

Scrutiny Review

FINAL REPORT OF THE CHILDREN'S
SCRUTINY PANEL

***OUT OF AREA SPECIALIST
PROVISION***

Democratic Services

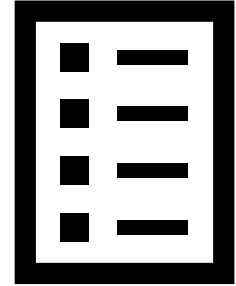


Overview and Scrutiny Board

7 July 2026

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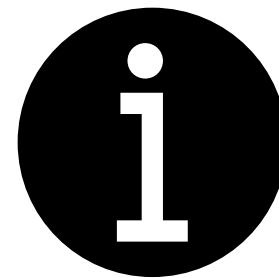
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COMMITTEE INFORMATION



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V Chair
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Overview and Scrutiny Board

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- Adult Social Care and Health Scrutiny Committee: Claire Jones and Sue Lightwing
- Children's Scrutiny Committee: Joanne McNally and Joanne Dixon
- Place Scrutiny Committee: Tabitha Frankland and Rachael Johansson

AIMS OF THE REVIEW



1. The aim of the investigation was to understand why the Council uses out of area specialist provision, both in a SEND education and complex needs social care context, and to examine whether reliance on out of area provision can be reduced. Reduced reliance would require an increase local capacity and provision to ensure as many Middlesbrough children as possible are educated and live within the local area boundary, where appropriate to do so, and would also ease the financial impact of using costlier external provision.
2. The scrutiny of this topic fits within the following vision and priorities of the Council Plan:-
 - Priority 2: Helping our residents live longer, healthier lives.
 - Priority 4: Delivering Best Value - Changing how we operate to deliver affordable and cost-effective outcomes for residents and businesses.

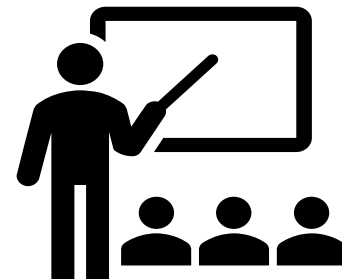
TERMS OF REFERENCE



3. The terms of reference for the review are as follows:

- A. To examine the current position in Middlesbrough regarding the use of Out of Area Specialist Provision, including how and why out of area placements are made:
 - i. In a SEND educational context.
 - ii. In a complex needs, social care context.
- B. To examine how Middlesbrough's use of Out of Area specialist provision compares locally and nationally.
- C. To consider current workforce development strategies and assess their impact on Out of Area specialist provision in both education and social care settings.
- D. To consider best practice and procedures regarding Out of Area specialist provision for both education and complex needs social care elements.

BACKGROUND INFORMATION



4. As part of the review the Children's Scrutiny Panel considered the following background information.
5. The Scrutiny Panel wanted to examine Out of Area Specialist Provision in both an educational context for children with identified Special Educational Needs and/or Disabilities (SEND), and in relation to children known to Social Care with complex needs.
6. Whilst there is no single definition of 'complex needs' this term is generally used to describe children with multiple needs of different types who require support from a range of professionals to meet their needs.

Out of Area Specialist Provision - Education

7. Out of Area Specialist Provision is a residential or education placement that is geographically located outside of the child's home local authority boundary (out of area) and provides education for children and young people with complex/special education needs and disabilities (specialist).

Special Educational Needs and/or Disabilities (SEND) Support

8. SEND support is additional to, or different from, the support generally made for other children of the same age in school. It is provided for pupils who are identified as having a learning difficulty or disability that requires extra, or different, help to that normally provided as part of the school's usual curriculum offer. A pupil with SEND support will not have an EHCP.

Education Health and Care Plans (EHCP)

9. An EHCP may be issued by a Local Authority for a pupil who needs more support than is available through SEN support. There is a statutory assessment process that must be followed which considers the pupil's special educational needs and any relevant health and social care needs. It sets out long term outcomes and specifies provision which will deliver additional support to meet those needs.

Out of Area Specialist Provision - Social Care

10. A child or young person who has been in the care of the local authority for more than 24 hours is known as a 'Looked After Child', or child/children in care.
11. There are various types of care which generally include:-
 - Living with Foster Carers.
 - Living with relatives or friends through kinship foster care (sometimes known as connected persons foster care).
 - Living in a residential children's care home.
 - Living in a residential setting such as a school, secure unit, or semi-independent living accommodation.
 - In some cases, living with parents under a Care Order.
12. Out of area, or external, social care placements are an option available to local authorities to place children in care outside of their home local authority boundary for a variety of reasons including lack of 'in-house' provision that will meet their specific needs, or for safety reasons to protect the child/young person – e.g. threat of harm or violence to themselves or others through crime or exploitation.

Sufficiency Duty

13. Section 22G of the Children's Act 1989, as amended by the Children and Young Persons Act 2008, sets out the general duty of local authorities to take steps to secure, as far as reasonably practicable, accommodation for looked after children that is "within the authority's area" and "meets the needs of those children". In taking steps to do so, local authorities must also have regard to the benefit of having "a number of accommodation providers in their area" (local authority foster carers and residential children's homes registered under Part 2 of the Care Standards Act 2000), and "a range of accommodation in their area capable of meeting different needs".

SUMMARY OF EVIDENCE



14. The Children's Scrutiny Panel gathered the following evidence in relation to each of the review's Terms of Reference.

TERM OF REFERENCE A - To examine the current position in Middlesbrough regarding the use of Out of Area Specialist Provision, including how and why out of area placements are made; i) In a SEND educational context

Out of Area Specialist Provision in Middlesbrough – Education

15. There are two main types of out of area provision that Middlesbrough children can access:-

- Other Local Authority Special Schools – These schools are maintained by the Local Authority in the area where they are located, or are part of the state school system.
- Independent Provision – These establishments are not maintained by the Local Authority or part of the state school system. Some independent specialist provision offers day places for children and young people, and others also provide residential options.

16. Places within the local area boundary are always considered first before arranging out of area provision, however, the commissioning of out of area provision is sometimes necessary for various reasons, including:-

- Gaps in local provision – insufficient provision within the local area, making an out of area placement necessary.
- Individual needs of the child – a placement may be necessary for a child with complex needs or low incidence disabilities which means the local authority is unable to deliver provision from within its own resources.
- Specialism – a provider may offer therapies or specialist expertise which is not available locally.
- The child is in the care of the local authority, lives outside of the Middlesbrough area and is in an education placement close to where they live.

- The child may have moved into Middlesbrough from a neighbouring local authority and for consistency it is appropriate to continue to commission the placement.
- Parental preference – for children with an EHCP, parents can identify an out of area independent specialist provision as their preferred school which the local authority must consider.

Quality Assurance

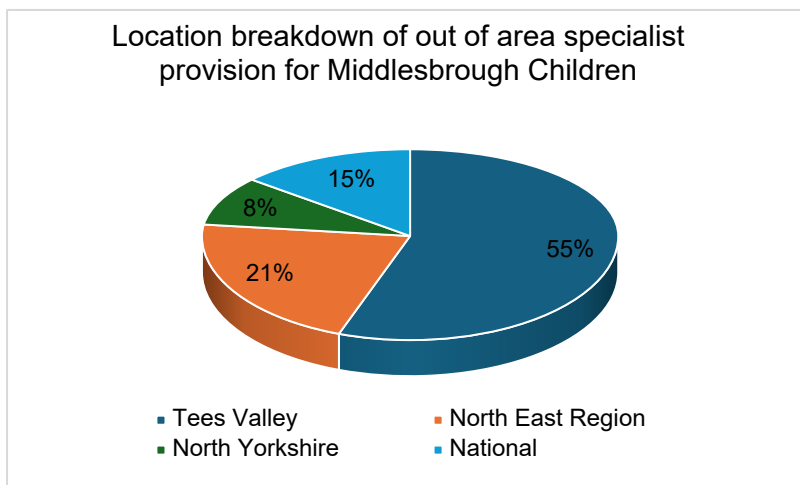
17. There are a number of quality assurance (QA) checks and processes in place for using out of area specialist schools, particularly independent providers.
18. A Section 41 (S41) approved list of independent specialist schools and specialist post-16 institutions is published by the Secretary of State for Education. The providers on the list must meet certain standards.
19. Processes are also in place for commissioning independent specialist provision with contracts in place and individual placement agreements for each child, with schools and care provision being subject to regulatory oversight from Ofsted and the CQC.
20. Staff from the local authority visit children in their settings on a regular basis and there are further QA processes in place for key members of local authority staff to carry out quality visits at the provisions. In 2023, during the SEND Local Area Inspection, the process for out of area placements and assurance was found to be effective.
21. Numbers of Middlesbrough Children with EHCPs and SEND
22. Around 6% of children in Middlesbrough have an EHCP which is above the national average (currently 5.3%). The majority of Middlesbrough children in out of area specialist provision have an Education, Health and Care Plan (EHCP).
23. The number of Middlesbrough children and young people with an EHCP has steadily increased, as can be seen in the table below. There has been an increase from 1,659 in 2022, to 2,040 as of January 2025. Figures for 2026 and 2027 are the numbers of children in Middlesbrough forecasted to require an EHCP.

