham city and Nottinghamshire **DN2** are working with partners on a de-escalation project that will identify cases for ‘step-down’ and offer intensive intervention to progress a placement move. We envisage that there will be additional step-down cases outside of the project, including for Derbyshire young people.

Placements and commissioning teams work closely with social care colleagues to ensure that placement requests are referred in a timely way allowing for a thorough search and information sharing with providers to offer a planned solution.

We recognise however, that too often placements are required urgently, and this puts pressure on all partners and can have a negative impact on outcomes for children and young people. We want to work with providers that can offer urgent and emergency placements and who will work with us to move these children on to a placement that is appropriate to their care plan.

We intend to invite the providers who are successful on our D2N2 Provider Framework (due to be launched in February 2020) to join our strategic commissioning forum and work with us on finding solutions to placing children and young people in an emergency as well as our other commissioning issues.

There are over 100 registered children’s homes within the D2N2 footprint offering more than 700 placements, in addition to this there are over 1200 foster carers, our aspiration therefore to have local children in local placements should not be unachievable.

Concluding Remarks

D2N2 are working to develop sub-regional commissioning arrangements for the procurement of services for looked after children.

D2N2 want to develop closer relationships with providers on the new framework and to work together to tackle commissioning issues facing the 4 authorities via a strategic commissioning forum.

We want providers who can offer urgent and emergency placements in both foster homes and residential children’s homes.

Wherever possible D2N2 children and young people in care will be supported in a family placement in their local area.

D2N2 want to see an increase in the number of foster placements available locally including for older young people; where young people are placed in residential care because a foster placement was not available we want to see proactive step-down to the type of placement that is identified in their care plan.

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We want to have access to a range of residential provision in the D2N2 area including specialist placements for our most complex young people.

We acknowledge that we need to work closely with all our partners to achieve our ambition of:

- **Right placement; right location; right time; right price**

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