South West Regional Sufficiency Strategy

November 2025

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South West Regional Sufficiency Strategy

1. Purpose and scope

This Strategy aims to improve the sufficiency of homes for children in care in the South West of England by:

- providing an up-to-date picture of demand and supply to inform the decisions of both commissioners and providers of care;
- identifying the challenges to ensuring sufficient homes of good quality in the right locations to meet the range of needs; and
- suggesting ways these challenges can be addressed on a local, sub regional and regional level.

The Strategy builds on the South West market position statement for Fostering, Children's Residential Care, and Independent Special Schools, published in June 2022. It covers the whole of the South West of England, comprising 15 councils with social care responsibilities, and all types of provision for children in care except residential schools. The Strategy complements, but does not replace, the sufficiency strategies produced by each local authority by providing a regional view and identifying issues which can best be dealt with collectively.

The Strategy has been developed by the Institute of Public Care at Oxford Brookes University for the South West Sufficiency Project, a partnership between all the councils with social care responsibilities in the region, supported by Department for Education (DfE) funding. The South West Sufficiency Project is hosted by South Gloucestershire Council, and overseen by a regional Project Board.

2. Language

The document aims to be accessible, but it is aimed at a specialist audience of providers and commissioners. Where possible, terminology which children have frequently said they prefer, such as 'homes' or 'provision' rather than 'placement', 'asylum seeking children' rather than 'UASC', and 'children in care' rather than 'looked after children' or 'CLA' have been used.

Children and their families are understandably uncomfortable with the language of markets and commissioning. Adults who care for children or commission services should never make children feel like commodities, but at the same time, they need to recognise the complex landscape of public, private and not for profit provision, through which care is delivered, and ensure that the commercial aspects of relationships are well managed, to support achievement of the best possible outcomes for children.

3. Sources of data

A wide range of data and softer intelligence has been used to develop this strategy. This includes:

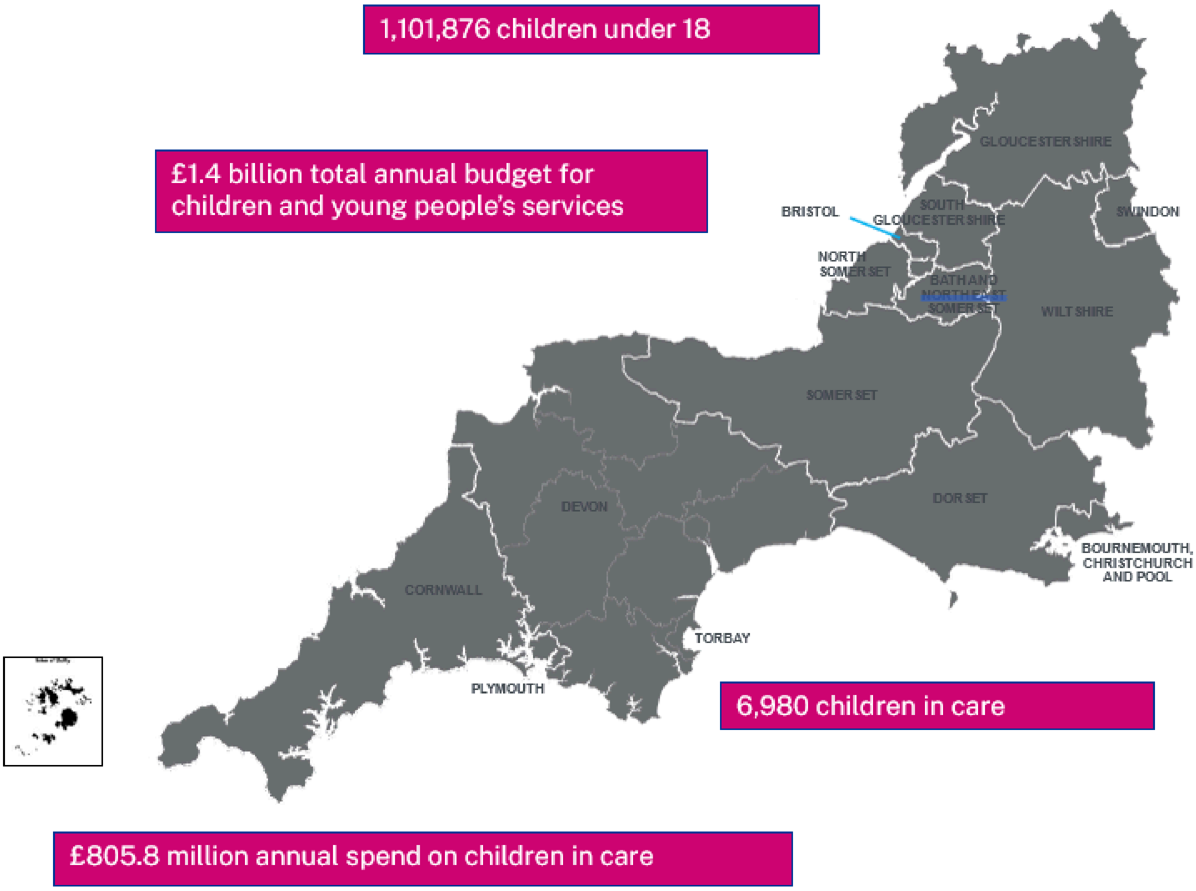
- Published national data including children looked after statistics, fostering statistics, Ofsted provider data and local authority revenue outturn data.
- Previously unpublished data provided by the Department for Education (DFE) and Ofsted.
- National and local reports capturing the voices of children and care experienced adults.
- A bespoke data collection completed by all 15 councils in the region.
- A survey of placement teams with responses from 12 councils.
- A workshop for commissioners across the region to explore challenges and solutions in depth.
- Local sufficiency strategies.
- The views of providers, captured through the South West Responsible Individual network, hosted by dialogue and published sources.
- Anonymised data on children subject to Deprivation of Liberty Orders (DOLs) collected by the South West Sufficiency project.
- Research, national reviews and policy papers.

Taken together, this provides a robust evidence base to inform the plans of both commissioners and providers. In reviewing the mass of facts and figures we should avoid losing sight of the individual children, each with their own unique lived experience, personality and hopes for the future, who lie behind every statistic.

> *Getting through the system was tough, but for me, it made me more determined to be someone and not a statistic or a stigma.*
>
> *Mark Riddell MBE National Implementation Adviser for Care Leavers at the Department for Education.*

4. The region

The South West is a large and diverse region, running from Gloucestershire to the Isles of Scilly, comprising towns and cities, large rural areas and many coastal communities.



There are almost 7,000 children in the care of South West local authorities. They comprise just 0.6% of the total population under 18 but account for 57% of children's social care expenditure. (This figure comes from the DfE's Local Authority Interactive Tool - total looked-after children finance gross, 2023/24 – and includes overheads such as fostering teams.)

Although the Isles of Scilly has responsibility for children's services it does not currently have any children in its care. Therefore, it does not feature in the charts comparing local authorities which follow in sections 7-8 of this Strategy.

5. Children's voices

A great deal is now known about what care experienced children think about their lives, and what they want to improve. All the local authorities in the region have established mechanisms for engaging with care experienced children and young people including children in care councils, advocacy services and annual surveys, and most have involved children in co-producing pledges, designing new homes, monitoring services or recruiting staff. There is also a large body of national research to draw on, including the reports of the Children's Commissioner, research done for the Independent Review of Children's Social Care, the Bright Spots research by Coram Voice and the Rees Centre at the University of Oxford, and research on young people subject to Deprivation of Liberty Orders by the Nuffield Family Justice Observatory.

The Bright Spots surveys, which many authorities in the region conduct each year, have highlighted that many children have a very positive care experience and that, for many, their overall wellbeing is comparable or better than the general population. For example, 37% of children in care aged 11 to 15 report 'very high' life satisfaction compared to 30% of the general population aged 10 to 15 years[1].

> *I actually feel so safe now and that means I don't get hit by mum or dad and don't have to hear them swear and hear them arguing. My foster parents are so kind, loving, and so funny! 8-10yrs*
>
> *I think the residential home I am in at the moment is absolutely brilliant. The staff are supportive, and it is the right place for me. I think there should be more places like this to help young people in my situation. 11-18yrs*
>
> *Bright Spots 10,000 Voices*

However, for some children, especially adolescents and care leavers, life is much more difficult: 16% of young people in care aged 11 to 17 reported low life satisfaction compared to 9% of the general population aged 10 to 17 years.

> *I have no control over my life. Social workers determine what's going to happen in my life and when. Since I came into care, I have had no control over any aspects of my life. Social services control where I live, what I do and how I do it. I hate living in care. 11-18yrs*
>
> *Bright Spots 10,000 Voices*

There are consistent messages from both local and national engagement.

- Stability is vital, not just in terms of where children live, but relationships with social workers, carers and trusted adults:

> *"I have been placed far from my family and I feel once you're in the care system they aren't there to help the families and keep them together. For 3 years I spoke to hardly no one because I knew no one as I was being moved constantly."*
>
> *Research by Somerset Council and Nuffield Family Justice Observatory*

> *"I feel like a parcel getting moved around all the time, getting opened up and sent back and moved on to somewhere else."-Teenage girl, in care over 100 miles from home*
>
> *Children's Commissioner, Pass the Parcel Children Posted Around the Care System*

1 10,000 Voices, Key findings and recommendations, Rees Centre University of Oxford and Coram Voice, 2022

> *"I don't think I was encouraged to have trusted relationships. I think I was encouraged to notice and keep in mind that social workers leave, staff are hard to retain and to not get too comfortable and almost treated as if I should be thankful that I have somewhere in the first place, but not to get again too comfortable."*
>
> *Research by Somerset Council and Nuffield Family Justice Observatory*

- Children would prefer to stay in their home area, close to their family, friends and school:

> *Children have told us that they want to be placed near family, friends and school. We want children to live locally as we know this is better for their long term outcomes and enduring relationships with family.*
>
> *Bristol Sufficiency Strategy*

> *Young people have told us that finding suitable accommodation in Devon is a real challenge and is their top priority*
>
> *Devon Sufficiency Strategy*

- Children often experience stigma and discrimination, and dislike the labels and acronyms applied to them:

> *"I want to be treated like other people. Not having social workers go to your school. Not going to groups at the town hall. I don't want to stand out as being in care. When other people find out they treat you differently"*
>
> *Wiltshire Sufficiency Strategy*

> *[In response to what young people have told us we will] promote a better understanding of the issues experienced by young asylum seekers and change the way we refer to this group of young people from 'unaccompanied asylum-seeking children' (UASC) to 'young asylum seekers'*
>
> *Devon Sufficiency Strategy*

- Children often experience poor communication and are not always told in advance about important changes or moves.

> *"there was a plan that was put in place where my leaving care worker would step back, and I'd have five core people to support me. But I wasn't told this, so I just thought that my leaving care worker ditched me. But if I'd been in that meeting, I would have known that it was decided that it was better that five-core people work with me. I wouldn't have waited a year and a half and then found out the truth."*
>
> *Research by Somerset Council and Nuffield Family Justice Observatory*

> *I just keep being moved around. I have moved I think 7 times in the last 6 months. This makes me confused and scared. It has been dark and scary when I move, and I am told where, as we drive. I never meet the people beforehand and my things take time to catch up with me. 8-10yrs*
>
> *Bright Spots, 10,000 Voices*

These messages are powerful but familiar. The question for all of us is: what are we doing in response?

6. Policy context

In recent years concern has grown nationally about the pressure on the care system. This has manifested in growing numbers of children in care, increased use of costly, distant, and sometimes unregulated provision, rising numbers of children subject to Deprivation of Liberty Orders (DOLS), and overspent budgets.

These concerns have led to a series of reviews and proposals, but, despite the scale and the urgency of the problems, progress in addressing the issues highlighted at a national level has been slow.

In June 2021 the Independent Review of Children's Social Care described the care market as 'broken':

> *The 'market for care' and local authority commissioning and matching are not working. While local authorities have a duty to ensure there is sufficient provision in their area to meet the needs of the children in their care, it is increasingly the case that they are operating in a national market where providers are able to set the terms of engagement*[2]*.*

2 The independent review of children's social care, The Case for Change page 59.

In parallel, the Competition and Markets Authority (CMA) conducted a market study which found that:

> *The largest private providers of placements are making materially higher profits, and charging materially higher prices, than we would expect if this market were functioning effectively[3].*

The CMA suggested that one of the key issues was that individual local authorities lacked the scale and expertise to shape the market, and recommended that:

> *The UK Government should support the increase in wider-than-local activity by funding collective bodies to trial different market shaping and procurement techniques and improving understanding of what market shaping and procurement models work well[4].*

Informed by the CMA study, the final report of the Independent Review of Children's Social Care recommended the establishment of Regional Care Co-operatives to take on the strategic commissioning functions of local authorities in relation to children in care. The then Government's response to these reviews, Homes built on love, was published in February 2023. It accepted most of the Independent Review of Social Care's recommendations, including Regional Care Co-operatives, but adopted a gradual approach to implementation via a series of pilots, and allocated much less money than recommended – an initial £200 million against £2.6 billion over 4 years called for by the Independent Review. Pilots of Regional Care Co-operatives are currently underway in two areas: Greater Manchester and the South East of England.

3 Competition and Markets Authority (CMA), Children's social care market study Final report, page 5
4 CMA, as above page 124

The legislative framework for Regional Care Co-operatives is included in The Children, Wellbeing and Schools Bill[5], currently going through parliament. This includes powers for the Secretary of State to direct local authorities to enter into 'Regional Co-operation Arrangements' to undertake their 'strategic accommodation functions'. The Bill also includes powers for the Secretary of State to introduce regulations to cap the profits of providers of children's homes and Independent Fostering Agencies, subject to consultation. The Government has indicated that it does not intend to use the profit capping powers unless other measures, such as regional co-operation, do not work.

Councils in the South West have been ahead of the curve in pioneering regional collaboration through the South West Sufficiency Project. This work aligns well with the direction of national policy, but it is clear that full implementation of Regional Care Co-operatives remains some way off. In the meantime, collaborative efforts to address the urgent pressures in the region should continue.

7. Demand for homes

7.1 Numbers of children in care

The number of children in care in the South West has continued to increase since the publication of the first regional Market Position Statement. There were 720 more children in care at March 2024 than at March 2021, (the date of much of the data used in the previous Market Position Statement).