Year	2022 (A)	2023 (A)	2024 (A)	2025 (A)	2026 (F)	2027 (F)
No. of EHCPs – Actual (A) and Forecast (F)	1,659	1,804	1,881	2,040	2,046	2,147

24. Around 15% of Middlesbrough’s overall education population is recognised as having SEND. This is comparable with the national average.
25. The table below provides a breakdown of Middlesbrough children and young people, by SEND characteristic, who are currently in out of area specialist provision:-

Type of special educational needs	Number of children
Autistic Spectrum Condition	23 (20%)
Social, Emotional and Mental Health Needs	62 (55%)
Moderate Learning Difficulties	1 (1%)
Speech and Language Needs	9 (8%)
Hearing Impairment/ Visual Impairment	1 (1%)
Severe Learning Difficulties	12 (11%)
Profound and Multiple Learning Difficulties	2 (3%)

26. Of the children and young people referred to in the above table, 22% are of primary school age, 71% are of secondary school age and 6% are post-16.
27. A breakdown of the geographical location of the out of area specialist provision in relation to the above children and young people is as follows: 55% - Tees Valley; 21% - North East region; 8% - North Yorkshire; and 15% - National.



Placement Costs

28. The average cost of an out of area local authority specialist provision placement is broadly comparable to the cost of a Middlesbrough special school placement, at around £16,000, and is funded through the High Needs Budget of the Dedicated Schools Grant (see paragraph 131).
29. At the time of writing, there are 53 children receiving education in another local authority special school outside of Middlesbrough. In the 2024/25 financial year, the total budget outturn for other local authority specialist provision was £1.176 million.
30. Many of these children are eligible for transport assistance with the average cost of transport, per pupil, to other local authority schools standing at £4,000 per annum.
31. Independent day placement provision is more costly than maintained or academy school provision and again is funded through the High Needs Budget of the Dedicated Schools Grant. There are currently 60 Middlesbrough children accessing this type of placement.
32. The average placement cost for independent specialist provision, based on current spend for Middlesbrough, is £65,000 – significantly higher than the cost of a special school placement at £16,000. The outturn for the 2024/25 financial year for independent specialist provision was £4.786 million.
33. Whilst significant work has been undertaken to reduce the numbers of children requiring access to independent provision, uplifted fees and costs from independent providers means that the financial impact in reducing reliance is not always fully realised.
34. Again, children accessing independent specialist provision are often eligible for transport assistance, with the average cost per pupil being £30,000 per annum. There are currently 15 children who are transported to independent day placements by the local authority on a daily basis.
35. In Children’s Services, as well as financial pressures in Social Care, there is increasing pressure on the High Needs Block of the Dedicated Schools Grant (DSG) partly due to the increase in more complex placements. There has been an 8% increase between 2024 to 2025 in the number of EHCPs and it is forecast that this trend will continue in the future.
36. It should be noted that the number of children with an EHCP is also a key cost driver in relation to home to school transport costs that are met by the General Fund through the Integrated Transport Unit.

Residential Education Placements

37. There are currently 84 (of Middlesbrough's 500 total) children looked after living in private residential children's homes outside of Middlesbrough. Many of these children would be living in Middlesbrough's own children's homes and foster care provision if there was sufficient availability.
38. These 84 children receive their education either at schools local to their residential children's home or on the residential premises. For the most complex children, many of whom also have an EHCP, these can be high-cost specialist placements.
39. Of those 84 children, 15 receive their care and education in a residential specialist education placement and 12 of those have an EHCP.
40. In such circumstances, staff from across Children's Services – including children looked after Social Workers, the Virtual School and the SEND Team – work together, supported by Finance and Commissioning Teams, to make placement decisions collectively and to secure placements.
41. Occasionally, residential education provision may be commissioned for children who are not looked after.

Performance data

42. The use of independent specialist provision was analysed during the 'Delivering Better Value in SEND Programme' in 2022 (see paragraph 130). This area was identified as an area for improvement and potential cost reductions with the deployment of a different strategy.
43. Since 2023, Middlesbrough Council has reduced its use of independent specialist education provision and performs favourably regionally and nationally.
44. Middlesbrough has the lowest use of Independent Special Schools in the Tees Valley (2.9%) and is below national (4.64%) and regional (3.28%) averages.
45. There has been a reduction in reliance on the use of out of area specialist education placements for children with a new EHCP. In Middlesbrough 1.7% of new EHCPs are placed in independent specialist provision which is below the national (2.4%) and regional (1.8%) averages.
46. This has been achieved through developments in local specialist provision to increase sufficiency within the town, alongside strong partnerships with specialist and other education providers who are committed to developing specialist expertise within

Middlesbrough to meet the majority of children's needs locally. For example, working in partnership with Middlesbrough's special provision schools to increase capacity for children with autism/neurodiversity as this has been identified as a growing area of need.

Expanding Specialist Provision in Middlesbrough

47. A new school, Discovery Special Academy Acklam, for children with complex SEND, is now operational and offering education to primary and secondary aged children to help meet increasing demand for special needs facilities within the Middlesbrough and Redcar and Cleveland local authority areas.
48. In addition, a new secondary school for children with special educational needs and disabilities will be built in Middlesbrough. Middlesbrough Council originally secured funding from the Department for Education for a new primary school but amended its proposal to build a secondary school following a review of local need. The free school will be operated by Horizons Specialist Academy Trust and will ease growing demand pressures to provide specialist support for children in Middlesbrough.
49. Horizons currently operate several schools across Teesside, including Hollis Academy in Middlesbrough which is a secondary school for 11-16 year olds with Social, Emotional and Mental Health Difficulties (SEMHD). Hollis Academy currently has 85 students, each with an EHCP.

Next Steps

50. Continuing to reduce reliance on out of area placements will have a positive impact not only on enabling children to remain within their local community, but also financially – both on the High Needs Budget of the Dedicated Schools Grant and transport budget.
51. Whilst it will never be possible to eradicate reliance completely, it should be a target to reach a minimal level of reliance and build on local capacity and specialism to avoid over-reliance on out of area placements.
52. The new SEND and Inclusion Strategy due to be published in the near future will include the work required to ensure this continues.
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TERM OF REFERENCE A - To examine the current position in Middlesbrough regarding the use of Out of Area Specialist Provision, including how and why out of area placements are made; ii) In a complex needs Social Care context

Out of Area Provision – Social Care – In Middlesbrough

54. In Middlesbrough, out of area, or external, social care placements are commissioned to accommodate children/young people in the care of the local authority when it is not possible to offer an internal placement match. This can be for various reasons, including:-

- Sufficiency gaps – The Council has its own fostering and residential services, however, there is not capacity to offer placements to all Middlesbrough children.
- Individual needs of the child – The child’s needs cannot always be met by internal provision for many reasons such as complex needs or criminal exploitation.
- Specialism – An external provider may offer therapies or specialist expertise which is not available ‘in-house’.
- Safety – It may be necessary to place the child away from the local area for their own protection.
- Secure – Secure placements are approved by Court and there are specific units that are not delivered by or located in Middlesbrough.

