

**CHILDREN'S SCRUTINY PANEL**

A meeting of the Children's Scrutiny Panel was held on Monday 26 January 2026.

**PRESENT:** Councillors E Clynch (Chair), D Jackson (Vice-Chair), S Platt, S Tranter and Z Uddin

**OFFICERS:** K Allan, J Dixon, A Bates and C Walker

**APOLOGIES FOR ABSENCE:** Councillors M Nugent and A Romaine

25/36 **WELCOME AND FIRE EVACUATION PROCEDURE**

The Chair welcomed those present and highlighted the Council's Fire Evacuation Procedure.

25/37 **DECLARATIONS OF INTEREST**

<b>Name of Member</b>	<b>Type of Interest</b>	<b>Nature of Interest</b>
Councillor E Clynch	Non-pecuniary	Employed within education setting
Councillor D Jackson	Non-pecuniary	School Governor
Cllr S Tranter	Non-pecuniary	Employed within education setting

25/38 **MINUTES - CHILDREN'S SCRUTINY PANEL - 8 DECEMBER 2025**

The Minutes of the previous meeting of the Children's Scrutiny Panel held on 8 December 2025 were submitted and approved as a correct record.

25/39 **FURTHER EVIDENCE**

**a) Out of area placements – Children's Social Care**

The Chair welcomed the Corporate Director of Children's Services, A Bates, to the meeting, alongside C Walker, Specialist Commissioning Manager, who had been invited to attend to provide the Panel with further information in relation to its current scrutiny topic 'Out of Area Specialist Provision', within a social care context

The Specialist Commissioning Manager provided the Panel with a presentation which provided an overview of the Council's use of external social care placements for children and young people.

Members were informed of the types of external provision utilised, the reasons placements were commissioned externally, and the measures in place to ensure the Council met its sufficiency duties. The update also outlined current fostering and residential sufficiency arrangements, associated costs, and the proportion of placements within Teesside. Case studies were presented demonstrating the work of the Placement Team in securing appropriate, cost-effective placements and achieving significant cost avoidance. Further updates were given regarding supported accommodation for 16+ and 18+ young people, along with the commissioning priorities identified as next steps.

The Panel was advised that an external social care placement referred to any placement commissioned when the Council was unable to provide a suitable internal match for a child or young person. Members were informed that these placements included Independent Fostering Agency placements, children's residential and educational residential placements, supported accommodation for those aged 16+, mother and baby residential assessments, and secure placements. It was also outlined that external placements were classified as either in-area, where they were located within Middlesbrough, or out-of-area, where they were situated outside the town.

Members noted that a significant number of children were placed within the North East.

It was explained that external provision was required where there were sufficiency gaps in internal fostering and residential services, meaning not all children could be accommodated internally. Members heard that external placements were also necessary when a child's individual needs, such as complex behaviours or risks linked to exploitation, could not be met in-house and the child required a more focused care approach. In some cases, specialist therapies or expertise were only available through external providers. It was further noted that children sometimes needed to be placed away from the local area for safety reasons, making both internal and in-boundary provision unsuitable. Additionally, secure placements were authorised by the courts and accessed through specific units not located within Middlesbrough. It was noted that, in this instance, the closest secure placements were in Durham, Northumberland and Scotland, and that bed availability was limited.

Along with the other eleven North East local authorities, Middlesbrough Council had commissioned the NEPO603 Tyne-Tees Independent Foster Care Services Framework to secure placements when an internal fostering match could not be provided. Referrals were shared with approved suppliers and placements were made when an offer was received, with weekly rates fixed through the procurement process. Where a placement could not be secured via the framework, the Council made use of spot contracts with Independent Fostering Agencies. Members noted the Council's positive position, with 85.42% of fostering placements on framework and only 14.58% spot placements as of 6 January 2026. Members were informed that, on the same date, there were 144 active external fostering placements, representing 28% of children looked after.

Members noted that the Council had two block contract arrangements for residential care across Middlesbrough, Hartlepool and Stockton: one with Caretech (Cambian), providing nine beds across three homes, and another with Invested Childcare, providing three beds in one home. These block contracts complemented the Council's in-house residential provision and offered highly competitive weekly bed rates compared with spot contracts and this had contributed to a cost avoidance of £792,000 in 2024/25. It was noted that all block-contracted homes were rated good or outstanding by Ofsted and that occupancy levels in 2024/25 were high, at 94% for Caretech and 99% for Invested. Members also heard that positive feedback had been received from both professionals and children and young people, and these comments/quotes were referenced in the presentation.