Table 1:

Number of children in care as at 31 March

	2021	2022	2023	2024	Change 2021-24
South West	6260	6540	6890	6980	+720

Source: Children Looked After in England, Including Adoptions 2024

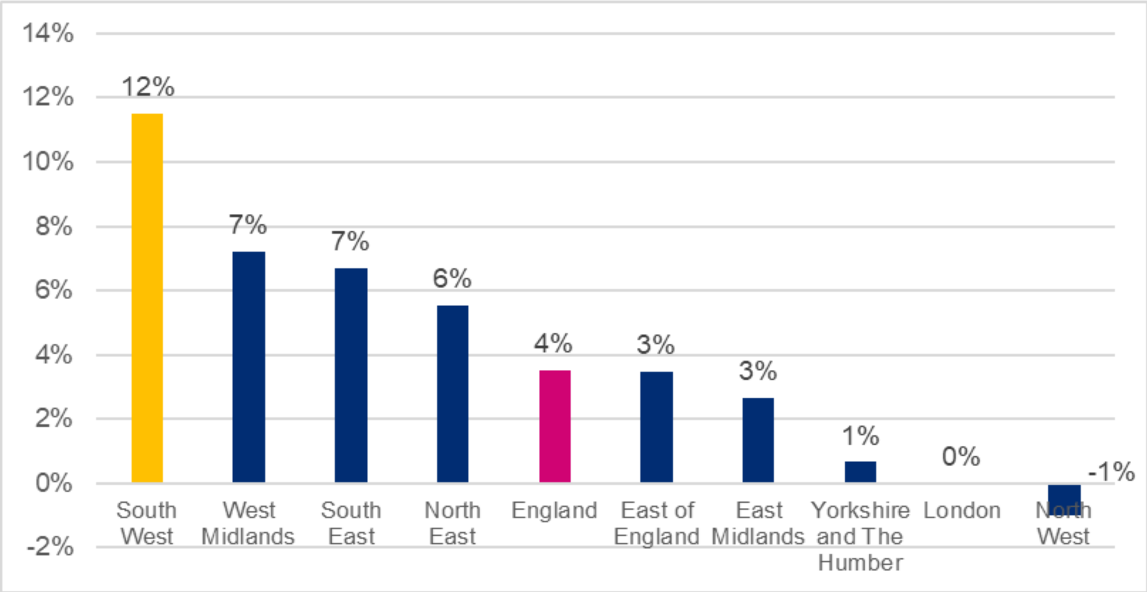
5 UK Parliament, web page for Children Schools and Wellbeing Bill

Unpublished data collected by the South West Sufficiency Project suggests that the total number of children in care in the South West stood at 7,049 at March 2025, suggesting that numbers have continued to rise.

Increases have also occurred in most other regions, but the percentage increase in the South West for 2021-24 has been the highest of any region:

Figure 1:

Percentage change in the number of children in care 2021-24



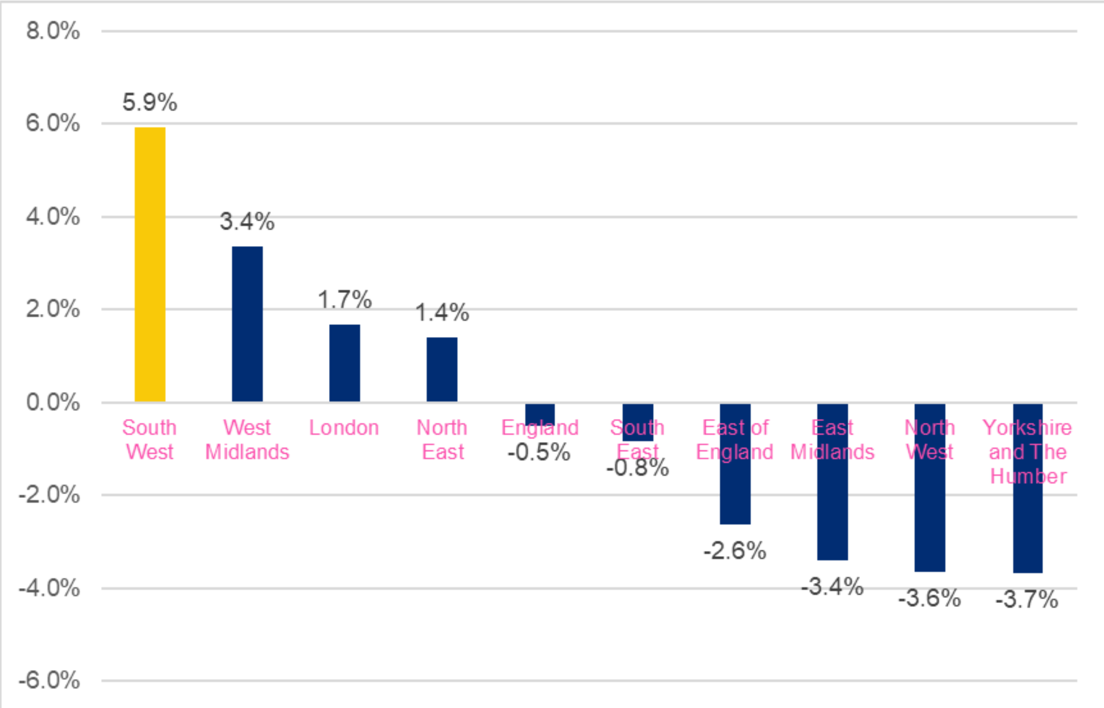
Source: Children Looked After in England, including adoptions 2024, analysed by IPC

An important factor has been a significant rise in the number of young asylum seekers in the South West, increasing by 175%, albeit from a low base, (from 200 to 550, an increase of 350 children). This increase largely reflects the Home Office's policy of dispersing asylum seekers outside London and Kent via the National Transfer Scheme.

However, young asylum seekers are only part of the story. If we look solely at non-asylum seeking children, the South West still saw the biggest percentage increase, whereas there have been small decreases for the majority of regions and England as a whole.

Figure 2:

Percentage change in non-asylum seeking children in care 2021-24



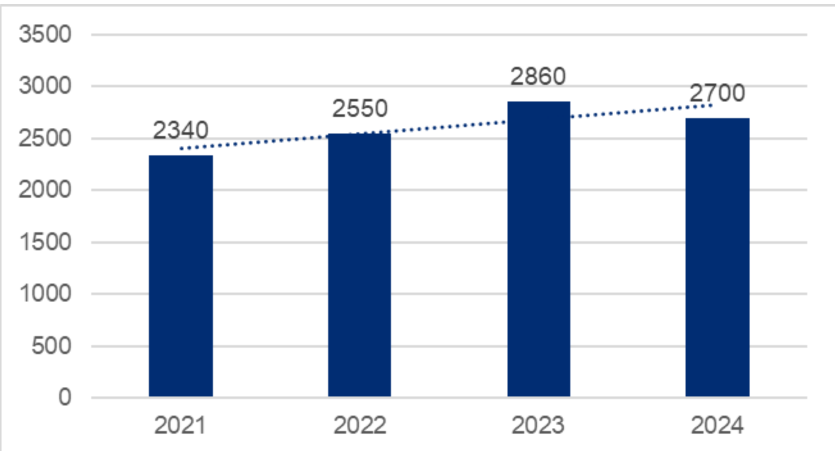
Source: Children Looked After in England, including adoptions 2024, analysed by IPC

The increase for the South West is not explained solely by a rising child population: it is estimated that the child population increased by 1.4% during the period, as against a 5.9% increase in non-asylum seeking children in care. It is therefore likely that the increase reflects a combination of changing levels of need, availability and effectiveness of preventative, family reunification and edge of care services and thresholds for help and intervention.

The end of year total also increases when children are on average spending longer in care. However, trends in the number of children starting to be looked after reinforce the picture of increasing underlying demand. Between 2021 and 2023 the number of children starting to be looked after increased, before dipping slightly in 2024:

Figure 3:

Trends in children starting to be looked after, South West

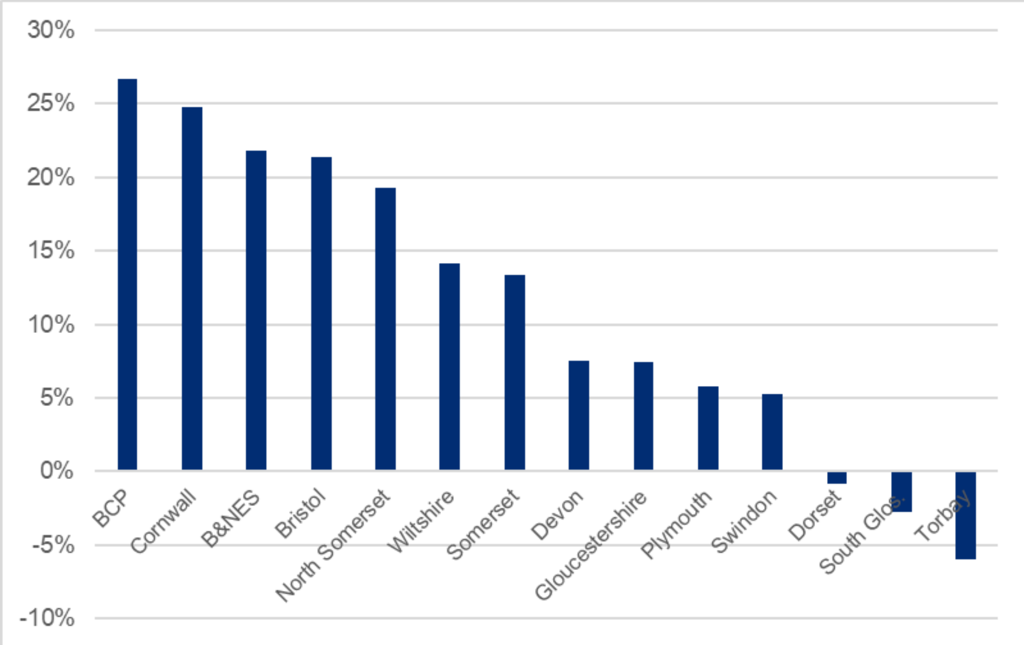


Source: Children Looked after in England, including adoptions 2024

Whilst there is a clear regional picture of growing numbers of children in care, it is important to note that there is considerable variation between local authorities in the region. Some have seen much bigger increases whist a few have seen decreases.

Figure 4:

Percentage change in children in care by local authority 2021-24



Source: Children Looked After in England, Including Adoptions 2024, analysed by IPC

Key implications for commissioners and providers:

It is reasonable to expect the number of children in care in the South West as a whole to continue to increase unless there is a significant investment in prevention and early intervention.

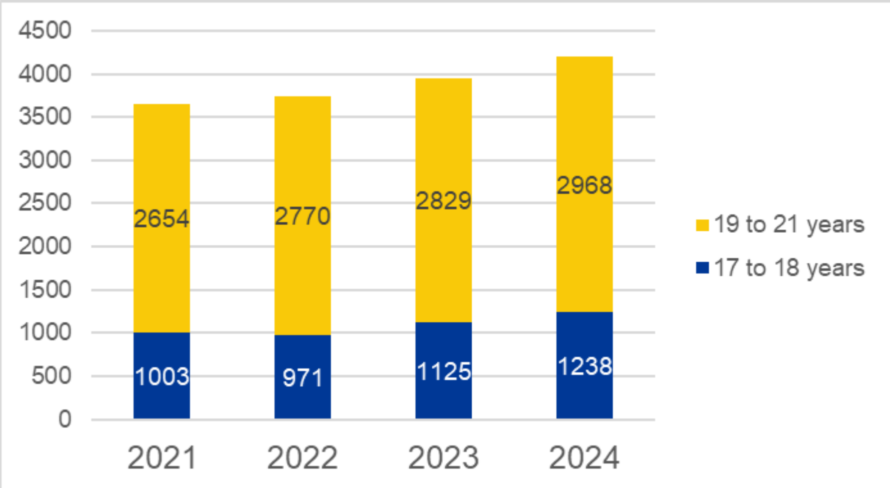
7.2 Number of care leavers

Local authorities have a duty to provide accommodation to care leavers up to the age of 21, and to contribute towards the costs of accommodation for care leavers aged 21 to 25 pursuing education or training.

The number of care leavers aged 17 to 21 years has risen, reflecting the increased number of older children entering care:

Figure 5:

Trends in care leaver numbers in the South West



Source: Children Looked After in England, Including Adoptions 2024

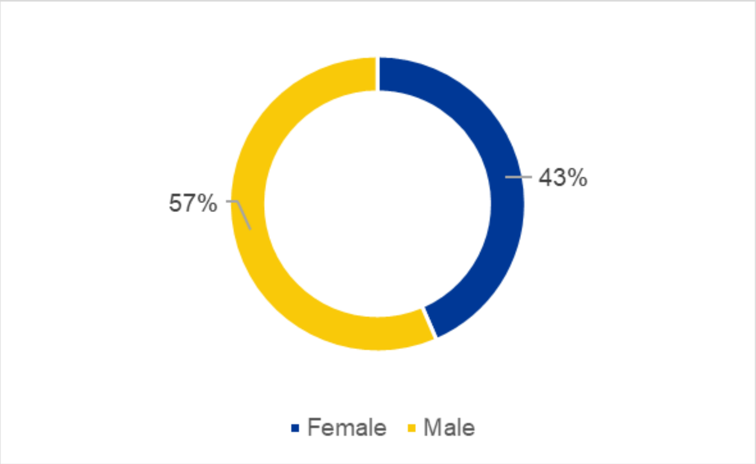
7.3 Demographic characteristics of children in care

7.3.1 Sex[6]

The majority of children in care in the South West are boys, in line with the national picture.

Figure 6:

Sex of children in care in the South West



Source: DFE data from SSDA 903 returns, provided in response to a Freedom of Information Act request

The pattern is broadly similar across local authorities in the region (see appendix for detailed breakdown). One factor explaining the skew towards boys is that the vast majority of young asylum seekers are boys, however boys are still in the majority (53% in the South West) if we consider non-asylum seeking children only[7].

7.3.2 Gender identity

The bespoke data collection to inform this Strategy asked local authorities whether they record data on the gender identity of children in care. Nine of the fourteen councils do, but only seven were able to provide figures. These returns suggest that the number of children with a gender identity different from their sex as assigned at birth is small, fewer than 15 in aggregate for these seven councils.

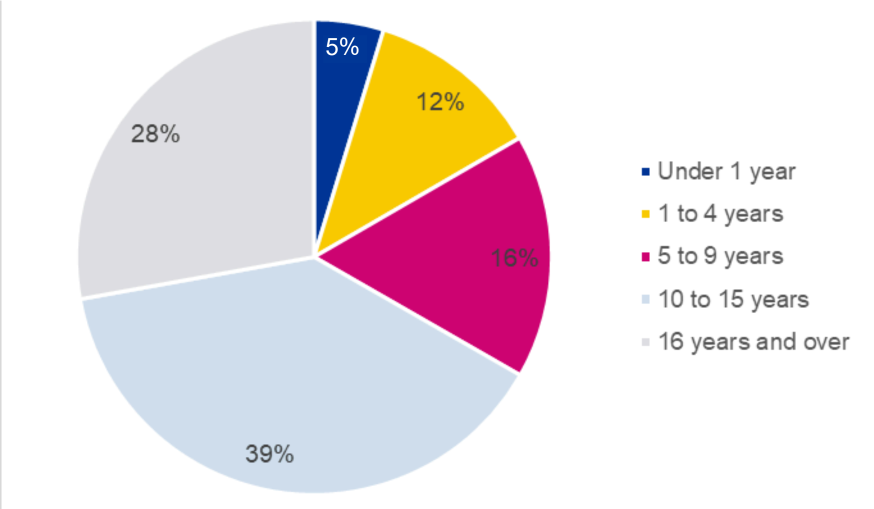
7.3.3 Age

The majority of children in care in the South West are of secondary school age, with the largest group being children aged 16 or 17. Over two thirds of children in care are aged ten or over (67%), which is slightly above the proportion for England as a whole (65%).