55. The types of placements commissioned by Middlesbrough Council include:-

- Independent fostering placements (IFAs).
- Children’s residential placements.
- Educational residential placements.
- Supported accommodation placements (for age 16 +).
- Mother and baby residential assessment.
- Secure placements.

56. Such placements are either “In Area” – located geographically within Middlesbrough; or “Out of Area” – located geographically outside of Middlesbrough.

Meeting its Sufficiency Duty

57. In terms of meeting its sufficiency duty, when it is not possible to make a placement match from within internal resources, the Council explores the use of independent fostering or residential placements.

58. Sometimes placements for Middlesbrough children cannot be made 'in-house' or within the local authority boundary for specific reasons. For example, children who require specialist therapies or expertise which is usually only available through external providers; or for safety/security reasons where it is in the young person's best interests to be placed away from the local area, making both internal and in-boundary provision unsuitable.
59. In addition, secure placements are authorised by the Courts and accessed through specific units located outside of Middlesbrough - the nearest secure placements are situated in Durham, Northumberland and Scotland – but bed availability is limited.

'In-house' Fostering and Recruitment

60. As of January 2026, Middlesbrough has 71 approved foster carers and 26 connected person foster carers (kinship carers) – a total of 97.
61. The Panel heard that there is a national shortage of foster carers and it is estimated that around 9,000 additional foster carers are required to meet demand.
62. Foster carer recruitment is particularly challenging in Middlesbrough due to changes within the foster carer cohort and a rise in the numbers of older children, more frequently requiring additional support. The goal would be to recruit a significant number of additional foster carers in Middlesbrough to offset the shortfall of those children in independent fostering placements. Work is ongoing to examine the best approach to recruitment initiatives.
63. Launched in late 2023, 'Foster with North East' is a collaborative partnership between the 12 north east local authorities. It is a single north east regional hub offering specialist advice, guidance and support for prospective local authority foster carers throughout their fostering journey – from initial enquiry/curiosity to approval.
64. Foster with North East works in partnership with the local authorities' fostering teams to bring together in-depth knowledge about their individual communities and the needs of children and families and is committed to sharing resources to give foster carers and children looked after the best possible experiences of fostering.

Regional Care Co-operatives

65. As part of the Government's reforms to the children's social care system, the Department for Education (DfE) is working with local government to develop Regional Care Co-operatives (RCCs).

66. The ambition is for RCCs – led by local authorities working with health and youth justice partners - to plan, commission and deliver children’s care placements in fostering, children’s residential and secure homes.

67. Through collaborative working, RCCs intend to:-

- Ensure sufficient placements and support are available to meet the needs of children in care through improved demand forecasting.
- Negotiate with providers to ensure best value and maximum impact for children and that placements are available for children and young people with multiple, complex needs.
- Have greater collaboration with health and justice commissioners to improve services for children in care.
- Reform foster carer recruitment and retention and, where necessary, create new forms of care to meet local need to ensure more children in care can stay in family environments, closer to home.

68. The DfE is providing £3.46 million in programme funding to two pathfinder regions in 2024/25 and 2025/26, and up to £5 million in capital funding to each pathfinder region to develop existing provision or create new regional provision. The two successfully selected pathfinder regions are Greater Manchester and the South East.

69. The Government’s vision is for every local authority to be part of an RCC in the future, operating at scale to deliver homes for children in care to ensure they thrive in safe, nurturing environments.

70. Alignment with RCCs is currently voluntary, however, the Government is keen to drive RCCs forward quickly. To support this, an expression of interest (EOI) will be launched in Spring 2026, backed by more than £10 million, with the expectation to be able to support the establishment of up to six new RCCs.

71. In terms of progress in relation to the two pathfinder RCCs, evaluation has provided valuable learning and indicates high potential for the RCC model. The pathfinders have started to test new approaches and show early signs of how a more co-ordinated, regional model can support better outcomes for children and young people.

72. The pathfinder areas show that the RRC model has helped to build a shared responsibility for securing the right homes for children and is gradually moving away from reactive, competitive commissioning and towards a more proactive and planned approach.

73. A summary of progress in respect of the two pathfinder regions, to date, is set out below:-

- Greater Manchester

“The Greater Manchester Regional Care Co-operative (GM RCC) is already demonstrating the transformative potential of the RCC model, showing how shared purpose, collective accountability and regional scale can reshape children’s social care.

It has launched high impact programmes that move the system from reactive commissioning to a proactive, needs led approach.

Its regional data and demand forecasting platform is strengthening planning and market oversight, and the RCC is creating an increased supply of specialist residential homes solely for Greater Manchester children, with additional health funding providing an enhanced mental health support offer.

The RCC has also secured investment to support the local workforce through collaboration with local colleges and securing access to higher level qualifications for residential registered managers.

By acting as a single regional customer and uniting local authorities, voluntary community and social enterprise partners and providers, the GM RCC is strengthening commercial leverage, reducing reliance on out of area care and helping build the sustainable, ethical market children and young people deserve.”

- South East

“The South-East Regional Care Co-operative has set up as an independent not-for-profit company (Home and Future) with a board working to 17 local authorities.

It has developed a regional data platform which enables timely sufficiency analysis, forecasting and benchmarking of costs. Home and Future has supported the creation of new beds in local authority homes and developed an agreement for local authorities to share placements.

The RCC is transitioning towards managing all the regional commissioning frameworks for residential placements across the region, as well as developing new ones. It has also introduced new needs-led practice tools to inform child centred commissioning.

To improve the residential workforce, the RCC is developing a Workforce Academy which will seek to develop new training pathways. It is working closely with its local authorities in the fostering hub to incorporate fostering into the work of the RCC.”

Independent Fostering

74. Middlesbrough Council, together with the 11 other North East Councils (Darlington, Durham, Gateshead, Hartlepool, Newcastle, North Tyneside, Northumberland, Redcar & Cleveland, South Tyneside, Stockton, and Sunderland), is part of the NEPO603 Tyne-Tees Independent Foster Care Services Commissioning Framework which is used to secure places when the internal fostering service is unable to provide a placement match.
75. Referrals are shared with suppliers to secure suitable placements and weekly rates are fixed as part of the procurement.
76. In instances where Middlesbrough Council is unable to secure a placement via this route, it has a number of 'spot contracts' with Independent Fostering Agencies (IFAs).
77. The total number of active external fostering placements as of 6 January 2026 was 144. This equates to 28% of Middlesbrough's total children looked after.
78. As of 6 January 2026, there were 85.42% Framework placements made by Middlesbrough Council and 14.58% spot placements, which is seen as a positive distribution of placements.

Residential

79. Middlesbrough Council has two block contract arrangements - providing residential care that compliments in-house beds availability - providing a total of 12 beds across four homes.
80. The weekly block contract bed rate is very competitive compared to spot contracts and in 2024/25 a cost avoidance of £792,000 was achieved through placements with the block contracts versus spot contract placements.
81. All of the block contract homes are rated by Ofsted as 'good' or 'outstanding' and high occupancy rates were achieved in 2024/25 as follows:-
 - Caretech – (Provides nine beds across three homes) – 94% occupancy.
 - Invested – (Provides three beds in one home) – 99% occupancy.
82. Feedback gathered from children and young people and professionals living/working in the placement settings is positive, including some of the following comments:-

"I want to thank all the staff for everything they have done for me. I really appreciate it, you have all really helped me ..."

“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 its 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.”

“I love the home’s food, the laughter we all have with peers and staff and I love my bedroom ... I feel very supported by the staff in the home and how they supported me through my interviews with the Police.”

“... Overall there is a high standard in terms of the quality of care provided towards the young people that live there and they really make a difference for young people. I find my 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.”