It was reported that 49 children were placed in external registered children's homes at an average weekly cost of £6,628. This figure included five children in specialist solo residential placements, averaging £16,731 per week, and one child in a secure residential placement costing £7,794 per week. The Panel also noted that 49% of external placements were located within the Teesside area. Within this provision, there were 12 block-contract beds at an average weekly cost of £4,295, as well as 12 spot-contracted placements within Teesside, four of which were in Middlesbrough, costing an average of £4,979 per week. Members noted that the overall costs associated with external children's residential placements were significant, and although the market was challenging at the time, officers had been building strong working relationships with providers and were actively negotiating and challenging costs and retainer fees to secure the best value for money.

The Panel was provided with three example case studies which highlighted different placement scenarios according to the child/young person's needs. They included the types of intervention from the Placement Team, provider engagement, progress and costings and current position and impact both in terms of the young person's progress and cost avoidance. Although the Council had its own well-managed 16+ supported accommodation provision, the high number of young people with support needs meant continued reliance on the external market. Members heard that the team had worked with various stakeholders to commission spot support placements, and that a new opportunity in 2024 to work with Home Group on a block arrangement would add 18 units and one crisis pad, strengthening the Council's sufficiency position. As of 5 January 2026, there were 25 active spot placements, seven of which were within the new block provision. Officers anticipated a shift from higher-cost spot placements to increased block occupancy over the year, improving efficiency. The average weekly block rate was £1,340 compared with the spot average of £2,321.

In 2025, the Council was approached by YMCA with a proposal for an 18+ accommodation facility, leading to the commissioning of 27 beds to support the sufficiency strategy and provide a clear pathway into independence. The service helped prevent young people from remaining in placements beyond age 18, reducing previous bed-blocking pressures. The provision had been open for four weeks with 19 active placements. Young people would claim Housing Benefit, and the Council would fund on-site staff to provide support around wellbeing, employment, training and education. This assisted with the commitment to ensuring young people were well supported as they transitioned into independence.

The Panel was informed that a commissioning work plan was in place, with priority areas focused on improving sufficiency responsibilities. In terms of next steps, Members noted the following:

- Work was underway with a care provider proposing to open three new homes in Middlesbrough, with a business case being developed to inform a commissioning approach.
- Work was also underway with one of the block providers seeking to open additional homes, including the development of a business case and consideration of procurement options linked to the active contract.
- Officers would continue to monitor submissions of certificates of lawfulness and/or C2 planning applications and, where providers had not notified the Council, engage with them to influence the development of appropriate homes to address sufficiency gaps.
- Collaborative work with the North-East Strategic Children's Commissioning Group (SCCG) would continue, focusing on Regional Care Cooperative (RCC) development and wider regional sufficiency priorities.

A discussion ensued and the following queries were raised:-

- A Member queried the previous strategy of the Council purchasing its own care homes. It was advised that although exploratory work, including visits to potential properties, had been undertaken, the proposal had not progressed due to limited suitable options in Middlesbrough and covenants restricting use. One property had been purchased, but recruitment challenges affected the viability of the model. The option was not ruled out for the future, however, at the time, the Council had been unable to deliver its vision at the required pace. It was also noted that future opportunities might arise through the development of the Regional Care Cooperative, which would share resources between a group of local authorities, reducing financial risk to individual authorities and increasing the availability of available local placements through shared budgets and commissioning arrangements.
- In response to a query as to how young people transitioned at 16 and what support was provided when they moved into the Pathways service, it was explained that young people transitioned from their social worker to a Pathways Personal Advisor, who was trained to support those moving into adulthood and to advocate for access to accommodation, education, hobbies and social networks. As the transition could be stressful, consideration needed to be given to making the process more seamless which could include strengthening collaboration between Adult Services and Children's Services to support young people, with a view to developing a clearer 16-24 strategy. Members were also informed that Corporate Parenting carried out thematic deep dives, with the next area of focus being Housing, which would be reported through the Corporate Parenting Board.
- Clarification was sought on the use of secure placements and at what point a court determined that a young person should enter such provision. It was explained that secure placements were used for young people involved in the youth justice system, and that the decision depended on the severity of the young person's behaviour or offending. Members were advised that the court would determine where the young person should reside based on the level of risk and the circumstances of the case. In response to a query it was confirmed that in such cases, young people were placed in those secure placements under a Care Order.
- Members queried the figures relating to the cost of fostering compared with external provision. It was clarified that these were not directly comparable, as external providers' costs included organisational overheads, whereas the Council's fostering costs did not reflect the wider support and services provided by the authority.