6 The DFE only collects data about sex assigned at birth and does not record gender identity.
7 Unpublished data provided by DFE from local authority SSDA 903 returns

Figure 7:

Age of children in care in the South West 2024



Source: Children Looked After in England, Including Adoptions 2024

The age profile for the South West is very similar to the national picture. See the appendix for full details for each local authority and the regional and national averages.

Key implications for commissioners and providers:

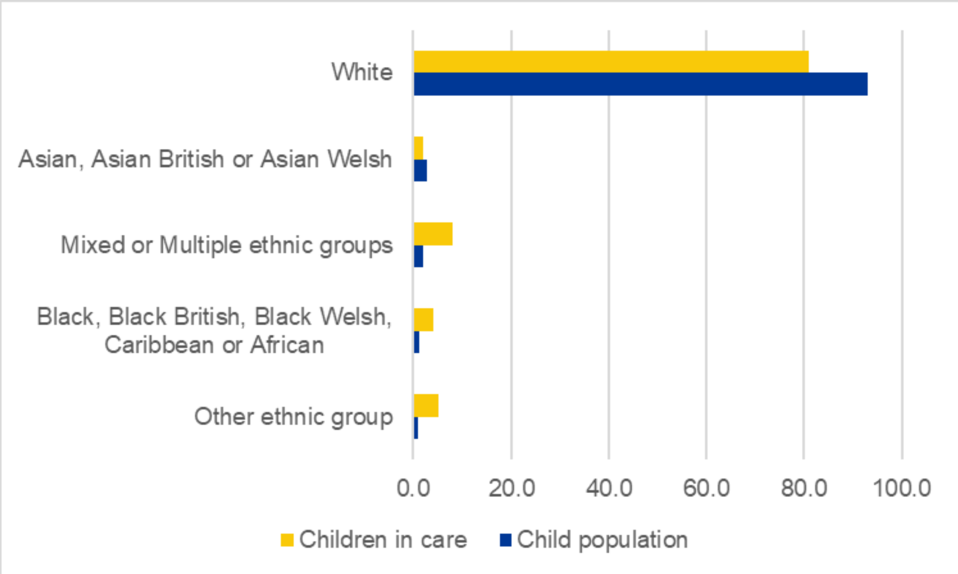
- The fact that most children in care are older adolescents has implications in terms of the types of homes and support needed.
- It makes it harder to find appropriate foster homes, increases demand for residential care, and therefore costs, and is likely to mean that the number of care leavers requiring supported accommodation will continue to grow.
- Some adolescents will not want to live in another family home.
- Commissioners need to focus attention on prevention, and identifying opportunities for reunification home, and enhancing support towards independence.

7.3.4 Ethnic group

Children in care are more diverse in terms of ethnic background than the child population as a whole. Children from ‘other’ ethnic groups, ‘mixed or multiple’ ethnic groups, and ‘black’ ethnic groups, are significantly over-represented in the care population, whilst children from ‘white’ and ‘Asian’ ethnic groups are under-represented:

Figure 8:

Diversity of children in care compared to general population



Sources: Children Looked After in England, Including Adoptions 2024 and ONS Census 2021

Children from minoritised ethnic groups are also over-represented in the care population nationally, but not to the same extent as in the South West. The reasons for this are not clear but a factor may be that the general child population in the South West is much less diverse than nationally, and so asylum seeking young people may have a bigger impact on the figures. However, data on the ethnic group of children in care is not published separately for asylum seeking and non-asylum seeking children, so additional research would be needed to test this explanation.

7.3.5 Asylum seeking children

The demographic characteristics of asylum seeking children are very different to the care population as a whole. The detailed breakdown for the region provided by the DFE for this Strategy shows that 98% of asylum seeking children in the care of South West authorities are boys, and 87% are aged 16 or 17.

Key implications for commissioners and providers:

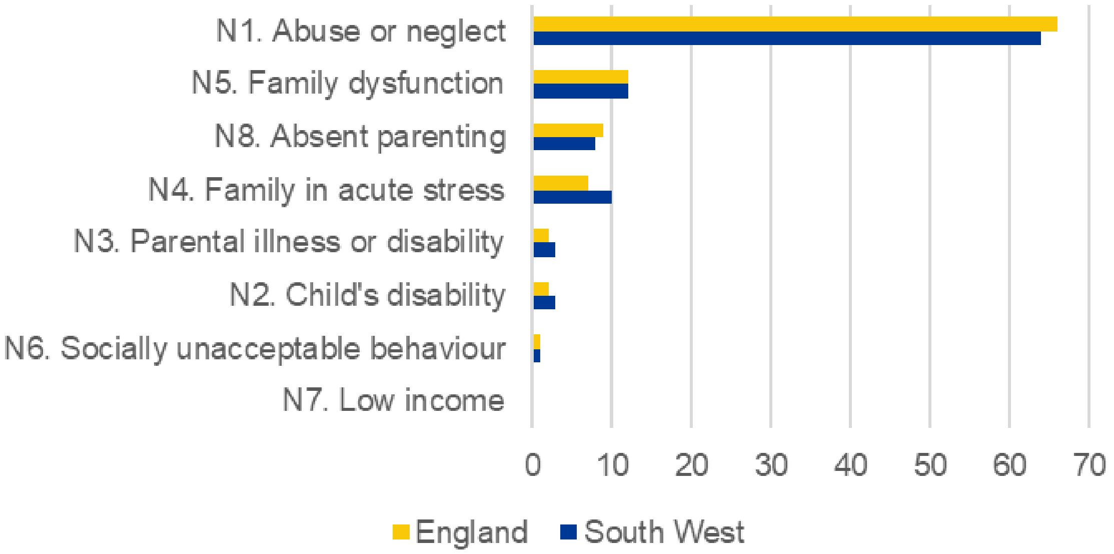
- Asylum seeking children have distinctive needs, including culture, language and legal advice and advocacy, and a very different gender and age profile. This suggests that bespoke provision, including specialist fostering, supported accommodation and supported lodgings schemes may be needed.
- Further work is needed to better understand the over representation of some ethnic groups in the regional care population.

7.4 Needs

The main reason why a child is in care is recorded via a standard set of categories of need. The profile of children in care in the South West is very similar to the national picture, with around two thirds having a primary need of 'abuse or neglect':

Figure 9:

Need categories South West vs. England



Source: Children Looked After in England, Including Adoptions 2024

These broad need categories do not, however, capture the range or level of children's needs. There is a consensus amongst stakeholders, regionally and nationally that there has been as increase in the level and complexity of children's needs in recent years. This perception is supported by research by Kingston University, the Nuffield Foundation and the National Children's Bureau, which analysed data on 3.6 million children who were assessed by children's social care between 2014 and 2021. A key finding was that:

> *The overall profile of demand became more complex between 2014 and 2021, with a disproportionate rise in child mental health problems, extra-familial harm, and complexities around parental mental health[8].*

This was echoed at the South West commissioner's workshop, where participants highlighted increased complexity of need as one of the key challenges they are facing, including mental health, children deprived of their liberty, and children who have experienced multiple placement breakdowns, frequently in combination:

8 Studying the outcomes of children's social care provision for different types of demand, Executive Summary January 2024, page 1

> *There's something about children with sort of comorbidities where you've got things like mental health, … and trauma and, and contextual safeguarding or disabilities and trauma… abuse and neglect that require both … positive behaviour management, say, as well as a trauma informed, … therapeutic parenting approach and [a] kind of synthesis of different approaches.*
>
> *Commissioner at Workshop*

The factors driving increased complexity are not fully understood, but the research quoted above suggested that it may reflect a shift to late intervention driven by budget constraints:

> *Government austerity policies have put local authorities…under acute fiscal pressure, forcing children's services to prioritise core statutory duties at the expense of early help and family support. Our findings reflect increasing levels of concern about adolescent mental health, complex safeguarding cases, and extra familial harm. …in the absence of sufficient resources to address the variety of demand, the risk is that many children will not receive the right kind of help early enough and will return into the system when they are older and their problems are more entrenched[9].*

Key implications for commissioners and providers:

- There is a need for therapeutic, integrated models of care and provision for children with complex care needs, co-commissioned with NHS partners, which can wrap-around children in a range of situations, including living with their families, foster care, and residential settings, and span the transition to adult services.
- There is a growing need for specialist provision for children who have mental health needs rooted in complex trauma.

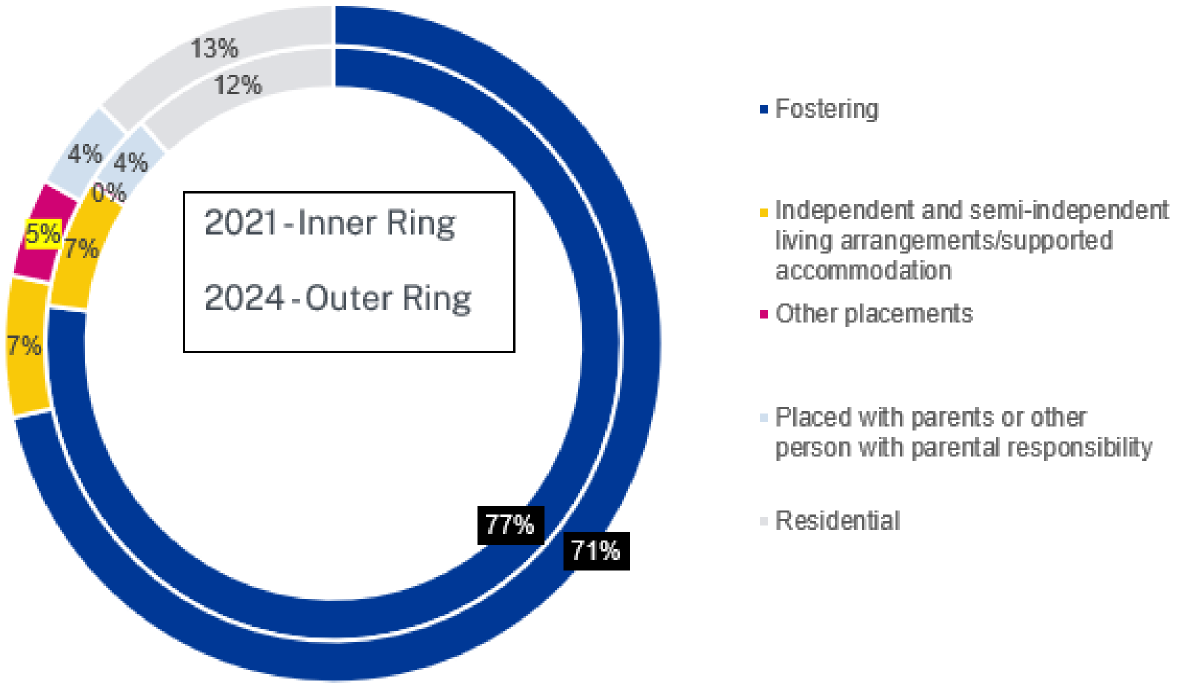
7.5 Placement patterns

The vast majority of children in care in the South West live in family settings (whether foster homes, placed for adoption or placed with their parents) but the proportion in foster care has declined since 2021. There has only been a small increase in the proportion of children placed in residential homes, but a marked increase in children living in 'other' placements, many of which are likely to be unregistered. This shift reinforces the picture of increased complexity of need but also indicates a shortage of the right type of home:

9 Studying the outcomes of children's social care provision for different types of demand, Executive Summary January 2024, page 2

Figure 10:

Changing patterns of placement type in the South West[10]



Source: Children Looked After in England, Including Adoptions 2024

Key implications for commissioners and providers:

- There is an urgent need to reduce the use of unregistered placements
- This requires more registered provision (fostering and residential) able to care safely for children at very short notice following placement disruption and support transition to long term; and
- Evidence based, trauma informed, therapeutic homes, (both residential and specialist foster care), for adolescents with complex needs, including mental ill health, self-harm and behaviour which challenges

10 Note that categories have been simplified: 'fostering' includes placed for adoption and 'residential' includes residential schools and 'other residential'.

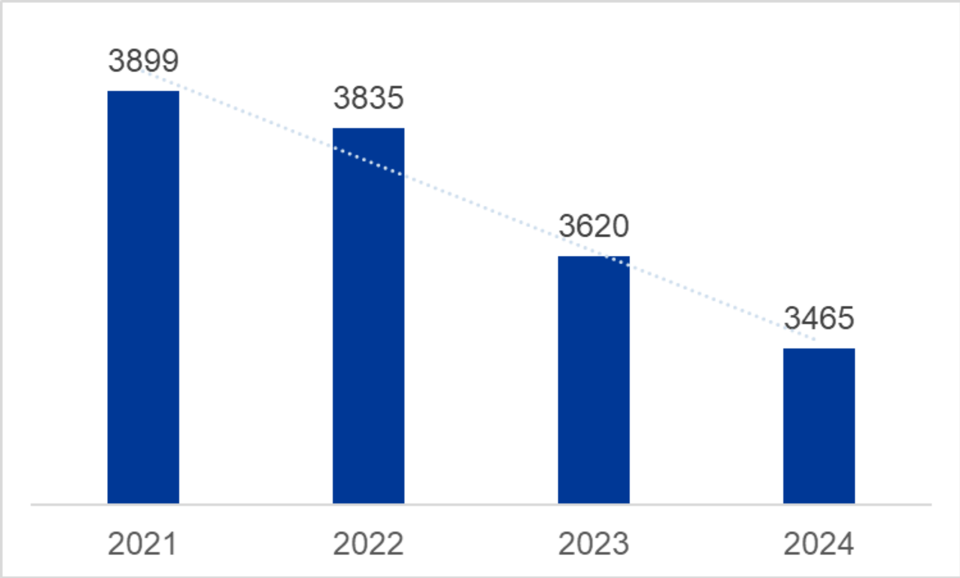
8. Supply

8.1 Local authority fostering places

Nationally and regionally there has been a decline in the number of local authority foster places, despite recruitment campaigns and retention initiatives. For England as a whole there were 4,580 fewer 'mainstream' places[11] at March 2024 than there were three years earlier, a decrease of 11%. Over the same period the South West also had an 11% decrease amounting to 434 fewer places.