External Residential Children’s Home Placements

83. Middlesbrough currently has a total of 49 children in external registered children’s home placements – the average cost of which is £6,628 per placement per week.
84. Of that number, five children are in specialist solo residential children’s home placements – at an average cost of £16,731 per week, and one child in a secure residential placement – at a cost of £7,794 per week.
85. 49% of external children’s placements are located within the Teesside area. This includes the 12 block contract beds (average cost £4,295 per week) and 12 spot contract external placements within Teesside (four of which are in Middlesbrough) at an average cost of £4,979 per week.
86. The Panel was provided with three case study examples setting out background and challenge, placement team interventions and impact. Significant cost avoidance of between £74,000 and £200,000 was achieved in each case for the current financial year.

Supported Accommodation (16+ with support needs) Sufficiency

87. Middlesbrough Council has its own internal 16+ supported accommodation provision, however, due to the large numbers of young people aged 16 and over with support needs, external market provision has had to be relied on.
88. Officers within the relevant Children’s Services and Commissioning Teams work with a range of stakeholders to commission 16+ spot placements. In 2024 a new opportunity arose to work with a provider to commission a block arrangement. It has allowed the

Council to add 18 units and one crisis pad to its capacity, strengthening the Council's sufficiency position.

89. As of 5 January 2026, there were 25 active spot placements, with 7 of those being in the new block provision.
90. As the year progresses, the Service anticipates a welcome shift from high numbers of spot placements to an increase in the block occupancy rates which will deliver efficiencies through avoiding commissioning of higher rate spot placements.
91. The average block weekly unit rate is **£1,340** compared to the current spot placement weekly average unit rate of **£2,321**. This is an average weekly saving, per unit, of **£981**.

18+ Support

92. In 2025, the Council was approached by a provider who had identified a local building for use as 18+ accommodation. The Council has commissioned 27 beds in this provision which will support its sufficiency strategy and provide a pathway for young people moving into independence.
93. This provision will avoid the need for young people to remain in their placement post 18 and 'bed blocking' which has been challenging for Children's Services in the past. It will also ensure that young people in Middlesbrough are supported to move into independence and give them the confidence to take ownership of their own futures.
94. As of January 2026, the provision had been open for approximately four weeks and had 19 active placements.
95. The young people living there are eligible to claim Housing Benefit and the Council is funding staff within the provision to provide support around wellbeing, employment, training and education to support them to transition into independence.

Next Steps

96. A work plan is in place around commissioning and some of the following priority areas have been identified to improve the Council's sufficiency responsibilities:-
 - Work with care provider who is looking to open three new homes in Middlesbrough to develop a business case for commissioning approach.
 - Work with one of the block providers who is also looking to open further homes to develop a business case and consider procurement options linked to active contract.

- Continue to monitor submission of certificate of lawfulness and C2 planning applications received and, where the provider has not notified the Council, engage with them to influence the development of the right type of homes to meet sufficiency gaps.
- Continue to work collaboratively as part of the North East Strategic Children's Commissioning Group (SCCG), focusing on Regional Care Co-operative (RCC) development and regional sufficiency work.

TERM OF REFERENCE B - To examine how Middlesbrough's use of Out of Area specialist provision compares locally and nationally

SEND - National Context

97. In June 2025, the Department for Education published data on pupils with Special Educational Needs (SEN) in England for the Academic Year 2024/25. (This is the latest available data).
98. Key headlines from the data include:-
- More than 1.7 million pupils in England have SEN needs. This is an increase of 93,700 (5.6%) pupils since 2024. This includes the number of pupils with an education, health and care plan (EHCP) and the number of pupils with SEN support, both of which continue the trend of increases since 2016.
 - The percentage of pupils with an EHCP has increased to 5.3%, from 4.8% in 2024.
 - The percentage of pupils with SEN support (no EHCP) has increased to 14.2%, from 13.6% in 2024.
 - The most common type of need for those with an EHCP is autistic spectrum disorder and for those with SEN support is speech, language and communication needs.

Increased number of pupils with EHCPs/SEND Support

99. It is noted that, nationally, the number of pupils with an EHCP increased by 11.1% between 2024 and 2025 (483,000 pupils). This has doubled since 2016.
100. The number of pupils with SEND support has increased by 3.7% from 2024 to 2025, and by 29.5% since 2016.
101. It is further noted that, since 2016, the total pupil population increased by 5.5%, meaning there are proportionally more pupils with an EHCP or SEND support.

Out of Area Placements in Middlesbrough - SEND/EHCPs

102. In 2022, as part of the Delivering Better Value Programme, analysis of the use of independent out of area specialist provision was undertaken. It was recognised that this was an area for improvement and one where cost mitigation could be realised by way of a different approach.
103. Since 2023, the use of independent specialist provision has reduced with 60 children and young people accessing such provision, as of September 2025.
104. Middlesbrough has the lowest use of Independent Special Schools in the Tees Valley and performs favourably against regional and national benchmarks.
105. Middlesbrough's average usage of Independent Special schools equates to 2.97%. This is below the National average of 4.64% and regional average of 3.28%.
106. In addition, there is reducing reliance on the use of these placements for children with a new EHCP. In Middlesbrough 1.7% of new EHCPs were placed in independent specialist provision which is also below the National average of 2.4% and Regional average of 1.8%.
107. This reduction is as a result of developing local specialist provision to increase sufficiency within the town, alongside strong partnerships with specialist and other education providers who are committed to developing specialist expertise within Middlesbrough to meet the majority of children's needs at a local level.

Social Care - National Context

108. The most recent Government published information (November 2025) shows that the number of children looked after in England, on 31 March 2025, was 81,770. This has reduced by 2% from 2024.
109. The children looked after rate per 10,000 children aged under 18 years is 67 and has reduced from 69 per 10,000 in 2024.
110. The Government also published information on children looked after who were placed outside of their home local authority boundary. The figures relate to the year ending 31 March 2024 with comparisons to the previous year ending 31 March 2023.
111. Key headlines from the data include:-

- Nationally, **45%** of all children looked after were placed outside of their home local authority boundary. This is a slight increase from 44% the previous year. (A gradual increase from 40% in 2015).
- **69%** of all children looked after who were placed outside their home boundary, were placed less than 20 miles from home. This is a slight decrease from 70% the previous year. (A decrease from 76% in 2015).
- **22%** of all children looked after were placed more than 20 miles from home – a slight increase from 21% the previous year.
- Of children looked after placed outside their home local authority boundary, **52%** were in foster care.
- **13%** of children looked after were placed outside their home local authority boundary, outside of their neighbouring local authorities and more than 20 miles from home.

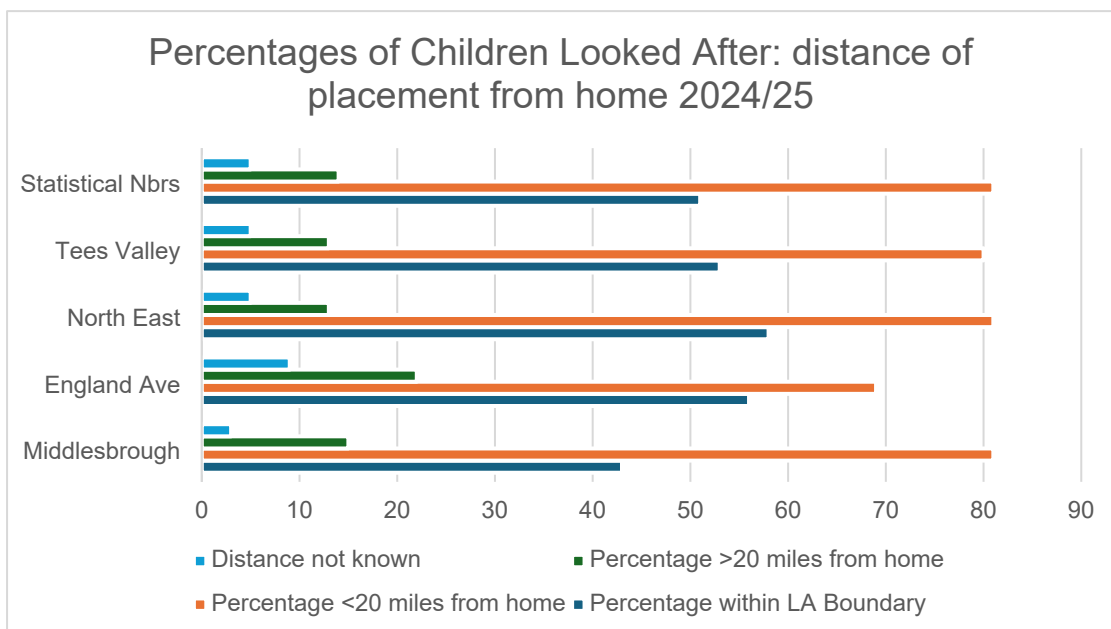
Social Care in Middlesbrough

112. The table below shows the number of children looked after on 31 March in 2023, 2024 and 2025 in England, North East region and in Middlesbrough. It can be seen that numbers in Middlesbrough have decreased, in line with the national and region picture.