Reassurance was provided that Officers were actively negotiating and challenging costs and retainer fees to secure the best value for money.

- A Member referred to page 4 of the minutes from the meeting held on 8 December 2025 and queried the reference to more than 1,000 monthly contacts for support despite there being only 506 children looked after. It was clarified that the figure represented all contacts received, including those from schools, young people and other sources, with the majority coming from education settings as they saw children most frequently. It was also noted that safeguarding information was recorded by schools on CPOMS (Child Protection Online Monitoring System) to which the Council did not have access and instead relied on schools to share relevant information.
- Reference was made to the development of Regional Care Co-operatives (RCC) and Members were advised that Greater Manchester and the South East had been selected as the RCC pathfinder regions. The Department for Education had asked all local authorities to explore how the model could operate. Meetings with key colleagues, including finance and legal officers, had therefore been taking place. Ministers were expected to issue further guidance and funding information in the coming weeks. Members were advised that learning from the pilot areas showed differing approaches, each with cost implications, and discussions were ongoing regarding how regional need, particularly higher in some areas such as Middlesbrough, could be met. It was noted that political leadership would be required and that the model would take time to develop. Work was also underway at both North East and Tees Valley level to identify shared issues, and it was confirmed that further updates would be provided as the project evolved, recognising that wider regional involvement would significantly change the scale of the initiative.
- In response to a query regarding how the project would link with academies, it was confirmed that the RCC initiative would not have any connection to education and related to children's social care.

A Member asked whether the funding for the RCC would be ring-fenced and whether there would be a set amount of regional funding to support economies of scale based on supply and demand. In response, it was explained that work was underway to consider the inclusion of foster carers within the model and to assess how much capacity could be allocated to mentoring and training. It was noted that the approach had the potential to deliver several additional benefits. The Chair thanked the Officers for their attendance and the information provided.

**AGREED** that the information provided be noted and considered in the context of the Panel's current scrutiny investigation into Out of Area Specialist Provision.

#### **b) Fostering recruitment (Verbal)**

The Corporate Director of Children's Services provided a verbal update in relation to foster carer recruitment. The Director reported a national shortage of foster carers, noting that the situation in Middlesbrough was particularly challenging. Two key factors were identified: frequent changes within the foster carer cohort and a rising number of older children requiring placements, which demanded enhanced training and support. A deep dive into the issue would be undertaken. Officers highlighted the need to better promote the fostering role, raise its profile, and engage those who may be interested but uncertain, with work underway to refresh the strategy and incorporate the voices of children to strengthen buy-in. Short-term actions were also being explored to increase local fostering recruitment.

A discussion ensued and the following queries were raised: -

- Clarification was sought on whether the issue was linked to the work of the RCC, and it was confirmed that it was, as the challenges being experienced formed part of a national trend.
- Difficulties in placing siblings together were raised, and it was acknowledged that this continued to present a challenge. Officers advised that the service needed to consider what current data showed about children entering care and confirmed that the fostering strategy was being reviewed to reflect emerging trends.

- Members queried the level of support available for foster carers, including whether the regular weekly or fortnightly support group was still operating. It was reported that the group had stopped meeting last year for reasons that were unclear. Discussions had taken place with the Executive Member for Children's Services, and the service would seek feedback from foster carers with a view to reinstating the group. It was noted that regional funding may strengthen this support offer, providing access to a broader network and additional training that could also assist in recruitment.
- Further clarification was sought on the number of foster carers required in Middlesbrough to avoid external placements. It was noted that there were currently 144 independent foster carers; however, local and national data indicated the need for significantly more, with an estimated shortfall of approximately 9,000 carers across England. Recruitment efforts would therefore need to address the age profile of the current cohort and promote fostering as a career option to attract a younger generation. It was also highlighted that local authorities and private organisations were competing for the same pool of carers, often against agencies with stronger marketing and social media reach, and that a deep dive would be undertaken to better understand public perceptions and inform future recruitment strategies.