Figure 11:

'Mainstream' local authority places in the South West



Source: Fostering in England statistics, 2021 to 2024 releases, analysed by IPC

This decline was seen widely across the region, with only two areas achieving an increase. The biggest decrease was 21%, with two other councils seeing reductions of 20% in 'mainstream' foster places over this period. (See appendix for full breakdown by local authority).

8.2 Kinship Care

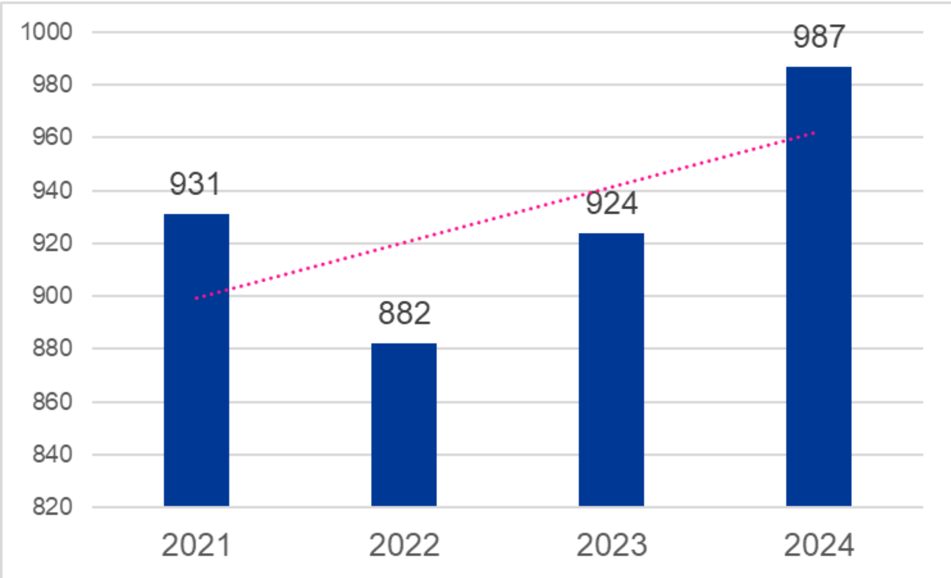
The decline in 'mainstream' places[11] has been offset to an extent by a welcome increase in approved kinship carers, (referred to as 'family and friends carers' by Ofsted). This has not been enough, however, to prevent an overall net reduction in local authority fostering capacity.

11 i.e. excluding family and friends carers

Ofsted statistics on kinship carers provide data at a regional and local authority level on households and carers, rather than places. However, the number of places nationally is published, and from this we can calculate the average number of places offered by each household and use this to estimate the number of kinship in the region. As at March 2024 there were 705 approved kinship households in the South West. Assuming they offer on average the same number of places as nationally (1.4 per household) we can estimate that there were 987 kinship places. These have increased by 56 places, or 20% since 2021.

Figure 12:

Estimated approved kinship places in the South West

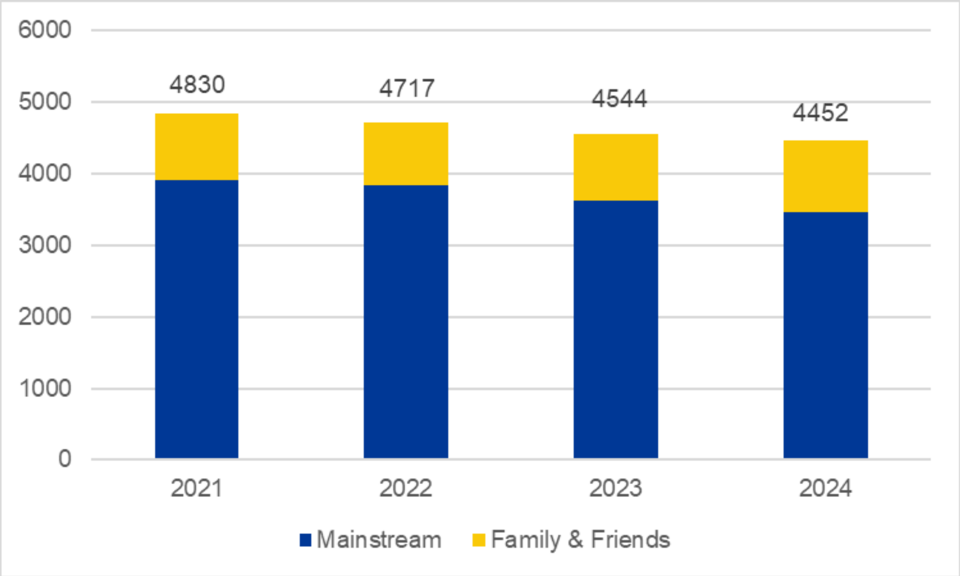


Source: Fostering in England statistics, 2021 to 2024 releases, analysed by IPC

Taking both mainstream and estimated kinship places into account, the South West has seen a decline in places over recent years.

Figure 13:

Total local authority foster places in the South West



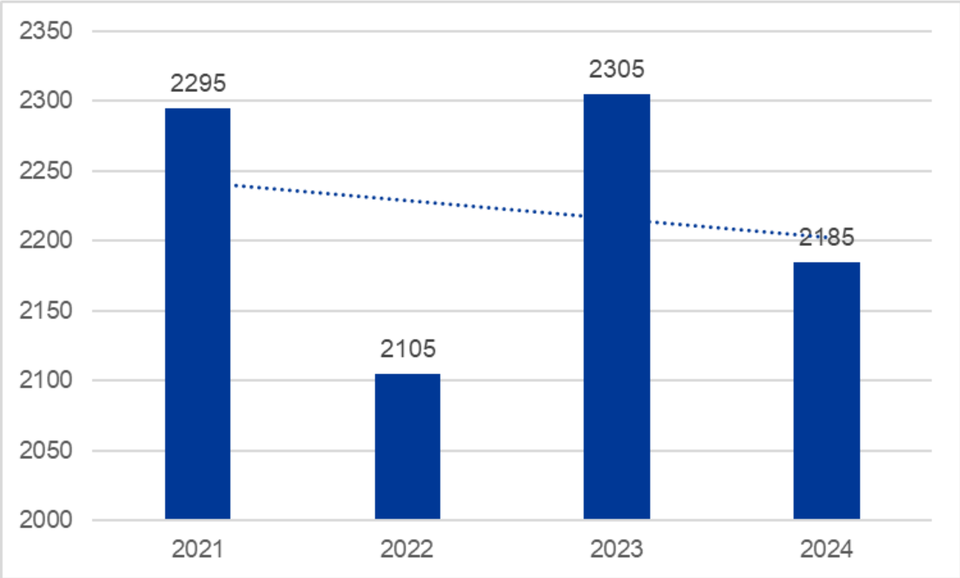
Source: Fostering in England statistics, 2021 to 2024 releases, analysed by IPC. Note that family and friends places are estimated from households

8.3 Independent fostering agency places

Independent fostering places have also been decreasing, nationally and regionally. In response to a request from IPC, Ofsted have, for the first time, published data on approved places by agency and region (although not by local authority). The data is for places for independent fostering agencies (IFAs) headquartered in the South West. Some of these places may be outside of the region, but equally some IFAs headquartered elsewhere may have carers in the South West. Despite these limitations, this data allows more accurate estimates of regional IFA capacity than was previously possible.

Figure 14:

IFA places in the South West



Source: Previously unpublished Ofsted data

There appears to have been a temporary drop in 2022, coinciding with the pandemic, but despite a recovery the following year the overall trend has been down, with a reduction of 110 places, or 5%, since 2021. This is in line with the national picture which shows a decline of 1870 places over the same period, or 5% of the total.

Key implications for commissioners and providers:

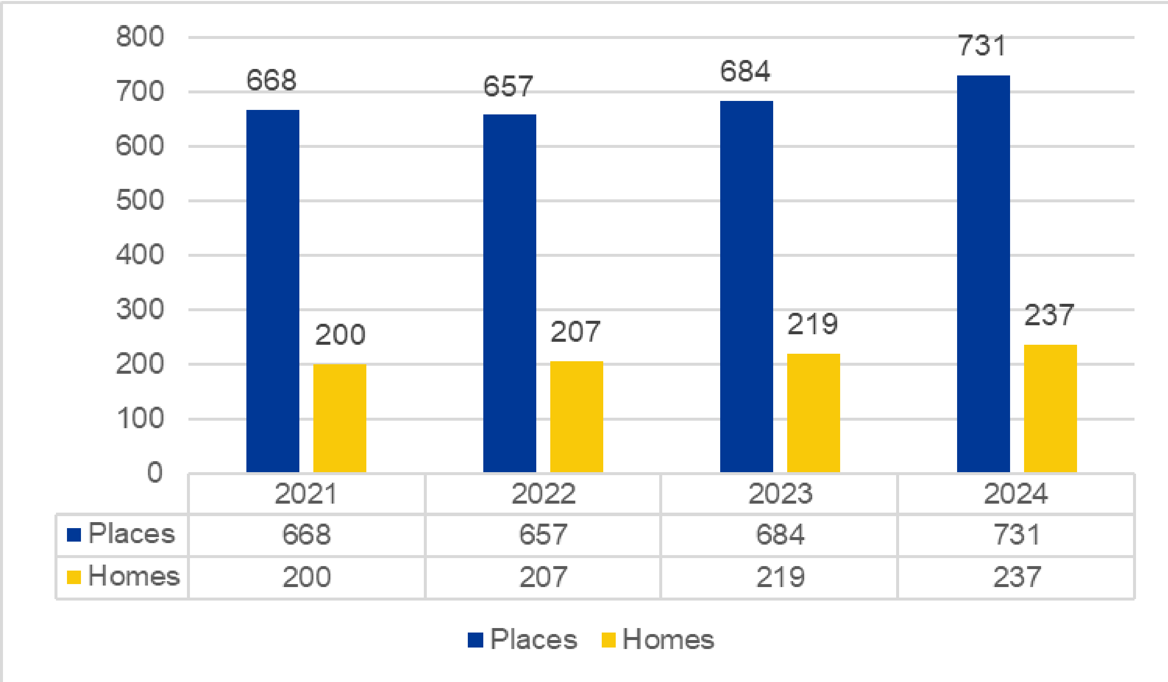
- The falling number of foster carers is a key strategic challenge regionally and nationally
- Recruitment campaigns, although vital, are unlikely to solve the problem on their own
- Improved support for foster carers and kinship carers, including access to wrap-around multi-disciplinary support and education for children without school places is needed
- Longer term, if the decline continues, and there is insufficient investment in prevention, there may be a need to rethink models of residential care and residential education to be able to look after a wider group of children

8.4 Children's homes

There has been an increase in the number of registered children's homes in the South West since 2021 but not enough to keep pace with the increased demand for residential placements.

Figure 15:

Children's homes and places in the South West



	2021	2022	2023	2024
Places	668	657	684	731
Homes	200	207	219	237

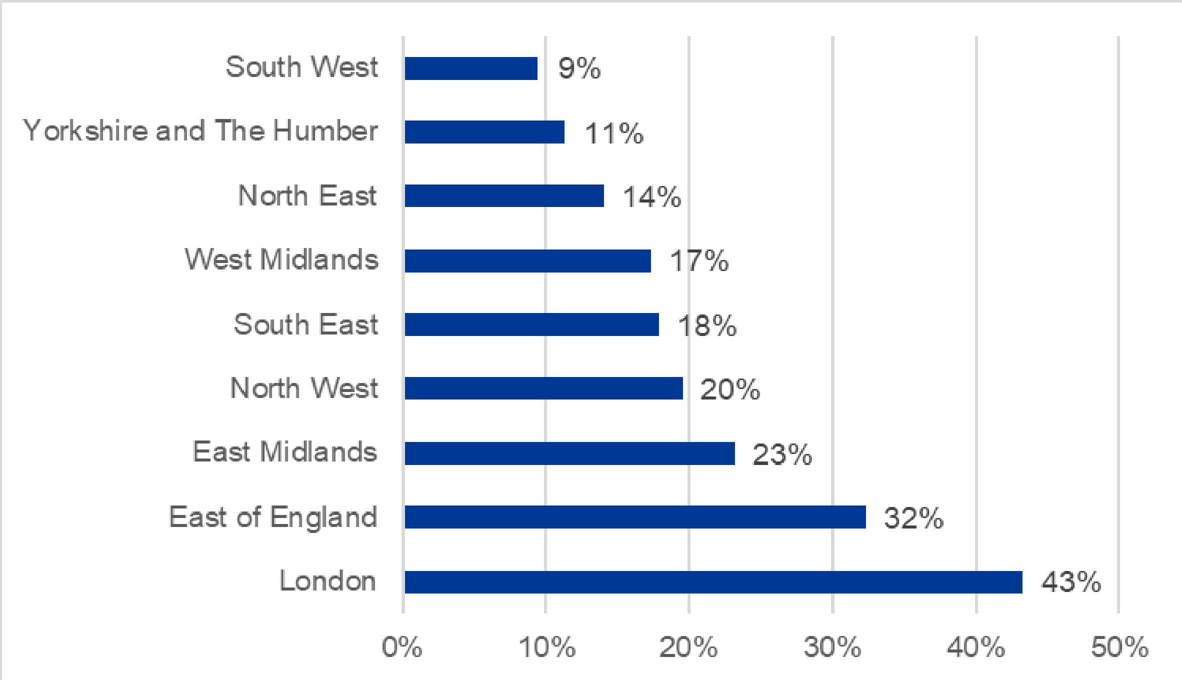
Source: Ofsted provider data as at 31 March analysed by IPC.[12]

Overall there was a net increase of 63 places between 2021 and 2024, or 9%. This compares to an increase in children in care of 12%, and of children placed in residential care of 20% over the same period. The figures suggest that growth accelerated post-pandemic, and following publication of the pervious MPS, but net growth in children's home capacity was lower in the South West than other regions, both in percentage and absolute terms:

12 Ofsted annual Children's Social Care in England underlying data tables, 'Providers + Places as at March', including short break only children's homes but excluding secure children's homes and residential schools registered as children's homes

Figure 16:

Percentage increase in children's home places 2021-24



Source: Ofsted provider data, as at 31 March, analysed by IPC.

The picture varies between local authorities across the South West, with some seeing net increases in places and others net reductions. The appendix includes a table showing the detailed breakdown.