			2025	2024	2023
Children looked after on 31 March each year	England	Number of children looked after	81,770	83,530	83,750
		Rate per 10,000 children aged under 18 years	67	69	70
		Population estimate	12,183,016	12,059,476	11,901,267
	North East	Number of children looked after	6,040	6,090	5,970
		Rate per 10,000 children aged under 18 years	111	113	112
		Population estimate	542,710	538,121	531,204
	Middlesbrough	Number of children looked after	493	513	509
		Rate per 10,000 children aged under 18 years	138	146	148
		Population estimate	35,617	35,177	34,384

Out of Area Social Care placements in Middlesbrough

- 113. Comparative data was provided to the Panel in relation to Middlesbrough’s use of out of area placements when compared nationally (England totals), locally – with Tees Valley neighbouring authorities average; North East neighbours totals and statistical neighbours average.
- 114. On a local level, the percentage of Middlesbrough children looked after that are placed more than 20 miles from home is **76**, equating to **15%**. Middlesbrough’s percentage of children in this cohort has remained consistent over the past four years. It is lower than the England average percentage of **22%** and comparable with North East (**13%**), Tees Valley (**13%**) and Statistical Neighbours (**14%**).
- 115. The percentage of children looked after placed within the local authority boundary in Middlesbrough is **43%** (214 children). This is lower than the England average (**56%**) and lower than Statistical Neighbours (**51%**), Tees Valley (**53%**) and North East (**58%**) neighbours.
- 116. In addition, there has been a small increase in the numbers of children whose placement distance from home is not known or recorded (**3%, or 16 children**). In Middlesbrough this figure is below the England average of **9%**; **5%** for both statistical and north east neighbours; and **7%** for the Tees Valley.



Children Looked After with SEND in Middlesbrough

117. In October 2025, information presented to Middlesbrough’s ‘You Matter to Us Corporate Parenting Board’ focused on the proportion of children looked after with SEND. The table below shows that **56%** of the total children looked after cohort have some form of SEND. Of the total cohort, **30%** have a SEND support plan and **26%** have an EHCP.
118. **61%** of the statutory school age (SSA) children looked after population have an identified SEND need, with **34%** having a SEND support plan and **27%** having an EHCP.
119. Of the total children looked after cohort in Middlesbrough, more children have a SEND support plan than an EHCP, however, at post-16 this is reversed with **33%** having an EHCP and **20%** having a SEND support plan.

	Total	Post 16	EYFS	SSA
CLA Cohort	486	84	35	367
All SEND	273 (56%)	45 (53%)	5 (14%)	223 (61%)
Send support	148 (30%)	17 (20%)	5 (14%)	126 (34%)
EHCP	125 (26%)	28 (33%)	0	97 (27%)

120. When compared with national averages, Middlesbrough has fewer looked after children with a diagnosed SEND need.
121. The number of children looked after with an EHCP national average is **54%**. This figure is significantly lower in Middlesbrough at **27%**. **62%** of those EHCPs are in respect of social, emotional and mental health difficulties.
122. The table below shows the proportion of male and female children looked after with SEND, from Reception to Year 11, and whether their education placement is within Middlesbrough or outside of the Middlesbrough boundary.
123. It can be seen that, more children attend school within Middlesbrough (total 56%) than out of area (44%), however, the data shows that in Years 3, 8, 10 and 11 more children attend education settings outside of the Middlesbrough boundary (see table below).

NCY	Total	Male/Female		In Borough/ Out Borough	
		Male (M)	Female (F)	IB	OB
R	2	2	0	2	0
1	7	4	3	4	3
2	2	0	2	2	0
3	4	4	0	1	3
4	3	2	1	2	1
5	2	2	0	1	1
6	6	3	3	4	2
7	8	6	2	6	2
8	4	3	1	1	3
9	15	9	6	12	3
10	20	11	9	8	12
11	26	17	9	12	13
Total	99	63	36	55	43
%		63%	37%	56%	44%

TERM OF REFERENCE C - To consider current workforce development strategies and assess their impact on Out of Area specialist provision in both education and social care settings.

Workforce Development in SEND

124. The Council’s SEND Team works with children and young people aged 0-25 and their families, as a single point of contact, to: raise aspirations of those with SEND; administer the EHCP assessment and annual review process; provide additional funding to schools to support pupils with SEN support plans; manage and promote the Local Offer website.
125. The Local Offer website provides a vast range of information in relation to education, health and social care services, leisure activities, money and benefits advice, etc, for children and young people with SEND, their families and carers and professionals.
126. A booklet has also been developed with the Parent/Carer Forum to signpost parents to locally available training, support and development opportunities.
127. In 2018, Middlesbrough introduced its SEND and Disability Strategy (later updated 2021-2024) to support children and young people aged 0-25 with special education needs and/or disabilities. The Strategy is currently being updated.

128. One key, long-term focus of the improvement work for SEND and Inclusion is workforce development, covering all aspects of SEND and Inclusion across education, health and care services along with schools and settings.
129. A workforce development offer was introduced, as one of the priorities identified by the Workforce Development Strategic Group, which includes learning, core learning and developmental learning for internal staff and wider teams across the Council, schools and support to parents and carers.
130. In 2023, Middlesbrough Council received a **£1.045 million** grant from the Department for Education (DfE) for the roll out of the Delivering Better Value in SEND Programme.
131. The Delivering Better Value in SEND Programme was commissioned by the DfE and invited 55 local authority areas in England to participate voluntarily on the basis of facing significant pressures on their High Needs Budget* in the delivery of SEND services in their local area. The programme aims to support local authorities and their partners to improve delivery of SEND services for children and young people whilst working towards financial sustainability. (Further information on the programme can be found here: [Delivering Better Value in SEND Programme](#))
132. *High Needs Funding is provided to local authorities through the high needs block of the dedicated schools grant (DSG), enabling them to meet their statutory duties under the Children and Families Act 2014 and the Education Act 1996. Local authorities must spend that funding in line with the associated [DSG: conditions of grant](#) and [The School and Early Years Finance \(England\) Regulations](#).

High Needs Funding supports:-

- Provision for children and young people with SEND who require additional resources to participate in education and learning, mainly in schools and colleges, from their early years to age 25 (excluding young people aged 19 to 25 who do not have an education, health and care plan (EHCP)).
 - Children up to age 16 in alternative provision (AP) who, because of exclusion, illness, or other reasons, cannot receive their education in mainstream or special schools.
133. As part of the Delivering Better in SEND Programme in Middlesbrough, workforce development was identified as an opportune area of work. There is a focus on staff training and development to improve workforce skills and knowledge to positively impact outcomes for children and young people and to contribute to longer term financial sustainability.

134. As part of the programme, the following actions were identified:-

- Developing a local area graduated response – achieved through training and workshops to build skills and knowledge of staff and external stakeholders.
- Training, mentoring and networking opportunities for school SENCOs (Special Educational Needs/Disabilities Co-ordinators).
- Conferences and learning activities/events across the local area.
- Employing a Family Liaison Officer to support parent partnerships.
- Development of a SENCO handbook.
- Transitions.

