

WESTMINSTER CITY COUNCIL

STATEMENT OF DECISION

SUBJECT: SECURE CHILDREN'S HOME FOR LONDON AND PAN-LONDON COMMISSIONING VEHICLE

Notice is hereby given that the Cabinet Member for Young People, Learning and Leisure has made the following executive decision on the above mentioned subject for the reasons set out below.

(To seek approval to join a Pan-London Vehicle (PLV) for Commissioning which will develop secure welfare provision in London and will also provide a mechanism for future joint commissioning.)

Summary of Decision

Recommendations

2.1 The Cabinet Member for Young People Learning and Leisure agreed that the Council:

2.1.1 becomes a member of a not-for-profit company, limited by guarantee, provisionally to be known as the Pan London Vehicle, to:

(i) develop and then oversee the running of London's secure children's home provision for a five-year period from 1st April 2023 to 31st March 2028, with a breakpoint after three years. Once the provision has launched, anticipated to be 2025/26, membership will be a fixed annual cost of £20K (subject to inflation adjustment), unless an alternative model for funding the PLV is agreed during the development phase.

(ii) collaborate with other PLV members on future joint commissioning programmes.

2.1.2 Commit in principle to joint oversight and risk/benefit sharing of the SCH provision, through the PLV, for a five-year period to 31st March 2028, that includes the build, service development and service commissioning phases, subject to ratification after the revision of the SCH business case, and renewable on a ten yearly cycle thereafter, with breakpoint after five years.

2.1.3 Delegate authority to the Executive Director of Children's Services in consultation with the Director of Law to:

i) approve the necessary governing documents that will enable the Council to set up, join and run the PLV and

(ii) make the final determination of the Council's membership following completion of the revised SCH business case and, if appropriate, enter into the necessary legal agreements and related arrangements on behalf of the Council required to implement and run any aspect of the PLV arrangements.

3. Reasons for Decision

- 3.1 Children with particularly complex needs, who are at significant risk of causing harm to themselves or others, including risk to life, can be placed in a SCH when no other type of placement would keep them safe. Children placed in SCHs are likely to have experienced a number of placements that have broken down, missed a lot of education, have unmet emotional and physical health needs and have suffered a great deal of trauma in their lives. SCHs provide a safe place where these very vulnerable children can receive the care, education and support that they need. Unlike any other placement type for looked after children, a SCH is a locked environment, where their liberty is restricted.
- 3.2 There is a national shortage of provision and places are often not available when referrals are made so children are then placed in less suitable but higher cost alternatives. This shortfall in provision is particularly acute in London where there is not any Secure Provision. A review commissioned in 2018 by the Association of London Directors of Children's Services (ALDCS), working with NHS England and the Mayor's Office for Policing and Crime (MOPAC) found that over three years, London referred 295 children to Secure Provision but only 159 received places.
- 3.3. There is evidence to suggest that the national shortage of provision has resulted in a demand for SCH. Pan-London analysis pre-Covid (between October 2017 to May 2018) highlighted that an average of 21 London children were in Secure Welfare provision at any one time. Whilst snapshot data taken between December 2021 and September 2022 shows that there were, on average, 12 of London's children in a secure welfare placement at any one time. Although this looks like a fall in numbers compared to pre-Covid, the data shows that 29 referrals were made but a placement was not offered.
- 3.4 The Children Act 1989 stipulates local authorities to take steps to ensure, as far as reasonably practical, sufficient accommodation is available for children in care within their local authority area. Given the absence of provision in London, children requiring secure provision are placed on average, 192 miles away from their home local authority which results in them losing contact with their family and community. Additionally, the loss of local contacts and pathways in education, training and employment has a negative impact on their development post-placement.
- 3.5 In a September 2022 survey, London local authorities reported that due to the known shortage of provision, they often do not make a formal referral at all. This indicates more of London's children are impacted by the shortfall in provision than the data suggests. Instead, children and young people are placed in alternative settings. Of a sample of 50 'alternative to secure' placements reported in a September 2022 survey, 17 related to children with a deprivation of liberty order in place. Instead of being placed in a secure children's home, as required by the court order, these children were placed in settings that are not specifically designed to keep them safe and 10 of these placements were in unregulated settings or in provisions that are not legally registered to operate as a children's home. This means these vulnerable children are at risk of not receiving the care, education and support that they need.
- 3.6 The need for SCH provision has been highlighted through Her Majesty's Chief Inspector's Annual Report to Parliament (2020) which stated –

The national capacity of Secure Children's Homes remains a significant concern, with approximately 20 children awaiting a placement on any given day and the same number are placed in Scottish secure units. This increases pressure to use unregulated provision. Provision is not always in the right place, so that some children are placed a long way from their home and family.

- 3.7 In London, there is an overall shortfall of 225 high-cost low incidence provision, which includes SCHs. This deficit drives up costs and has resulted in overspends across London local authorities exceeding £100 million. The Competition and Markets Authority highlighted the lack of suitable local provision nationally, but particularly in London citing – *'lack of placements of the right kind, in the right place...materially higher prices...and providers carrying very high levels of debt.'*
- 3.8 Financial data provided by London local authorities in the September 22 survey shows that the average cost of a secure welfare placement has increased; the average being £7K per week in 2019, rising to £10.5K per week in 2022 and some local authorities have paid up to £25K per week for secure welfare placements in that period. In the same period, local authorities have also paid up to £30K per week for placements made as an alternative to secure.
- 3.9 The numbers of children are too small, and the investment required too great for any one local authority to run its own provision, but there is potential for a pan-London approach, which would enable the benefits to be shared whilst also jointly managing the risks of developing such provision. A pan-London approach also fits with recent reports from the Competition and Markets Authority^[1] and the Independent Review of Children's Social Care^[2] which recommended multi-authority approaches to develop greater understanding of need, engage with the market and stimulate new provision.
- 3.10 The sign up of London local authorities to the PLV will secure a significant amount of funding from the DfE who have allocated c£3m of development funds, with c£50m+ of capital funding to the SCH. This will cover the PLV's costs during the development phase, meaning local authorities will not be required to make any financial contributions to the running of the PLV until the SCH provision launches. The provision is expected to launch between the end of 2025/beginning of 2026, subject to the project achieving the relevant milestones.
- 3.11 Our bi-borough Children's Social Care Placements Sufficiency Strategy sets out our ambition to 'continue to strive for the best outcomes for our children and young people,' This means ensuring that our most vulnerable and high-risk children and young people, who may require SCH provision, are able to access the right placement, which offers the correct level of care, education, and support, helping children and young people to reduce their risks and where applicable, step down to less restrictive placement settings.
- 3.12 In Westminster, there are no young people currently residing in a SCH on welfare grounds. Yet, there is evidence of masked demand. Westminster's highest cost placement last financial year, £11k per week, aligns with the previous description of 'alternative to secure' provision. The care package consisted of 52-week residential placement, out of borough, with a high staff ratio and a deprivation of liberty order in place. This was deemed the best setting to keep a young person safe, due to their significant challenging behaviour and mental health needs.

3.13 As part of the development of the business case to address the need for Secure Welfare Provision, an options analysis was undertaken, the details of which are included in Appendix 2.

^[1] <https://www.gov.uk/government/publications/childrens-social-care-market-study-final-report/final-report>

^[2] <https://childrensocialcare.independent-review.uk/>

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