8.4.1 Size

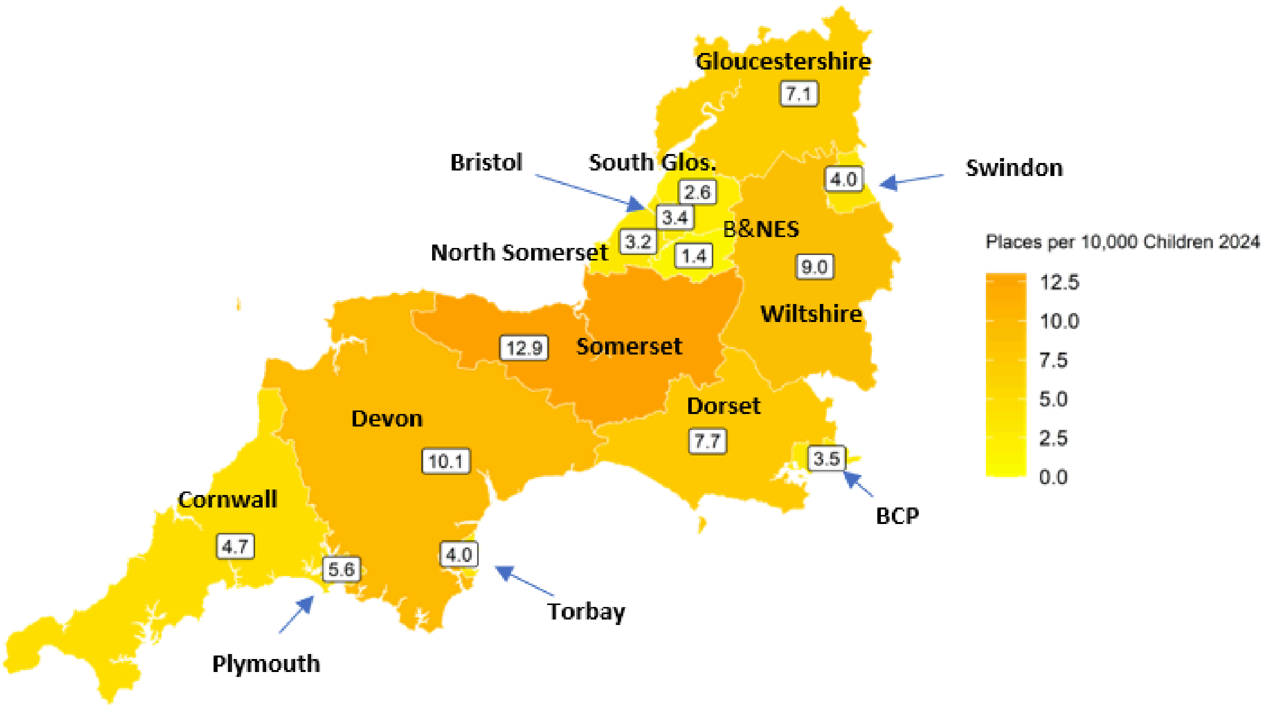
One reason for the relatively modest net growth is the long term trend towards smaller children's homes, which reflects growing complexity of needs, higher standards and reduced risk appetite. There were 37 more homes but only 63 additional places, as some larger homes closed whilst new provision tended to be smaller. The number of children's homes registered for a maximum of five or more children fell, from 44 to 36 between March 2021 and March 2024. Meanwhile the number of homes registered for just one child increased from 25 to 28.

8.4.2 Geographical Distribution

Children's home places are not distributed evenly across the region. The map below shows the number of registered children's homes per 10,000 children at March 2024:

Figure 17:

Rate of children's home places per 10,000 children, 2024

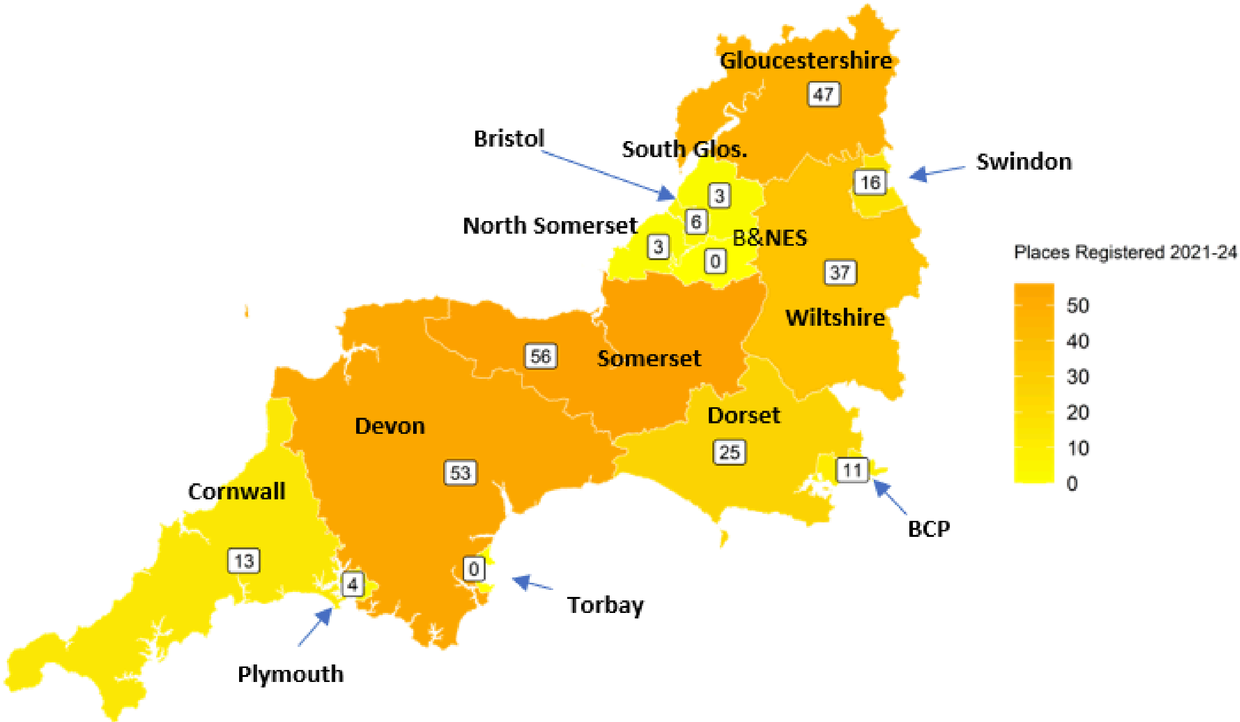


Source: Ofsted provider data as at 31 March mapped by IPC

The map shows that there are more places relative to the general child population in larger and more rural counties, along the M5 corridor, indicated by the darker colour, with fewer in Cornwall and in urban areas, particularly in the former Avon area around Bristol. This reflects a range of underlying factors, including property prices and transport links. An analysis of newly registered places suggests that new places continue to be concentrated in those areas with more provision:

Figure 18:

Number of newly registered children's home places, 2021-24



Source: Ofsted provider data as at 31 March mapped by IPC

Somerset and Devon had the most new places registered, while some more urban areas, including authorities around Bristol, saw lower growth. Local authorities where providers have shown less interest in opening new homes are beginning to shape the local market more actively by commissioning in house or block contracted provision, but this will take time to make an impact.

Key implications for commissioners and providers:

- Whilst additional children's home provision is needed across the region, there are some areas where it is particularly scarce, and others which may eventually approach market saturation
- Commissioners in those areas where there is least appetite for the market to provide are begining to shape the market through developing dedicated provision, whether in-house, block contracted or through partnership with a private provider, but this will take time to make an impact, and more provision may be needed.

8.5 Secure children's homes

There are two secure children's homes in the South West, with a maximum capacity of 32 places between them, four fewer than in 2021. The larger of the two secure homes is almost entirely block contracted by the Ministry of Justice for young people remanded in custody. This leaves only about 10 welfare secure places in the region, and these are allocated by the national Secure Welfare Co-ordination Unit, with no guaranteed priority for local children.

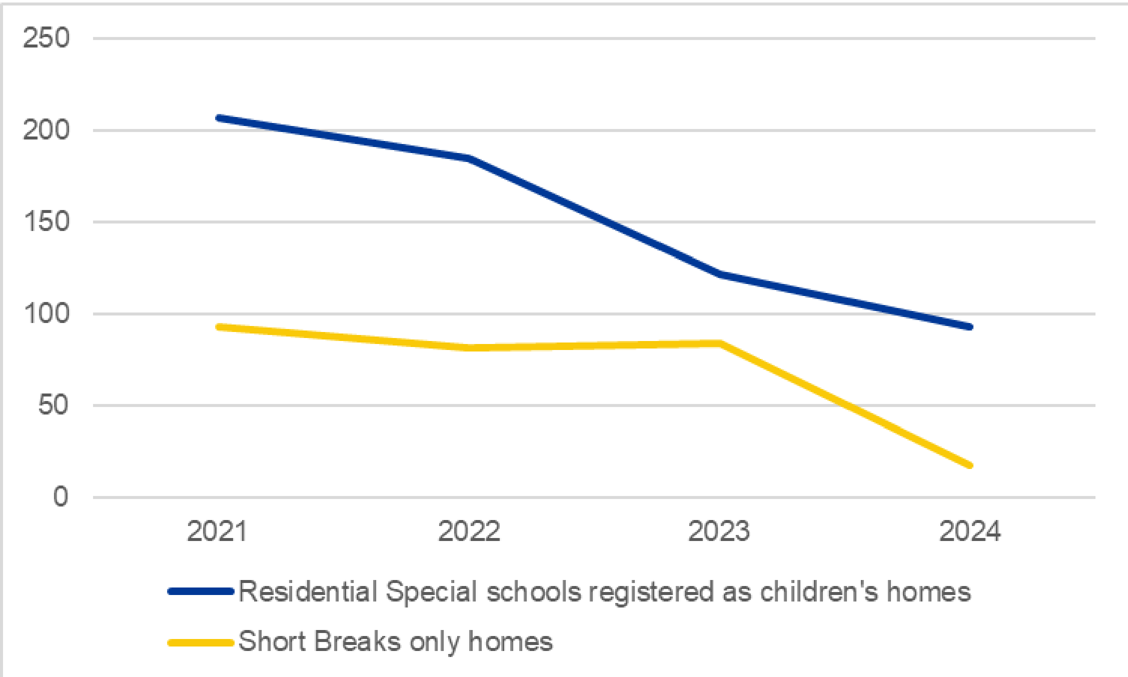
Nationally there has been a long term decrease in the number of secure children's homes. Many children who meet the criteria for secure accommodation cannot be placed appropriately, leading to improvised solo placements with high staff ratios.

8.6 Provision for disabled children

There has been a significant reduction in the number of places in both short-break children's homes and in residential special schools registered as children's homes (that is schools offering more than 295 days care):

Figure 19:

Places in residential special schools registered as children's homes and short break only children's homes, South West



Source: Ofsted provider data, as at 31 March, analysed by IPC.

8.7 Supported accommodation

A new regulatory and inspection regime for supported accommodation for children in care aged 16 and 17 years was introduced in 2023. As a result there is now more robust data about the supply of supported accommodation but we do not have trend data yet.

A distinctive feature of registered supported accommodation is that it is not always ring-fenced for children in care or care leavers. The inspection regime distinguishes between four categories of supported accommodation:

- Single occupancy - a self-contained unit, where the accommodation is for the sole use of the child e.g. bedsitters and flats.
- Ring-fenced shared accommodation - a shared or group living situation in premises used to accommodate only looked after children and care leavers.
- Shared accommodation (non-ring-fenced) - a shared or group living situation in premises which are not limited to accommodating looked after children and care leavers.
- Accommodation in a private residence, such as supported lodgings.

As at October 2024, the total capacity of registered supported accommodation in the South West of England was 1877.

Table 2:

Supported accommodation capacity in the South West

Supported accommodation type	Total Capacity
Single occupancy	288
Ring-fenced shared accommodation	828
Shared accommodation (non-ring-fenced)	654
Accommodation in a private residence, such as supported lodgings	107
Grand Total	1877

Source: Ofsted Provider List October 2024

If we consider only ring-fenced supported accommodation, the approved maximum capacity was 1,223 places.

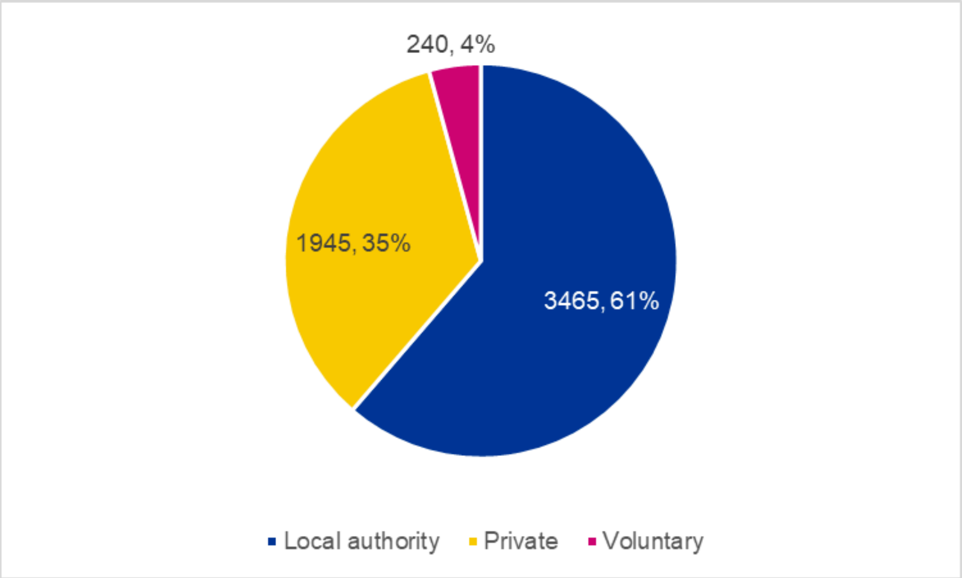
This should be seen in the context of the increasing number of children in care aged 16 or 17 and care leavers (see sections 7.2 and 7.33). However children and young people aged 16 or over live in a wide variety of circumstances and do not all need supported accommodation. The analysis provided by the DFE for this Strategy showed that of children in care aged 16 or 17, 470 children (24%) were living in supported accommodation, whilst published data shows that of 4210 care leavers aged 17 to 21 years, 700 (17%) were living in semi-independent accommodation. This suggests that the supply of supported accommodation is quite tight and will need to increase further to keep pace with trends.

8.8 Shape of the market

8.8.1 Fostering

Figure 20:

'Mainstream' foster places by sector in the South West



Source: Fostering in England statistics, 2021 to 2024 releases, analysed by IPC.

The proportion of places in the South West provided by IFAs is lower than the national picture. For England as a whole 53% of places were provided by local authorities, and 42% by private sector IFAs and 5% by the voluntary sector.

In recent years there has been concern about concentration of ownership in the IFA market, with many agencies acquired by larger groups, some of which are owned by private equity or other investment funds. Such companies are focused primarily on growing the value of businesses to sell on and may be highly leveraged in terms of debt.

The five largest IFA providers with agencies headquartered in the South West are listed in Table 3.

