

External Social Care Placements

Children's Scrutiny Panel – 26 January 2026



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What is an External Social Care Placement?

External placements are commissioned to accommodate children and young people in our care where we are unable to offer a placement match internally, the types of placements we commission are:

- Independent Fostering Placements (IFA)
- Children's Residential Placements
- Educational Residential Placements
- Supported Accommodation Placements (16+)
- Mother & Baby Assessment Residential Assessment
- Secure

They are either:

In Area

- It is geographically located within Middlesbrough

Or

Out of Area

- It is geographically located outside of Middlesbrough



Reasons for using External Placements

There are a number of reasons why it may be necessary to commission a place for a child or young person from an external provider, which include but are not limited to:

- ***Sufficiency Gaps*** – whilst the Council has its own fostering and residential services, they unfortunately do not provide the capacity to offer placements for all our children and young people
- ***Individual needs of a child*** – sometimes the needs of the child or young person cannot be met by internal provision, this can be for many reasons, such as complex needs, criminal exploitation, etc
- ***Specialism*** – the provider may offer therapies or specialist expertise which is not available in our internal provision
- ***Safety*** - The child or young person may have had to be moved away from the local area and therefore placement with internal or external in boundary placements would not be possible
- ***Secure*** – secure placements are approved by court and there are specific units that are not delivered by or located in Middlesbrough



How do we meet our Sufficiency Duty



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Independent Fostering Sufficiency

Middlesbrough Council together with the other 11 North East Local Authorities have commissioned the NEPO603 Tyne-Tees Independent Foster Care Services - [Awarded Contract Overview - Open | Developed by Nepo Framework](#).

This framework is used to secure places where our internal fostering service is unable to provide a placement match.

Referrals are shared with suppliers and where an offer is received then a placement is made.

The weekly rates are fixed as part of the procurement.

Where we are unable to secure a placement via NEPO603 then we have a number of spot contracts with Independent Fostering Agencies.

Middlesbrough Council is in a positive position as the majority of our fostering placements are off framework – as of 6th January 2026 there were **85.42%** Framework placements and only 14.58% spot placements.

The total number of active external fostering placements on 6th January 2026 were **144** (28% of CLA)



Residential Sufficiency

Middlesbrough Council have 2 block contract arrangements, 1 with Caretech (Cambian) which provides 9 beds across 3 homes and the other is with Invested Childcare and provides 3 beds in 1 home. These block contracts offer residential care provision which complements our in-house beds.

The weekly bed rate is highly competitive compared to spot contracts and in 2024/25 we achieved a cost avoidance of £792k.

All the block homes are rated good or outstanding with Ofsted.

We achieve a high occupancy rate and in 2024/25 those were:

- Caretech – 94%
- Invested – 99%

We have also received positive feedback from both professionals and children/young people, and these can be seen on the next 2 slides.



Positive Feedback from Professionals & Children/Young People

Overall, I feel College View holds a really high standard in terms of the quality of care they provide toward the YP that live there and they really make a difference for YP. I find that the team are supported by each other and there is a good leadership structure in place.

Absolutely excellent in all categories of communication. We work with a lot of care providers, and none are anywhere near in terms of service that Invested are.

I work with young people from a wide range of care settings. College View is outstanding in comparison to others. Darren is a fantastic manager and this carries through his whole team. There is a real sense of family and belonging, and this is reflected in comments that I have received from students who have lived there.

Absolutely, the change I have seen in the young person I work with since he came to live with you a year ago is wonderful. Staff are fully supportive and encourage the young person. if they don't feel like they want to speak for themselves staff will ensure their voice is heard. They are proactive in and out of meetings for young people and are continuously considering how best to support.

I love the homes food, the laughter we all have with my peers and staff and I love my bedroom. I was very happy to see all the staff at Beauty and the Beast". I enjoyed going to the rides with staff and my peers this month. I feel very supported by the staff in the home and how they supported me through my interviews with the police

"I want to thank all of the staff for everything that they have done for me, I really appreciate it, you have all really helped me and I really do appreciate it. I will miss you all".

I like how the adults said they were proud of me when I passed my functional skills maths and English.

I feel really safe in the home. I don't leave the home without adults and if I do it's because I'm doing something with one of them. I really like my room and my flags and sharks. The other kids are quiet, and I like that they aren't loud.



External Children's Residential Placements

Overall External Costs

- We have 49 Children in external registered children's home placements
- The average cost per placement is £6,628 per week

This includes:

- 5 Children in Specialist Solo Residential children's home placements at an average cost of £16,731
- 1 child in a Secure Residential placement at a cost of £7,794 per week.