Workforce Development – Achievements

Training and mentoring opportunities for school SENDCOs

135. A dedicated, five day SENDCO development programme was delivered between March and July 2024 (with more than 60 staff attending each of the five sessions), delivered by local and national experts, focussing on upskilling staff in the following areas:-

- The SEND graduated response
- SEND leadership
- Multi-agency working
- Transitions
- SEMH (social, emotional and mental health difficulties)

136. In addition, Whole Education* – a network of leaders across Multi-Academy Trusts, local authorities and schools – delivered a bespoke ‘SEND School Improvement Programme’ in which a total of 24 schools in Middlesbrough participated.

137. *‘Whole Education’ works with local authorities to strengthen partnerships with schools, align strategic priorities and deploy resources more effectively, ensuring that SEND provision is consistent and impactful across the locality.

138. Whole Education’s Local Authority SEND School Improvement Programme helps local authorities maximise existing expertise within the local education system and by fostering peer networks and structured collaboration, the programme enables local authorities to nurture leadership potential and share best practice across schools, improving outcomes for children with SEND.

139. The Council's training delivery partner, Tees Valley Education, facilitates the local SEND Network and provides mentoring, training and development opportunities for SENCOs and other key staff across Middlesbrough.

Ordinarily Available Inclusive Provision (OAIP)

140. Middlesbrough's 'Ordinarily Available Inclusive Provision' document (OAIP) sets out, as required by the SEND Code of Practice (2015), a description of the special education provision it expects to be available in the area. It is a guidance document that refers to the support that all Middlesbrough schools, early years, and post 16 settings should be able to provide for children/young people, including those with SEND, from within their own resources.

SEND Ranges Document

141. In Autumn 2025, Middlesbrough Council launched its 'SEND Ranges' document. The document is the Local Area's response to meeting the SEND Code of Practice (2015), Graduated Approach, the DfE SEND Improvement Plan (launched 2 March 2023) and the Government's current Inclusion Agenda (2025) supported by the SEND Change Programme.
142. The document builds on best practice nationally to shape the Graduated Approach in all settings for ages 0-25 and provides a framework for staff and families. It sits alongside other local authority documents 'Ordinarily Available Inclusive Provision', 'SENDCo Handbook' and 'Supporting Transition Year 6-7 in Middlesbrough'.
143. The document was co-produced by a group of seconded SENDCOs, in collaboration with professional partners across Education, Social Care and Health, and in consultation with families and young people.
144. The aim of the document is to provide clarity in relation to identifying the level of need and support children and young people require and to ensure a greater consistency of approach across all settings in Middlesbrough – Early Years, Primary, Secondary, and Post-16.

SEND Learning Hub

145. An online portal has been developed for use by practitioners and families to access bitesize learning at their own pace. This continues to be developed.

SEND and Inclusion Conferences

146. Annual local area conferences highlighting SEND topics of local importance have been held, inviting specialists and speakers to share skills, knowledge and experience. Key partners include Ivison Trust, The Difference and SHiFT - each spotlighting topics such as being the parent of an exploited child; exclusions and national provision; and how to build relationships and work with children to impact their outcomes.

Workforce Development – Local Area Priorities

147. In addition to the ‘Delivering Better Value Programme’, there are a number of key, local area priorities where significant activity has been undertaken:-

Early Years

148. A scoping exercise was undertaken with early years providers and multi-agency colleagues to identify training needs and training already available to identify how to best support providers.
149. The scoping exercise found that a challenge for staff working in early years settings is having the time to attend training. As a result, a restructure of the Cleveland Unit Nursery was undertaken to introduce an assessment approach with opportunities for outreach and training with the specialist team. The Specialist Team delivered 87 hours of outreach in September 2025. A new portage offer for families of children with complex needs was also introduced through a parent-led approach.
150. Supported by the Department for Education (DfE), Middlesbrough continues to work with ‘Dingley’s Promise’* to offer up to 100 free funded training places for early years staff with focus on speech and language development, emotional needs and toilet training to promote school readiness.
151. *Dingley’s Promise is the largest specialist provider of nursery education to children under five with SEND in England. They are also a leading training provider in early years inclusive practice, committed to creating a more inclusive early years sector offering the best start in life for every child.
152. Opportunities for family learning and support are integrated into the offer with, Early Years, family hubs and the Education Alliance Board.

Outreach and Inclusion

153. In 2021, the Outreach and Inclusion Service was developed within the Council, following feedback from schools. It provides support with early assessment, identification and preventative approaches to support children with SEND and those at risk of exclusion. The Service also offers training, outreach, advice and guidance.
154. The model works closely with the Designated Clinical Officer and Designated Social Care Officer to provide training, support and guidance on their health and care specialisms. There is also a training offer from specialist and therapy services (eg speech and language, occupational therapy, epilepsy).

School Based Learning

155. Schools make a significant contribution to workforce development activity by investing in supporting their own staff to complete relevant SEND training, including: Team Teach, Relationship based and restorative approaches, Attention Autism training.
156. Many schools share their skills and knowledge across the partnership through training, outreach and workshops (examples include Green Lane and Beverley Park).

PROCLAIM Partnership

157. The PROCLAIM (Providing Rich Opportunities for Children who are Looked After in Middlesbrough) model is designed to improve practice in schools and support them to become 'attachment aware and trauma-informed' (AATI) in their approach. As of October 2025, **23** schools in Middlesbrough were designated PROCLAIM schools.
158. The Council's Inclusion and Specialist Support service is also part of this programme, with an AATI workforce.

Preparation for Adulthood

159. Support for young people to prepare for adulthood focuses on person-centred planning for transitions into independent living, employment/higher education, good health and community inclusion across the local area, with the aim of achieving quality outcomes for young people.
160. Supported internships were introduced to provide greater focus on preparing young people with SEND with the skills needed for adulthood and employment. They are

structured study programmes for young people aged 16-24 with an EHCP to gain experience within a supported environment and are primarily based on site with an employer.

161. Middlesbrough Council collaborates with Supported Internship providers to implement the Supported Internship Quality Assurance Framework and also supports further education and supported internship providers to participate in specialist training around job coaching, and systematic instruction to support employment outcomes.

Development Opportunities for Local Authority SEND and Inclusion Staff

162. Staff have been supported to complete legal training, SEN Case Officer qualifications, apprenticeship opportunities, attend National Development Team for Inclusion Leadership Development Programmes, webinars, conferences and learning activities (both as participants and speakers) to maintain knowledge in the local area.

Future Workforce

163. Work has been undertaken in partnership with Teesside University and Middlesbrough College to consider how local area specialisms can be integrated into teacher training or training for the children's workforce. This includes developing programme content and taking on the role of guest speaker as part of the learning programmes.

Impact on practice and staff development

164. In general terms, staff feel there has been a positive impact, good professional development and training opportunities bringing SEND more to the forefront in schools with improved target setting, improvements in raising the profile of SEND in schools and outcomes for children.
165. The measurable impact includes:-
- Needs assessments for children completed in a timely way – 98% completion for 20-week process – compared with 45.9% nationally. This means that the number of children in mainstream and specialist provision is now more in line with national levels.
 - The local area graduated response is stronger – there was a 16.6% decrease in the rate of referrals in Middlesbrough in 2024 compared to the previous year.

- Primary school and special school suspensions are below the national and regional averages.
- Fewer days are lost to suspensions locally.
- Greater focus on relationships, resolution and legal compliance have resulted in tribunal rates remaining below national averages.
- Growing numbers of young people are gaining skills for employment and there are consistent numbers of young people participating in supported internships.
- The number of children in 'Out of Area' placements is lower than national levels – this is supported by developing specialisms locally and an improved graduated response.
- The number of children permanently excluded reduced for the current year, and for the third consecutive year.