Table 3:

Largest IFA providers in the South West

Brand(s) in South West	Group	Ultimate Owner	Type of Ownership	Places	Regional Market Share
Five Rivers	Five Rivers	Midhurst Childcare Ltd	Social Enterprise	485	22%
National Fostering Agency; Pathway Care South West; Enhanced Fostering	National Fostering Group	Sterling Square Capital Partners	Private Equity	475	22%
Foster Care Associates	Polaris (Nutrius)	Ursae Bidco	Jersey Registered company[13]	285	13%
Capstone Foster Care (South West)	Capstone	Capstone Employee Ownership Trust	Employee ownership	150	7%
Fusion Fostering South West	Fusion	Fusion Fostering Limited	Limited company	120	5%
Total for five largest providers				1515	69%

Sources: Previously unpublished Ofsted data on IFA places and information on ownership derived the Companies House website and published accounts; market share based on percentage of regional places owned by provider.

Three of these companies, National Fostering Group, Polaris (Nutrius) and Five Rivers, also feature in the top five providers nationally. Capstone is the sixth largest provider nationally and Fusion Fostering the eleventh.

The concentration of ownership in the South West IFA market appears to be greater than for England as whole: the top five providers nationally account for 53% of IFA places and 25% of all ‘mainstream’ places, whereas the top five in the South West have 69% of IFA places and 27% of all mainstream places.

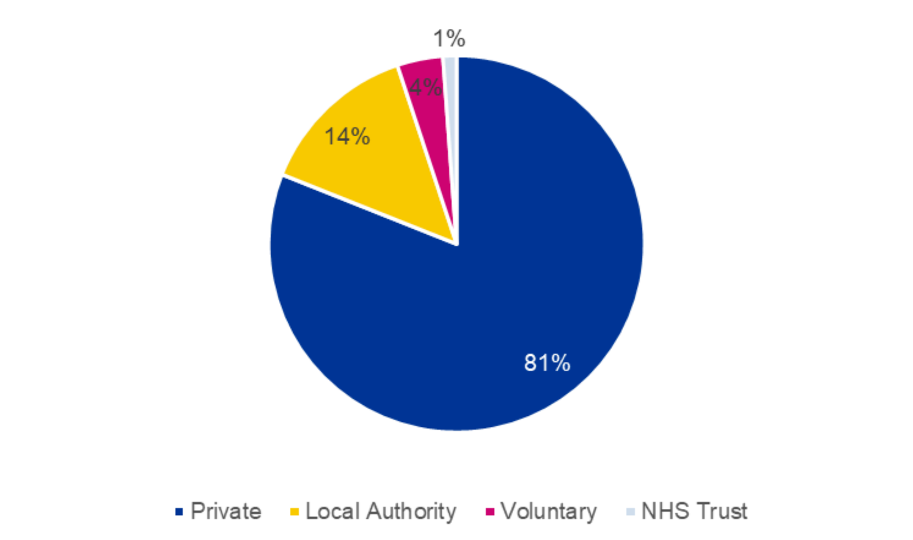
8.8.2 Children’s homes

Compared to fostering, private providers are much more dominant in the children’s home market.

13 Until July 2024 the ultimate owner of Nutrius was Cap Vest, a private equity investor. As the new owner is a company registered in Jersey, UK Companies House does not have a record of its ownership.

Figure 21:

Children's home places by sector in the South West



Source: Ofsted provider data October 2024, analysed by IPC.

Nationally, the private sector accounted for 77% of children's home places.

An analysis done by Dialogue on behalf of the South West Sufficiency Project suggests that most children's home providers in the South West are small, with around two thirds operating only one or two homes in the region. However, the biggest providers of children's home places are still large companies, often private equity backed.

Table 4:

Largest private providers of children's home places in the South West

Brand(s) in South West	Group	Ultimate Owner	Type of Ownership	Places	Regional Market Share
Keys	Keys Group Ltd	G Square Capital	Private Equity	59	9%
Cambian	CareTech	Amalfi Topco	Private Equity	55	8%
Phoenix	(Phoenix) Ltd Partnership	Ashridge Capital	Private Equity	40	6%
Aspris; Partnerships in Care 1 Ltd	Aspris Children's Services	Waterland Private Equity Investments B.V.	Private Equity	27	4%
Polaris	Polaris (Nutrius)	Ursae Bidco	Jersey Registered company[14]	24	4%
Total for five largest providers				205	30%

Source: Ofsted provider data October 2024, analysed by IPC; places and information on ownership derived the Companies House website and published accounts; market share based on % of regional places owned by provider.

14 Until July 2024 the ultimate owner of Nutrius was Cap Vest, a private equity investor. As the new owner is a company registered in Jersey, UK Companies House does not have a record of its ownership.

If this list included local authority providers too, only Bristol City Council with 28 in-house places, would feature amongst the largest providers.

Although the largest players are less dominant in the children's homes market than in fostering, they have a bigger share in the South West than nationally: for England as a whole, the five largest providers of children's homes account for 13% of places, for the South West the figure is 30%.

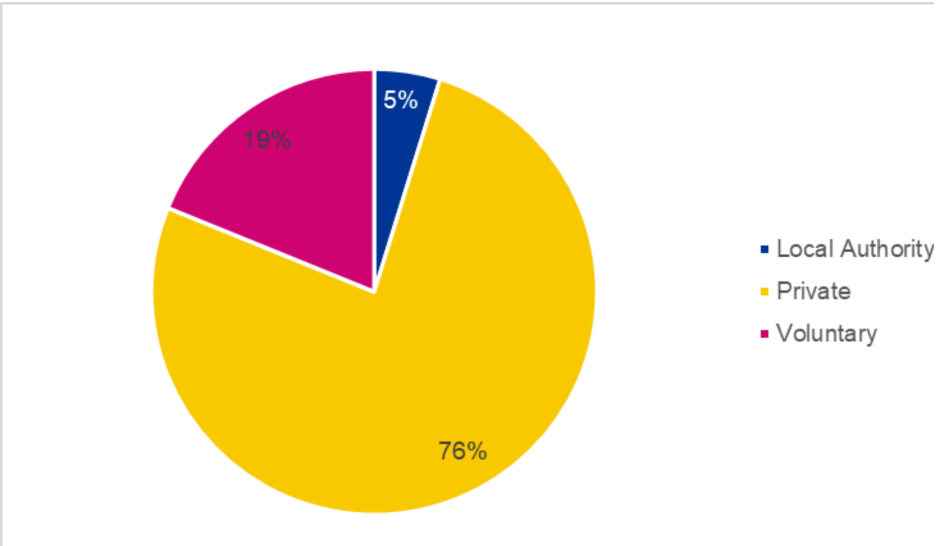
Several companies provide both fostering and children's homes places. Polaris (Nutrius) provides 13% of foster placements and 4% of children's home places in the South West. The largest fostering provider in the South West, Five Rivers, at 22%, also provides 3% of the children's home places.

8.8.3 Supported accommodation

The private sector also provides the majority of registered supported accommodation. However, the voluntary sector is also significant.

Figure 22:

Supported accommodation places by sector in the South West



Source: Ofsted provider data October 2024, analysed by IPC.

The ownership profile of the five largest providers of supported housing is quite different to the fostering or children's home markets, with two charities, a housing association and a local authority amongst the five biggest providers in the region. However, the only private company is ultimately owned by investors, showing that private equity investors are becoming interested in this market.

Table 5:

Largest providers of supported accommodation places in the South West

Brand(s) in South West	Group	Ultimate Owner	Type of Ownership	Places	Regional Market Share
1625 Independent People	Not Applicable	1625 Independent People	Charity	162	9%
Horizon Supported Accommodation West; Horizon Supported Accommodation South	Horizon Supported Accommodation	Graphite Capital	Private Equity	127	7%
LiveWest Young People's Supported Accommodation Service	Live West Homes	Live West Homes	Housing Association	124	7%
Poole Quay Foyer	Stonewater	Stonewater Ltd	Charity	92	5%
Not Applicable	Not Applicable	Cornwall Council	Local Authority	90	5%
Total for five largest providers				595	32%

Source: Ofsted provider data October 2024, analysed by IPC; places and information on ownership derived the Companies House website and published accounts; market share based on percentage of regional places owned by provider.

Key implications for commissioners:

- Commissioners need to take account of the changing shape of the market in terms of ownership, ethos and market share, and the differences between the fostering, children's home, and supported accommodation markets when planning market engagement and procurement.

9. Sufficiency

Local authorities have a duty to 'take steps that secure, so far as reasonably practicable' sufficient accommodation for children in care which is within their area and meets their needs[15]. As a minimum, regional sufficiency requires that there are sufficient places of the right type for all the children in care in the region. However in practice a surplus is required to allow for places being unavailable, for example to cater for a child who needs a solo placement, foster carers taking a break, or staff shortages. A proportion of places will also be used by children placed in the South West from other regions, although data on this is not routinely published at a regional level.

9.1 Overall sufficiency

For the purposes of estimating overall sufficiency, it is clearer to exclude supported accommodation because this is not always exclusively available to care experienced children and young people, and often provides accommodation for young people over the age of 18. The maximum capacity of the other categories analysed in the demand section is as follows:

Table 6:

Maximum capacity of different types of home in the South West

Type	Maximum Capacity
Local Authority fostering (mainstream)	3465
Local Authority fostering (family and friends)	987
Independent Fostering Agency	2185
Children's homes	731
Total	7368

Sources: Fostering in England statistics, previously unpublished Ofsted data on IFA places and Ofsted provider data, analysed by IPC

The theoretical maximum capacity is not much above the total of 6,920 children in care at March 2024, but we should recall that a proportion of children are appropriately placed in other types of care: there were 930 children placed either in independent or semi-independent accommodation, with their parents, or in other types of regulated residential settings.

Taking this into account the actual number of children requiring foster or children's homes is probably around 6,000. On the other hand, the number of places which are actually available will always be lower than the total number of approved places, because some places will be unavailable at any one time for a variety of practical reasons.

National data suggests that the proportion of unavailable places is 23% for local authority fostering and 22% for IFAs[16]. Equivalent data is not available for children's homes but Ofsted Research found an average occupancy rate of 70%[17]. Applying these rates to capacity suggests the effective capacity at any one time is likely to be less than 6,000 places:

15 Children Act 1989, section 22G, inserted in 2008.

16 Fostering in England, 2024

17 Ofsted, What types of needs do Children's Homes offer care for, 2022

Table 7:

Effective capacity of different types of home in the South West

Type	Estimated Effective Capacity	Assumption
Local Authority (mainstream)	2668	23% unavailable
Local Authority (family and friends)	987	100% occupancy
Independent Fostering Agency	1704	22% unavailable
Children's homes	512	70% occupancy
Total	5871	

Sources: Fostering in England statistics, previously unpublished Ofsted data on IFA places and Ofsted provider data, analysed by IPC

Taking all this into account it is estimated that at March 2024 there were around 5,870 places for 6,000 children. If we also consider that surplus capacity is required to ensure appropriate matching according to need, and that some places are filled by children from other regions, then it is clear that there are insufficient homes for children in care in the South West.

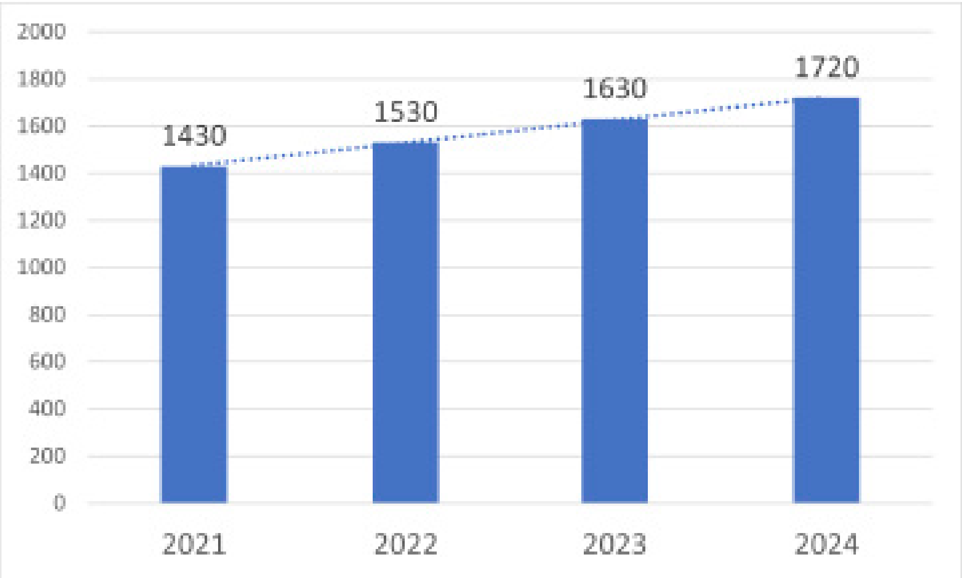
This picture is confirmed by evidence of significant strain within placement markets.

9.2 Distance

Ideally, children should be placed both within their local authority area, and close to their home. As councils vary hugely in geographically size, both within the South West and nationally, it can be misleading to focus on distance from home, or being placed out of area in isolation. A clearer picture is provided by looking at children who are placed both far from home and outside their home local authority. This number has increased in the South West:

Figure 23:

Children placed outside LA boundary, more than 20 miles from home, South West

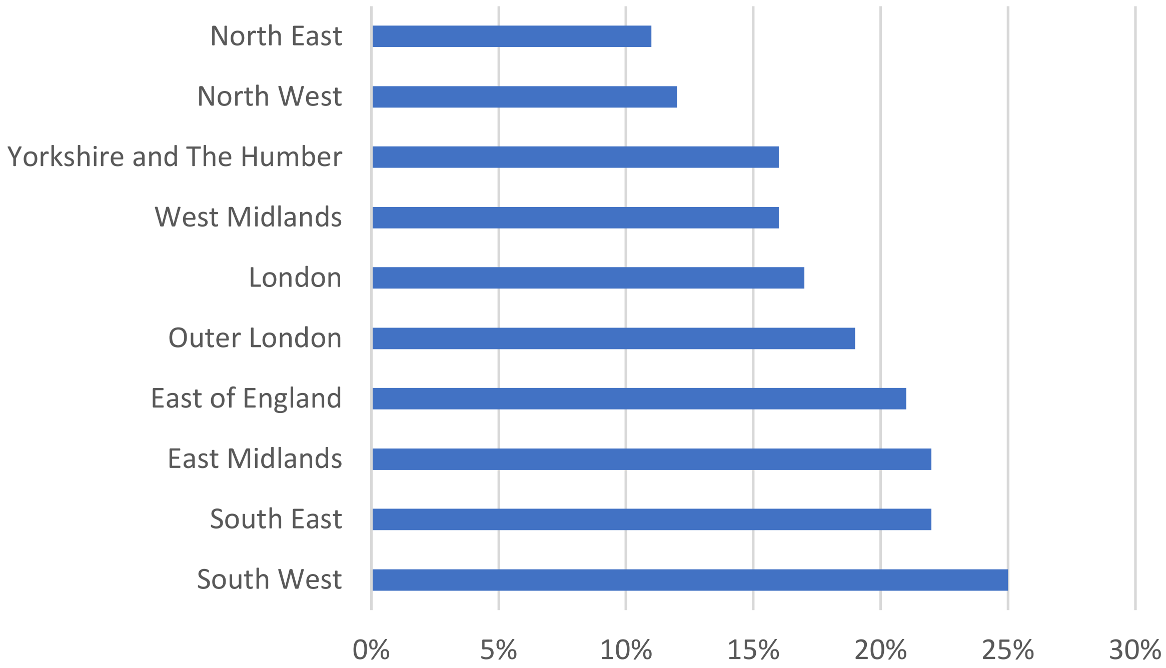


Source: Children Looked After in England, Including Adoptions 2024.