Teesside provision

- 49% of external children's placements are within the Teesside Area
- 12 Block Contract beds at an average cost of £4,295 per week
- 12 further spot contracted external placements within Teesside (*4 in Middlesbrough*) at an average cost of £4,979 per week



Placement Team Case Study (Child A)

Background and Challenge

- A significant in-placement incident resulted in notice being served by the registered residential provision
- Child A moved to a short-term unregistered placement on 2:1 staffing, at a cost of £7,295 per week

Placement Team Intervention

Within a 6-week period, the Placement Team actively monitored progress, met with the provider and negotiated a reduction in staffing:

- Weekly costs were reduced by £2,153, and staffing reduced to 1:1, in line with Supported Accommodation Regulations requirements

After 4 weeks at 1:1 staffing Placement Team secured:

- Ofsted-registered Supported Accommodation in the Northeast at a cost of £4,950 per week

Further direct provider engagement in Middlesbrough resulted in:

- A move to a registered Supported Accommodation provider within the Local Authority boundary, in line with Child A's wishes
- A further weekly saving of £1,790 per week

Current Position and Impact

- Child A now resides in a registered Supported Accommodation Setting within the Local Authority Boundary
- Cost avoidance over £90,000 has been achieved in the current financial year



Placement Team Case Study (Child B)

Background & Challenge

- Child B resided for almost two years in a specialist residential setting for children with Autism and Learning Disabilities
- A planned move was required due a planned closure of the home
- A residential and fostering search was conducted, identifying the lowest-cost residential option able to meet need and maintain current education at a cost of £7,250 per week

Placement Team Intervention

The Placement Team undertook direct, relationship-based engagement with Independent Fostering Agencies, identifying:

- A fostering provider developing a bespoke care package with potential suitability to meet Child B's needs
- Experienced carers becoming available, with evidenced relevant experience

Targeted information-sharing and joint discussions held with the Social Work Team resulted in:

- A formal offer of placement from an Independent Fostering Agency
- A planned and supported transition from residential care to a fostering setting

Current Position and Impact

- Child B is now settled and thriving in foster care
- Educational stability has been maintained
- A high-cost residential placement has been avoided
- Cost avoidance: over £200,000 achieved within the current financial year

Placement Team Case Study (Child C)

Background & Challenge

- A significant in-placement incident resulted in notice being served by the registered residential provision
- Child C subsequently moved to an emergency unregistered setting on 3:1 staffing, with a Deprivation of Liberty order in place, at an initial cost of £20,852 per week

Placement Team Intervention

Regular reviews conducted with senior management at provider, resulting in the following outcomes:

- Weekly costs were reduced through negotiation of an improved hourly staff rate, decreasing costs by £4,037 per week
- After a period of 6 weeks, an agreement was reached to reduce overnight staff cover, generating a further cost reduction of £2,519 per week
- Subsequent reviews resulted in agreement to reduce the staffing package to 2:1, reducing weekly cost by an additional £2,519

Supported Accommodation Search

With 2:1 staffing in place and evidence of progress made, an updated Supported Accommodation search was undertaken:

- Through direct discussions with providers and evidencing the progress made by Child C, an Ofsted registered Supported Accommodation placement was secured at a cost of £4,950 per week.

Current Position and Impact

- Child C will move to a registered supported accommodation provision on 13th January 2026
- This represents a cost reduction of £15,902 per week compared to the initial placement, and £6726 per week compared to the current 2:1 package
- There is a cost avoidance potential of a further £74,000 for the remainder of the current financial year, following the move taking place



Supported Accommodation (16+ with support needs) Sufficiency

The Council has its own internal 16+ supported accommodation provision but due to large numbers of young people aged 16+ with support needs we have been reliant on the external market.

The team have worked with a range of stakeholders who have come into the market and commissioned a range of spot support placements over the years. The opportunity in 2024 to work with a local supplier to commission a block arrangement was positive and will allow us to add 18 units and 1 crisis pad to our capacity enhancing our ability to meet our sufficiency duty.

As of 5th January 2026, there were 25 active spot placements, with 7 of those being in our new block placements.

As we progress through the year, we are looking forward to seeing a shift from high numbers of spot placements to an increase in the block occupancy rates which will also bring efficiencies by avoiding having to commission higher rate spot placements.

The average block weekly unit rates are £1,340 compared to the current spot average weekly unit rate of £2,321.



18+ Support

In 2025 a Provider approached the Local Authority as they had identified a building for 18+ accommodation. The Local Authority have commissioned 27 beds in this provision which will support our sufficiency strategy and provide a pathway for moving young people into independence.

This service will avoid the need for young people to remain in their placement post 18 and bed blocking which has been a challenge for Children's Services previously.

The provision has been open for 4 weeks and there are currently 19 active placements.

The young people will claim Housing Benefit and the Local Authority will fund staff within the provision to provide general support offer around wellbeing, employment, training and education.

We are wanting to ensure that our young people are supported effectively as they move into independence and take ownership of their own future confidently.



Next Steps

There is a work plan in place for Commissioning and the following are some of the priority areas in relation to improving our sufficiency responsibilities:

- Working with care provider who is looking to open 3 new homes in Middlesbrough to develop a business case for commissioning approach
- Working with one of the block providers who is also looking to open further homes to develop a business case and considering procurement options linked to active contract.
- Continue to monitor submission of certificate of lawfulness and/or C2 planning applications received and where the provider has not notified us engage with them so we can influence the development of the right type of homes to meet our sufficiency gaps.
- Continue to work collaboratively as part of North-East Strategic Children's Commissioning Group (SCCG) focusing on Regional Care Cooperative (RCC) development and regional sufficiency work.