Next Steps

166. On 23 February 2026, the Government published its school's white paper "Every Child Achieving and Thriving" , setting out proposals to reform the SEND system in England. Alongside the white paper, a 12-week consultation on the SEND proposals "SEND reform: putting children and young people first" was also published. The consultation gives families, professionals and charities the opportunity to respond, and closes on 18 May 2026. The proposed SEND reforms would require legislative change and it is expected that this will not come into effect until late 2029. Until then, the current system will remain in place.
167. The key proposals in respect of SEND reforms include:-
- Shifting the emphasis of SEND support towards greater inclusion in mainstream settings.
 - Introducing a new, tiered approach to support: universal, targeted, targeted plus, and specialist.
 - Ensuring all schools and other educational settings create digital individual support plans for any child/young person with identified SEND.
 - Increasing specialist support for schools.
 - Changing the law on independent special schools to ensure that local authorities pay a reasonable price for placements.
168. The above-mentioned reforms will influence the Council's approach to workforce development and the new SEND and Inclusion Strategy 2026-2030.
169. A number of key areas have been identified for development during the period of the strategy, including:-

- Building networks for good practice sharing, learning and collaboration across all stakeholders.
- Bringing together specialist and mainstream providers to share knowledge and build resilience.
- Focus on educating the whole local area partnership 0-25, including working with local settings, parents and young people to identify priorities for training activities in line with local needs.
- Invite national experts and sector specialist to Middlesbrough to inspire change, support inclusive capacity and share knowledge.
- Co-produce, with families, a programme of training and learning for families.
- Continue to develop Early Year and Post-16 workforce development.

Workforce Development – Social Care

170. The Panel heard that the Service is in the process of updating the Workforce Development Strategy across all of Children’s Social Care. Teams are working with partners to develop the workforce development strategy by strengthening good practice and establishing networks to support practice sharing and to improve placement decision-making.
171. Weekly placement meetings have replaced the previous system that was in place, allowing wider colleagues to contribute to decisions on child placements, including duration, following issues with open-ended arrangements, and ensuring decisions are child-centred.
172. Work is 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 supporting the transition into adulthood. A range of responsibilities and factors, therefore, need review to ensure the workforce is fully equipped. This work is ongoing and expected to be available later in the year.
173. It is worth noting that progress has 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.
174. Early Help is currently very stable with minimal agency use. However, three areas within Children’s Social Care continue to face challenges. These are Corporate Parenting and Fostering, Safeguarding, and the MACH (Multi Agency Children’s Hub) (the ‘Front Door’ of the Service).

175. Work is ongoing to engage agency staff directly to make the permanent offer more attractive, with a stronger focus on training and development. This also links into the wider regional work under the Memorandum of Understanding.
176. The Panel heard that it is intended to progress 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.

TERM OF REFERENCE D - To consider best practice and procedures regarding Out of Area specialist provision for both education and complex needs social care elements

177. Evidence presented to the Children's Scrutiny Panel indicates that Middlesbrough Council demonstrates a number of established areas of effective good practice in relation to SEND and out of area specialist provision across both education and children's social care.

Out of Area specialist/SEND provision

178. Best practice for SEND provision in England focuses on early identification, co-production with families and a graduated response approach ('Assess, Plan, Do Review'). There is also emphasis on inclusive, high-quality teaching in mainstream schools, reinforced by SEND support and national standards.
179. Measures for reducing the use out of area SEND provision include strengthening local capacity, establishing robust multi-agency working and tracking placement outcomes.
180. Key principles of best practice include:-
- Early identification and intervention - Identification of additional support needs as early as possible can prevent the need for more complex interventions later on and utilising SEND support in mainstream schools.
 - The graduated approach – Assess, Plan, Do, Review - ensures support is continually reviewed and tailored to meeting the evolving needs of the child.
 - Co-production - Actively involving the child, where possible, and their parents/carers (co-production) in decision-making and planning to ensure their voices are central to support plans and EHCPs.
 - Inclusive practice – Provision of high-quality teaching in mainstream settings whilst making adjustments to remove barriers to learning for all children.

- Integrated services – Delivering a holistic approach through collaboration across education, health and social care, reducing the burden on parents to navigate the system.

181. Practice and procedures in Middlesbrough reflect the key principles of best practice and demonstrate measurable outcomes.

Social Care

182. In relation to children's social care, evidence presented to the Panel highlights a structured and proactive approach to the commissioning and management of external and out of area placements for children with complex needs.

183. Out of area placements are used, where necessary, after suitable internal placement options have been exhausted, particularly for children and young people with complex needs, or where there are security concerns or gaps in local provision. Decisions regarding out of area placements are made in accordance with statutory duties and are supported by multi-agency working and collective decision-making across Children's Services.

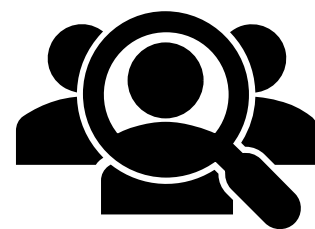
184. One element of best practice to reduce out of area placements for children with complex needs is a focus on regional collaboration and data-driven sufficiency planning through the establishment of Regional Care Co-operatives (RCCs) to manage regional placement sufficiency. RCCs also have the potential to improve foster carer recruitment and retention, operate children's homes and influence negotiations with care providers.

185. Other areas of identified best practice include:-

- Data analysis to project future demand which can be shared across partners.
- Implementing strengths-based approaches to understand the cost and types of care required for children with complex needs with a child-centred focus.
- Investment in edge of care services with stronger support for families to prevent breakdown of care arrangements.

186. Current practice in Middlesbrough largely reflects the key principles of best practice.

CONCLUSIONS



187. The Children's Scrutiny Panel developed the following conclusions following the evidence gathering process.

SEND and Inclusion – Education

188. A) The Panel acknowledges that out of area placements for children with SEND are sometimes necessary, for example, when there are gaps in local provision, the child's needs can only be met through specialist expertise/therapies that cannot be met from within Middlesbrough's resources or for consistency or parental preference. In such cases, the Panel is satisfied that there are sound processes and procedures in place with regard to the commissioning of external provision, together with strong quality assurance (QA) processes to ensure providers meet required standards, including regulatory oversight from Ofsted and the CQC, where appropriate.
189. B) The Panel notes the significant variation in cost between local and independent provision which contributes to ongoing pressures on the High Needs Budget and the Council's financial resources, but recognises the positive efforts made to reduce the use of out of area provision which have been achieved by building strong, collaborative relationships with education and specialist providers to develop specialist expertise to increase capacity in Middlesbrough to better meet demand needs locally.
190. C) In addition, the Panel welcomes the news regarding secured funding to build a new secondary school in Middlesbrough for children with SEND which will continue to expand specialist provision for Middlesbrough children.
191. D) The Panel notes that Middlesbrough has the lowest use of independent special schools within the Tees Valley (approximately 2.9%), compared to the national average of 4.64% demonstrating the impact of investment in local capacity and inclusive practice.
192. E) The Panel received evidence of a well-developed and embedded workforce development approach, having regard to the SEND Code of Practice 2025. This is recognised as a key driver in reducing reliance on specialist and out of area placements. This approach is underpinned by a long-term strategic focus on workforce development across education, health and care services, supported by a structured training offer for internal staff, schools, settings and families.

193. F) Workforce development in Middlesbrough includes:-

- A comprehensive SENDCo development programme, with mentoring and networking opportunities, and has seen strong attendance across the local area.
- Multi-agency training and collaboration across education, health and social care partners.
- Annual conferences and knowledge-sharing events with local, regional and national expertise.
- Development of accessible learning resources, including a SEND Learning Hub.
- Strong focus on early intervention through a clearly defined local area graduated response.

194. G) Areas of best practice within the SEND Workforce Development include the implementation of the Ordinarily Available Inclusive Provision (OAIP) and SEND Ranges framework, which provide clarity and consistency regarding the level of support expected across all settings. These frameworks, co-developed with practitioners and partners, ensure that needs are identified earlier and met more effectively within mainstream provision, thereby reducing escalation to specialist placements.