**AGREED** that the information provided be noted.

**c) Workforce development strategy (Verbal)**

The Corporate Director of Children's Services provided a verbal update in relation to workforce development across Children's Social Care. The Director stated that the Service was in the process of updating the Workforce Development Strategy across all of Children's Social Care and reported that teams were working with partners to develop the workforce development strategy by strengthening good practice. Networks were being established to support practice sharing and improve placement decision-making, with weekly placement meetings now held in place of the previous system. Wider colleagues contributed to decisions on child placements, including duration, following issues with open-ended arrangements, and ensuring decisions were child-centred. Work was also underway to develop networks around specialist provision, informed by data on the potential need for additional placements for children with complex needs, which may require further training, specialist staff, and consideration of links to transition into adulthood. A range of responsibilities and factors therefore needed review to ensure the workforce was fully equipped. This work remained ongoing and was expected to be available later in the year.

Members noted that progress had been made in reducing reliance on agency social workers, with several services successfully converting agency staff to permanent roles, bringing financial benefits and greater stability for children by ensuring continuity of social workers. Early Help was now very stable with minimal agency use. However, three areas within Children's Social Care continued to face challenges: Corporate Parenting and Fostering, Safeguarding, and the MACH (Multi Agency Children's Hub) (the 'Front Door' of the Service). Work was ongoing to engage agency staff directly to make the permanent offer more attractive, with a stronger focus on training and development. This also linked into the wider regional work under the MOU (not sure what MOU stands for?).

A Member suggested it might be worthwhile reconsidering the previous model of a dedicated workforce development section for all Social workers, , however, it was stated that this approach was discontinued due to differing regulatory requirements for adults and children's social care. There was now a stronger focus on joined-up working with Adult Social Care, with Children's Services engaging with the Improvement Board to support collaborative programmes, while some areas will continue to be developed independently where appropriate.

**AGREED** that the information provided be noted.

**25/40 CORPORATE DIRECTOR'S UPDATE**

The Chair noted that this was a new standing item intended to capture any updates the Corporate Director wished to raise on matters pertinent to the Panel. It was proposed that, subject to the Panel's agreement, the item be included as a regular feature on future agendas, and Members confirmed their support for this approach.

The Corporate Director provided a brief update on the recent Ofsted activity, noting that a focused visit had been undertaken, in December, to the MACH (Front Door Assessment Centre). As the outcome remained embargoed, further information would be shared in due course.

**AGREED** that the information provided be noted.

**25/41 OVERVIEW AND SCRUTINY BOARD UPDATE**

The Panel received an update on the content presented at the Overview and Scrutiny Board held on 18 December 2025 which consisted of the following:

- Scrutiny Chairs' Update
- Executive Forward Work Plan
- Forward Plan Action progress
- Overview of Executive Member for Adult Social Care first year in post highlighting inspection progress, strategic priorities, service developments, financial pressures, and emerging challenges across adult social care and health partnerships.
- The Q2 budget monitoring report, outlining an improved but forecast £1.8m overspend, ongoing pressures (particularly in Children's Services), growing reserves, and key issues around savings, government settlement and financial resilience.
- The Corporate Performance results for Q2, advising that the Council Plan was being refreshed to better align performance measures with objectives and noting that 97% of the Council Plan Workplan objectives had been completed.
- The draft 2026/27 budget, outlining the Council's improved financial position, funding settlement, proposed council tax approach, and significant investment priorities across services, communities, and growth.
- The Community Cohesion Task and Finish Group draft final report

**AGREED** that the information provided be noted.

**25/42 ANY OTHER URGENT ITEMS WHICH IN THE OPINION OF THE CHAIR, MAY BE CONSIDERED.**

There were no urgent items.

**25/43 DATE AND TIME OF NEXT MEETING - MONDAY, 9 MARCH 2026, 4.30 PM**

The next meeting of the Children's Scrutiny Panel was scheduled for Monday, 9 March 2026 at 4.30pm.