The South West has the highest proportion of children placed out of their home area and more than 20 miles from home of any region.

Figure 24:

Children placed outside LA boundary and more than 20 miles from home by region 2024



Source: Children Looked After in England, Including Adoptions 2024.

A small number of children are being placed at extreme distances. The bespoke data collection to inform this strategy asked councils where their most distant placement was. For five councils in the South West their most distant placement was in Scotland.

9.3 Commissioners' views

The lack of sufficiency also came through clearly at the commissioners' workshop:

> *There is a lack of sufficiency generally. We can search for some children, you know, fifteen, sixteen, seventeen times and keep, just keep sending out the requests, which I'm sure it doesn't help the agencies.*
>
> *Commissioner at workshop*

Commissioners felt frustrated and some admitted that the shortage of placements and pressure to place children at short notice was leading to poor practice:

> *Feels like we're just chucking kids in whatever bed we can find at the moment.*
>
> *Commissioner at workshop*

The survey of placement commissioners reinforced this picture. All twelve respondents said that some children had been placed in residential care over the last 12 months because there was no foster placement available. Some were able to put precise figures on this, whilst others provided estimates:

As at 10/02/25 there are 26 children in [residential] whose first choice was fostering.

In total, the survey respondents estimated over 130 children were in residential care because foster placements weren't available.

Survey respondents were also asked to rank profiles according to which they found hardest to place, with the option to specify other profiles if they wanted. The profiles which were most often ranked first were:

1. Children who display behaviours that pose a risk to other children such as violence, aggression, sexualised behaviours or fire starting (first choice for 6, second choice for 3).
2. Children with mental health problems, manifesting in self harm or suicide ideation (first choice for 4 second choice for 3).

However, the other profiles listed were also considered 'hard to place', with some pointing out that children frequently fall into multiple categories:

- Children who have been subject to criminal exploitation such as county lines
- Children who have experienced complex trauma manifesting in emotional dysregulation
- Children with autism and/or learning disabilities combined with other complex needs
- Children who have been subject to sexual exploitation

For the 'other' category respondents added:

- Eating disorders
- Children under DOLs
- Supported housing for pregnant teenagers providing pre and post birth support

Respondents were also asked whether there were any particular age groups, ethnic backgrounds or genders which are particularly 'hard to place'. By far the most common answer was children aged 13 to 16 with these complex need profiles.

9.4 Prices and procurement

The average weekly cost of placements has increased, reflecting both general inflation and the shortage of placements:

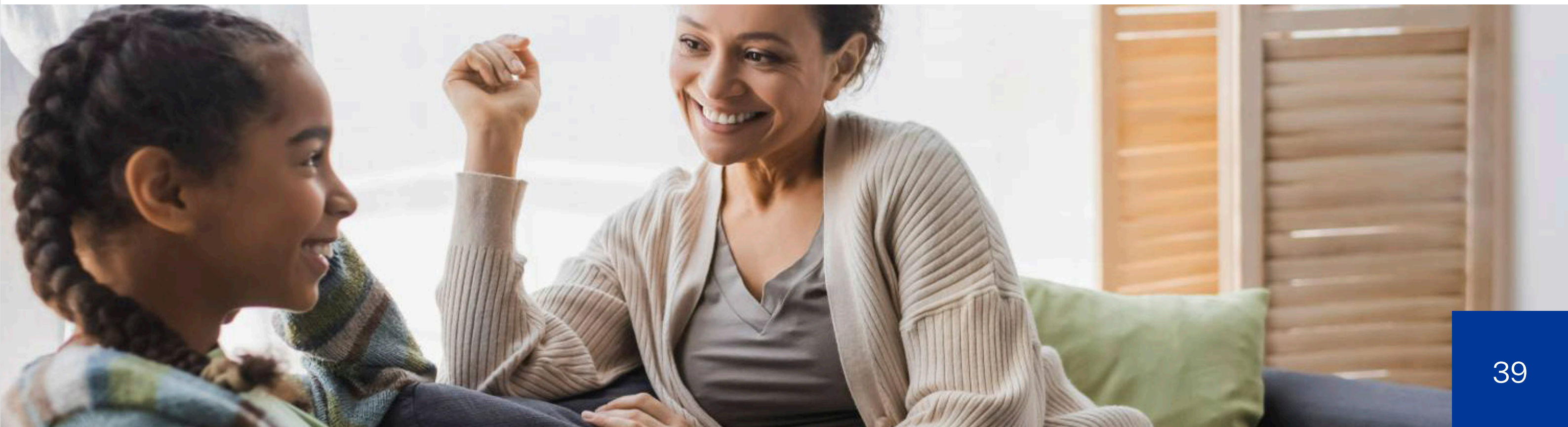
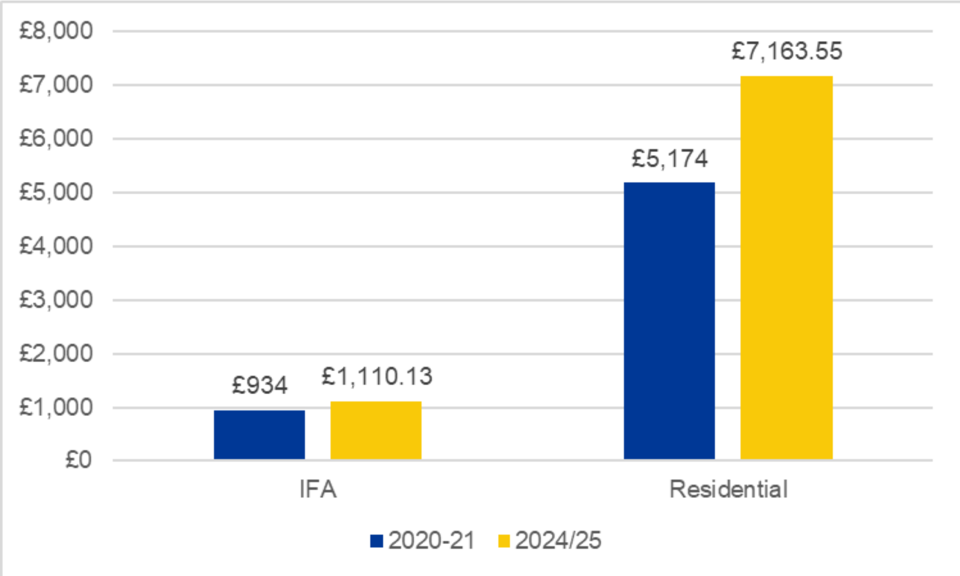


Figure 25:

Average weekly rates for IFA and residential placements in the South West



Sources: Weighted averages calculated by IPC from local authority data collection for previous and current Market Position Statements

The increase in IFA weekly costs at 19% is in line with general inflation (CPI) over the period[18]. The increase in the cost of residential placements at 38% is far higher but this difference should be interpreted with caution for several reasons:

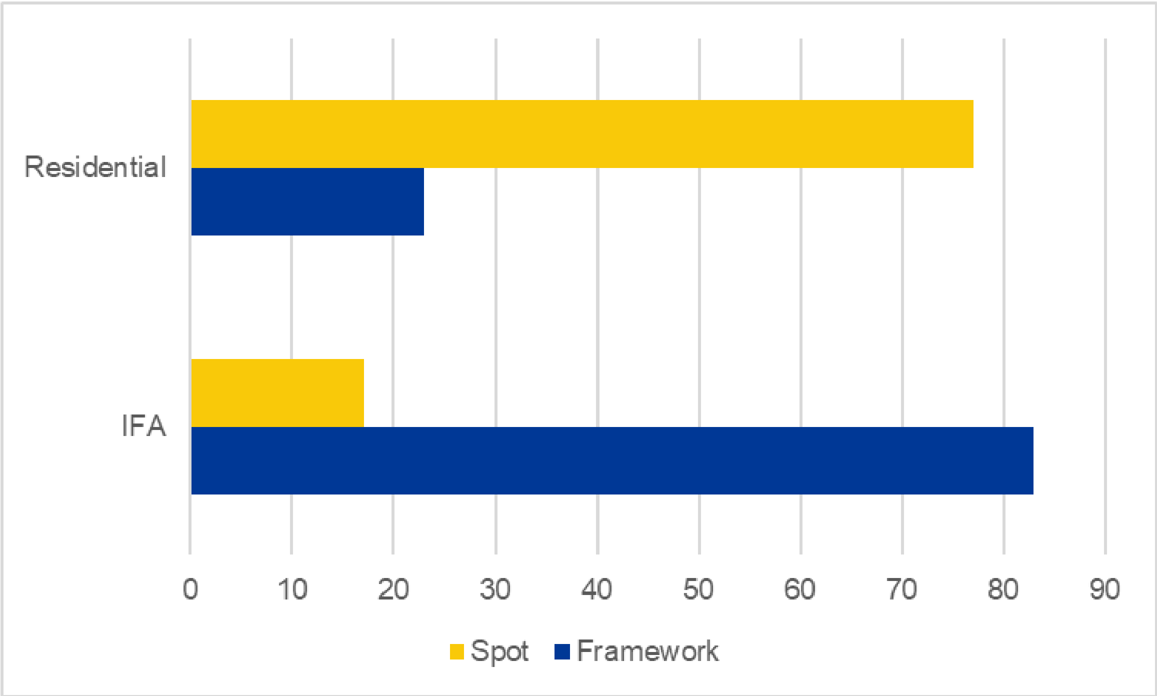
- The residential care costs include an increased number of very high cost placements, described in more detail below (section 9.43). These are often unregistered so the increase in the average cost of residential care for registered providers is likely to be lower;
- the greater exposure of residential care to increases in staffing, energy and insurance costs; and
- the trend towards smaller homes with higher staffing ratios.

The way in which homes for children are procured may also be limiting inflation in IFA fees. The vast majority of IFA placements are still purchased via framework contracts, whereas most residential placements are spot purchased:

18 *Bank of England inflation calculator*

Figure 26:

Placement procurement method in the South West February 2025



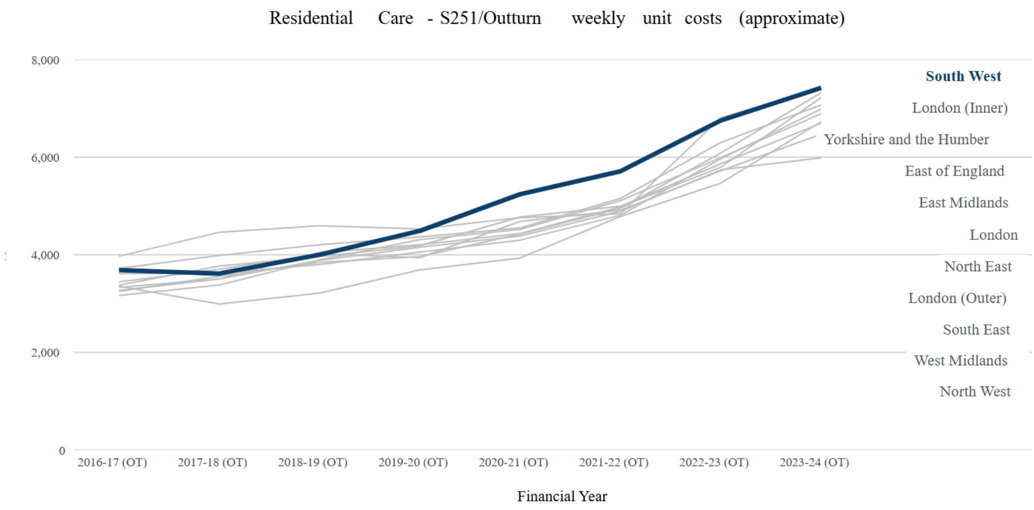
Source: Local authority data collection, weighted average calculated by IPC

9.4.1 Regional comparison

Data from local authority annual finance and SSDA 903 returns suggests that the South West spends more per week on residential care than any other region. Care should be taken interpreting these figures however as they are not true unit costs, because they reflect the mix of placements purchased, as well as the price of comparable types of care. This data does however suggest that the South West is worse affected than other regions by the lack of sufficiency, perhaps having a higher proportion of high cost placements (e.g. solo DOLs placements with high staff ratios.)

Figure 27:

Spend on residential care by region per child in care



Source: Local Authority Interactive Tool (DFE), (derived from Local authority revenue expenditure and financing England: 2023 to 2024 individual local authority data –outturn, and days care provided from SSD 903 returns)

Data collected by the South West Sufficiency Project on spend in the first four months of 2025/26 suggests that budget pressures are continuing, with spend on external residential placements projected to increase 11% by the end of the current financial year. The Project has a key workstream to develop transparent baseline costing models, which will help to understand the drivers behind these figures, including factors such as staffing models and property costs, and ensure that like is compared with like.

9.4.2 Total expenditure

Table 8:

Estimated total expenditure on children in care

	2021	2022	2023	2024	% change 2021-24
Children in care at 31 March	6260	6540	6890	6980	12%
Total expenditure	£526m	£590m	£706m	£804m	53%
Weekly 'Unit Cost'	£1,615	£1,735	£1,970	£2,215	37%

Sources: weekly unit costs from DFE Local Authority Interactive tool, based on revenue outturns and SSDA 903 activity data, children in care from children looked after including adoptions 2024, and total expenditure calculated by IPC from these.

Note that these 'unit costs' are for all children in care, in all types of placement. They are calculated in the LAIT simply by dividing total expenditure on looked after children by the number of children in care at 31 March.

9.4.3 High cost placements and unregistered placements

The data collection for this Strategy asked local authorities to provide anonymised data about their ten highest cost placements, *including* unregistered placements. This provided data about 140 of the most costly placements in the region. Note that these very high cost placements are the exception rather than the norm, nonetheless they consume a very significant share of the budget.