195. H) In addition to a strong workforce development ethos, there is also a strong quality assurance (QA) process for SEND and Inclusion which drives the learning cycle within workforce development. The QA process includes learning from peer reviews, reviews of Education Health and Care Plans (EHCP), case audits and learning visits to providers with identified themes feeding directly into the workforce development strategies.

196. I) As a result of the approaches being taken within the SEND and Inclusion Service, the Panel considers there is evidence of a measurable impact, including:

- High rates of timely statutory assessments, with 98% of EHCP's completed within the 20-week statutory timescale, significantly above the national average.
- A strengthened graduated response, evidenced by a reduction in referral rates.
- Lower levels of suspensions and exclusions compared to national and regional averages.
- Tribunal rates remaining below national averages.
- A lower proportion of Middlesbrough children requiring independent specialist provision when compared with regional and national averages.

197. J) The Panel is aware of the Government's recently published white paper "Every Child Achieving and Thriving", setting out proposals to reform the SEND system in England and the concurrent consultation on the SEND proposals "SEND reform: putting children and young people first", and acknowledges that this will inevitably influence the Council's approach to workforce development and the new SEND and Inclusion Strategy 2026-2030, currently under development.
198. K) Overall, the Panel considers Middlesbrough Council's SEND and Inclusion model reflects best practice through its emphasis on early identification, inclusive provision, workforce capability and system-wide collaboration, all of which contribute to reducing reliance on external specialist provision.

Social Care

199. As of January 2026, approximately 29% of Middlesbrough's children looked after were in external fostering placements and approximately 9% of children looked after were placed in external residential placements, highlighting the continued demand for external provision and the importance of effective placement management.
200. M) The Panel recognises that some level of external social care provision will always be required but notes that the overall costs associated with external children's residential placements are significant. Whilst the external market is currently challenging, Officers have made significant efforts to build strong working relationships with providers and are actively negotiating and challenging costs and retainer fees to secure the best value for money.
201. N) The Panel is encouraged by the work being undertaken in relation to 16+ supported accommodation and welcomes the shift from high numbers of 'spot placements' to an increase in the block occupancy rates which will deliver efficiencies. Similarly with 18+ support, the Panel welcomes the increase in expanding its local provision to provide a pathway for young people leaving care and moving to independence, whilst supporting the Children's Services sufficiency strategy.
202. O) The Panel identified several best practice measures in Middlesbrough in relation to out of area social care placements for those with complex needs, which include:
- Use of regional commissioning frameworks (such as NEPO603, with approximately 85% of fostering placements secured through framework arrangements), supporting consistency and cost control.
 - Block contract arrangements for residential provision, delivering 12 beds with high occupancy rates (94% - 99%) and achieving cost avoidance of approximately £792,000 compared to spot purchasing.

- Active placement monitoring and review, including negotiations with providers to reduce costs and support step-down arrangements.
- Ongoing sufficiency planning to increase local provision and reduce reliance on external placements.

203. P) Evidence presented to the Panel demonstrates that proactive placement management has resulted in improved outcomes for children and significant cost avoidance. Case study evidence highlighted successful transitions from high-cost placements (in excess of £7,000 per week) to more appropriate fostering or supported accommodation placements, delivering substantial financial savings and improved stability for children and young people.

204. Q) Approximately half of external residential placements are located within the Teesside area, indicating efforts to place children closer to home where possible, although overall in-area placement levels remain below comparator averages.

Areas for Further Development

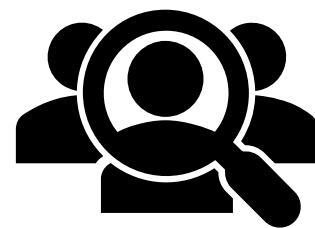
205. R) Whilst strong practice is evident, particularly within SEND and Inclusion, the Panel notes that workforce development in children's social care is less developed in comparison. There is an opportunity to build on the successful SEND model by introducing a more structured and consistent workforce development approach across Children's Social Care.

206. S) The recruitment, retention and training of foster carers was also identified as a key area for further development. Increasing the availability of in-house foster carers, alongside enhanced training and support - developed to meet identified gaps in provision - would strengthen local sufficiency, reduce reliance on independent fostering agencies and support more children to remain within, or closer to, their local community.

207. T) In addition, continued investment in local provision including residential and supported accommodation, and strengthened regional collaboration, working towards a Regional Care Co-operative to manage regional sufficiency, will be essential to further reduce reliance on out of area placements and to meet the Council's sufficiency duty.

208. U) Overall, the Panel concludes that Middlesbrough Council is delivering effective and improving outcomes in SEND and Inclusion, underpinned by a clear strategic approach to reducing reliance on out of area education placements. Notwithstanding this progress, Children's Social Care continues to face structural challenges, particularly in relation to local sufficiency and cost pressures, which will require coordinated strategic action and continued investment.

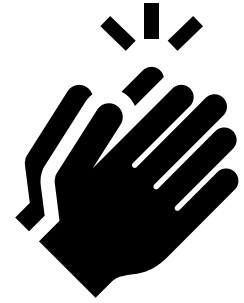
RECOMMENDATIONS



209. Based on the findings of the scrutiny review, the Children's Scrutiny Panel recommends the following to the Executive:

- A) That the Panel be provided with regular updates (every six months) on Children's Residential Placements using key performance indicators to benchmark and monitor improvements in reducing the use of out of area provision – including distance of placement from home, length of time in placement, cost of placement and the long-term solution plans together with targets to achieve this.
- B) That the revised SEND and Inclusion Strategy 2026-2030, which should align with the Government's SEND reforms, be presented to a future meeting of the Children's Scrutiny Panel, within the 2026/27 Municipal Year, setting out how this will impact on Middlesbrough.
- C) That Children's Services introduces a structured Workforce Development Programme across Children's Social Care Teams, aligned to the SEND and inclusion model, and that this be presented to a future meeting of the Children's Scrutiny Panel within the 2026/27 Municipal Year.
- D) That the Panel be provided with an update, within the next six months, on the Regional Care Co-operative pilots, setting out how this will shape Middlesbrough's transitional arrangements to a Regional Care Co-operative.
- E) That, in the shorter term, Children's Services continue to develop a regionalised approach, working with relevant partners in the region, to attract new foster carers and enhance training opportunities for new and current carers to improve local sufficiency, and that the Children's Scrutiny Panel be provided with an update on activity within the next six months.

ACKNOWLEDGEMENTS



210. The Children’s Scrutiny Panel would like to thank the following for their assistance with its work:

Annabel Bates	Corporate Director of Children’s Services
Caroline Cannon	Interim Director for Education and Partnerships
Emma Cowley	Interim Strategic Lead for Inclusion and Specialist Support Services
Claire Walker	Specialist Commissioning Manager
Dawn Aleszewski	Former Director of Children’s Services

BACKGROUND



211. The following sources were consulted or referred to in preparing this report:

- ✓ Reports to, and minutes of, the Children’s Scrutiny Panel meetings: 15 September, 27 October, 8 December 2025, 26 January and 9 March 2026.
- ✓ Legislation.gov.uk – Children’s Act 1989, S. 22G.
- ✓ Executive Member for Children’s Services report to Council 14/01/26.
- ✓ Foster with North East – www.fosterwithnortheast.org.uk
- ✓ Gov.uk – Regional Care Co-operatives Pathfinder Areas/Policy Statement.
- ✓ DfE – Special Educational Needs in England (Academic Year 2024/25).
- ✓ Gov.UK – Children looked after in England including adoption, Reporting year 2025.
- ✓ Gov.UK - Children looked after: A focus on placement location, Reporting year 2024.
- ✓ Delivering Better Value in SEND Programme – www.dvbinsend.com.
- ✓ House of Commons Library – The schools white paper 2026: SEND Reform – 04/03/26.
- ✓ DSG: conditions of grant and The School and Early Years Finance (England) Regulations.
- ✓ Wholeeducation.org.
- ✓ Lifelites.org - Dingley’s Promise.

**COUNCILLOR E CLYNCH
CHAIR, CHILDREN’S SCRUTINY PANEL**

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