The 140 placements ranged from £5,563 per week to £39,914, with an average cost of £13,162 per week. Many of these placements appear to be long term, with an average length to date of 49 weeks for those where this data was provided. The table below shows the number of placements by broad cost bands, together with the annual equivalent cost of all the placements in that band:

Table 9:

High cost placements, South West

Range per week	Placements	Total weekly cost	Total annualised cost £ million
£30,000-£39,999	3	£114,047	£5.93 million
£20,000-£29,999	9	£198,787	£10.34 million
£10,000-£19,999	98	£1.28 million	£66.52 million
<£10,000	30	£250,585	£13.03 million
Total	140	£1.84 million	£95.82 million

Source: combined 'top tens', anonymised data provided by local authorities for the bespoke data collection for this document.

The high cost placement data also highlighted that many of these high cost placements are unregistered. In total, 27 of the 140 placements (19%) were unregistered including 7 of the 10 most expensive. The use of so many very costly unregistered placements underlines the overall insufficiency of placements in the region.

Twelve councils provided data about whether their most expensive placements were joint funded. The vast majority, 93/120 or 77% were not.

9.5 Forecasting future demand

The Competition and Markets Authority criticised local authorities for their limited capability to accurately forecast future demand for homes for children in care. The gap is very real but the criticism was arguably unfair given that there is no recognised and validated methodology for doing so. There are numerous factors in play, including:

- Levels of child poverty and deprivation
- The incidence of factors which increase risk to children, such as domestic violence and abuse, parental mental ill health and substance use
- Availability and quality of prevention and early help services
- The incidence of extra-familial risks and harms such as child exploitation
- The number of young asylum seekers

- Thresholds for intervention
- Average length of time of care episodes
- High profile safeguarding cases and inspection outcomes

Each of these factors is complex and itself influenced by many other things. The number of young asylum seekers for example depends on international events but is also highly sensitive to government policy.

Having said that, there is scope for further research to design better forecasting methodologies. This would require sophisticated statistical analysis of historical data to design and test forecasting models. In the meantime caution is needed, but in the absence of significant investment to tackle the underlying factors leading to children entering care, it is reasonable to expect current trends to continue.

On the supply side, it is likely that recruitment and retention of foster carers will continue to be challenging, reflecting wider social trends such people starting families later, and children living with their parents for longer.

Children home capacity is likely to grow only slowly due to the small size of homes and difficulty recruiting sufficient skilled staff. Providers face considerable uncertainty, for example over the future possibility of profit capping.

Intelligence from commissioners indicated that many new local authority owned or block contracted homes will be opening in the next year or two, but these are mostly small so will not provide as many places as might be thought. The pipeline of local authority projects also underlines the long time frames for putting in place new provision, with challenges including planning, community opposition and staff recruitment.

10. Provider perspective

10.1 Children's homes

The South West Sufficiency Project has commissioned an independent organisation, Dialogue, to facilitate engagement with registered providers of children's homes across the South West, including a Regional Network for Registered Individuals (RIs) and a survey of Registered Managers.

This Strategy was informed by engagement with the regional RI network via two sessions, one online and the other an in person workshop session. Key messages from children home providers were:

- Recruitment and retention of skilled and experienced staff, particularly Registered Managers is a major challenge.
- Candidates are put off by the level of personal responsibility and risk which the role carries, something which is amplified by Ofsted's Registered Manager Interviews, which are sometimes experienced as hostile and off putting.
- The inspection and regulation regime is stressful and time consuming, and there are often delays in registering new provision. Ofsted's approach in the South West is perceived to be less supportive and more problematic than in other regions
- There is considerable scepticism about the prospect of Regional Care Co-operatives, which are considered likely to add bureaucracy but little value
- Providers would like more frequent engagement from commissioners, and a more nuanced understanding of the challenges they face, and of the costs of providing care.

10.2 Independent Fostering Agencies

The South West Sufficiency Project has to date prioritised engagement with residential providers as this is the market where most pressure is evident in terms of cost and sufficiency, and residential homes are the initial focus of regional collaboration. However, as regional work develops, increased engagement with Independent Fostering Agencies is planned. This is essential as the fostering and children's home markets are inter-related, and it will only be possible to achieve overall sufficiency if there are enough high quality foster homes available for children who need them.

The Nationwide Association of Fostering Providers (NAFP) is a not for profit membership organisation representing the vast majority of IFAs. NAFP submitted written evidence to the Independent Review of Social Care and recently updated this with written evidence to the House of Commons Education Committee.[19] Key points made by NAFP include:

- Comparisons between the costs of in-house and IFA homes are often unfair as they typically understate the overheads of local authority services;
- Children cared for by IFA carers are on average older and have more complex needs. Nevertheless IFAs typically achieve better Ofsted inspection grades, and comparable levels of stability and progress to local authority fostering services;
- Foster carers have seen their costs increase significantly due to inflation; and
- The common practice of placement teams going to IFAs only if in-house placements are unavailable, or have disrupted, sometimes brings avoidable delay in matching children to carers who can best meet their needs, and compounds trauma; and
- NAFP shares the scepticism of children's home providers about the benefits of regional commissioning.

The Fostering Network, a national charity, conducts a large scale survey of foster carers and fostering services, once every three years. The most recent report in 2024 highlighted continuing challenges in the recruitment and retention of foster carers. The respondents include both local authority and IFA foster carers, and both types of fostering service, but the majority of responses are local authority carers or services. The top three reasons identified by fostering services for people not coming forward as foster carers were:

> *Finances (49%) – a combination of the cost of living and the inadequacy of financial support for foster carers.*
>
> *Perceptions people have (39%) – about fostering, children in foster care (often due to media stereotypes), or their own suitability to foster.*
>
> *A lack of space (31%) – sometimes attributed to people's own children leaving home later.*[20]

19 Written Evidence, Children's Social Care

20 Fostering Network, state of The Nations Summary Report 2024 page 4

The majority (58%) of foster carers reported that they had experienced burnout or poor wellbeing because of their fostering role but only 48% felt able to ask for support with their wellbeing. The quality of support carers receive was very important, with carers who were part of the Mockingbird programme more likely to have access to a support network, and much more likely to feel able to ask for support.[21]

But the survey also confirmed that whilst foster carers are not primarily motivated by money, the cost of living crisis has had a real impact:

> *Only one in three foster carers said the fostering allowance, and any expenses they can claim, meet the full costs of looking after the children they foster, down from over half in 2021.*[22]

11. Way forward

11.1 Strategic approach

Improving the sufficiency of homes for children in care in the South West is challenging, but there is good work already underway and much more that can be done. Concerted and sustained action will be required at both local and regional levels, to both increase the supply and reduce the demand for placements before overall sufficiency can be achieved.

The costs of insufficiency are enormous, both in terms of poorer outcomes for children and cash terms. This creates strategic opportunities to shift expenditure from costly, sometimes unregistered, and often ineffective containment and treatment, towards more effective prevention, early intervention and reunification. This shift can be supported by the national Family First programme which includes grant funding for local areas.

At a local level many councils in the South West are adding dedicated capacity, either through new in-house services or through partnership contracts with private sector providers or voluntary organisations. There is growing recognition of the importance of good relationships with providers and a move towards a less transactional approach to commissioning, with more emphasis on building trust. The Procurement Act 2023 offers opportunities to encourage local SMEs and voluntary organisations to bid for contracts alone or in corsortia. Many authorities are also improving support to foster carers through approaches like Mockingbird constellations and multi-disciplinary support teams, including child and adolescent mental health practitioners

Local sufficiency projects can be tailored to each area's requirements and are quicker to implement, but there are aspects which can best be tackled on a regional or sub-regional basis, such as specialist provision for which individual councils do not have sufficient demand to risk investing in. Regional projects can take longer to deliver but they have the potential to:

- Leverage the scale and buying power of the region;
- Help share costs and risks; and
- Give independent and voluntary sector providers more confidence to invest

21 As above page 10
22 As above page 12

The recommended focus for local and regional or sub-regional action is summarised in the diagram below:

Local:

- Prevention and early help
- Evidence based edge of care and reunification services
- Family decision making and kinship care
- Enhanced multi-agency support for foster carers
- Tailored provision for young asylum seekers
- Growing children's home capacity (in-house or partnership with providers)
- Strong relationships with local providers

Regional or Sub Regional:

- Regional Purchasing Arrangement, co-designed with providers
- Improve data, forecasting and market engagement
- Commission new specialist shared therapeutic provision for children with complex needs
- Models for registered crisis provision which enable children to transition sucessfully to long term placements
- Shared block contracts for existing provision
- Outcomes based contracts sharing savings for successful 'step down' with providers

11.2 Current Gaps

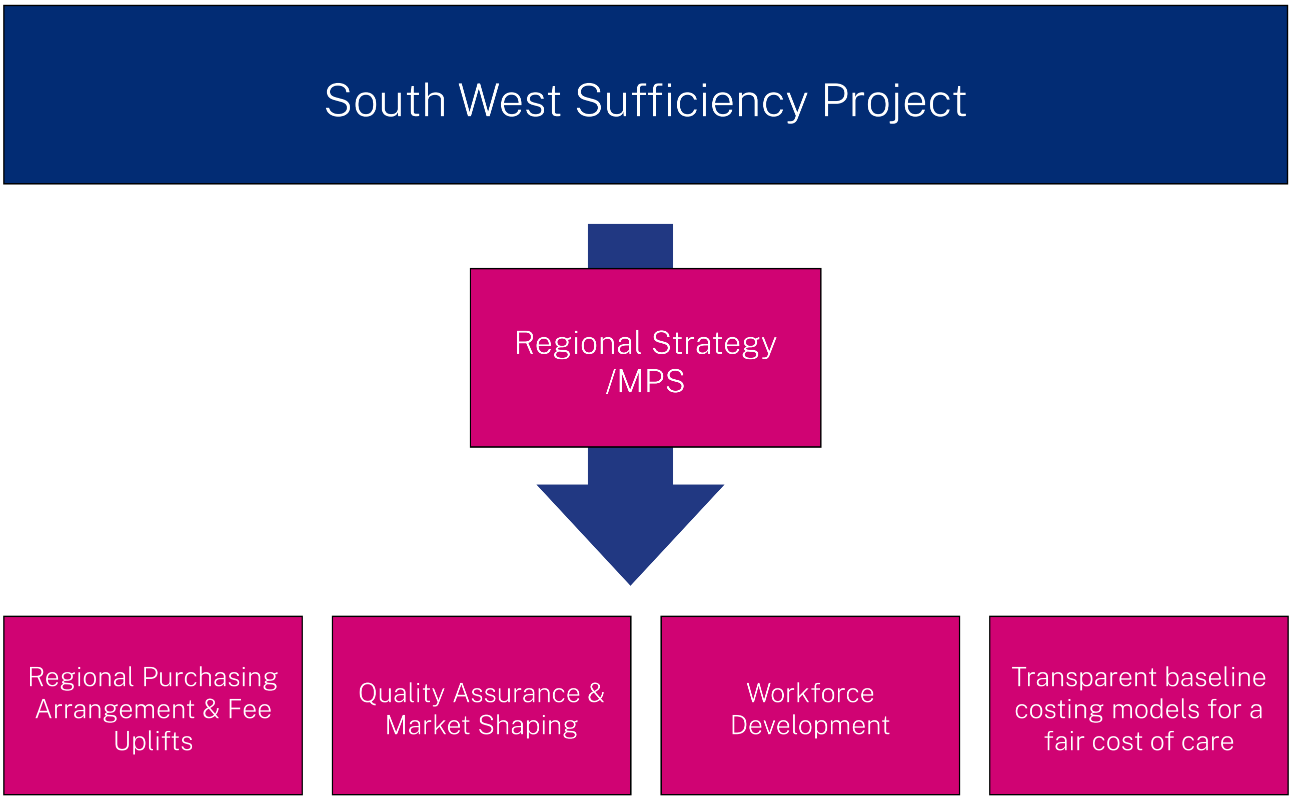
There is a need for more homes (both fostering and residential) across the region, but there are some types of provision which are particularly scarce. Commissioners locally and regionally would particularly like to see more:

- Evidence based, trauma informed, therapeutic homes, (both residential and specialist foster care), for adolescents with complex needs, including mental ill health, self-harm and behaviour which challenges services.
- Registered provision (fostering and residential) able to care safely for children at very short notice following placement disruption and support transition to long term placements, or family re-unification. Crisis or emergency provision which can reduce the use of unregistered provision is particularly needed
- Supported accommodation for asylum seeking children aged 16-25, primarily male, with tailored support in small schemes
- Foster homes, particularly for adolescents, providing trauma informed care

11.3 South West Sufficiency Project

The South West Sufficiency Project has secured sign up from all 15 local authorities in the region for a programme of projects, which complemented with local sufficiency initiatives, can significantly improve sufficiency over the next three years, and help deliver the vision of local homes for local children:

Regional Programme of Projects



Regional Purchasing Arrangement and Fee Uplifts

Co-design and implement a South West regional framework to source residential placements for children in care:

- Baseline existing procurement approaches
- Co-design new approach with providers
- Co-design and agree a fairer model for fee uplifts
- Keep children local in high-quality cost-effective provision

(Framework in place by April 2027)

Quality Assurance and Market Shaping

Design and implement an effective framework for monitoring outcomes, quality of placements and cost effectiveness:

- Strengthen provider accountability, performance monitoring, and engagement
- Establish mechanisms to capture and act upon the voices of children and young people
- Facilitate evaluation of the effectiveness of therapeutic models
- Identify market gaps and contribute to regional market sufficiency planning

(n place by April 2026)

Workforce Development

Partner with Dialogue, DfE, Ofsted, CHA, and University of Sussex academics to:

- Undertake a national survey of Registered Managers
- Develop recommendations for providers and commissioners to inform recruitment, retention and growth strategies
- Influence regulation and inspection protocols for Registered Managers with Ofsted and DfE and wider national stakeholders

(Survey complete, recommendations being developed)

Transparent Baseline Costing Models

Establish a transparent and data-driven baseline of costs across the region for commissioned services in children's care:

- Develop a regional composite of average costs for different types of care
- Benchmark costs across local authorities, independent, and third sector providers
- Identify trends, gaps, and opportunities
- Evaluate tools for assessing needs and associated costs, and fee setting

(Project being mobilised)

11.4 Next Steps

The South West Sufficiency Project will take forward the programme of work outlined above and oversee implementation of this Strategy.

Each workstream will be led by a different local authority or partner, making best use of existing capacity and skills:

- Regional Purchasing Arrangement and Fee Uplifts - led by Somerset
- Quality Assurance and Market Shaping - led by Devon
- Workforce Development - Partner with Dialogue, DfE, Ofsted, CHA, and University of Sussex
- Transparent costs baseline measures - led by Gloucestershire

Market engagement about the Regional Purchasing Arrangement will begin in September 2025.

The South West Sufficiency Project is keen to engage with providers whose ambitions and ethos align with the aims of this Strategy.

To register your interest in co-designing the Regional Purchasing Arrangement, or to discuss any ideas you have to meet the region's sufficiency challenges please contact gail.collins@sglos.gov.uk

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Appendix

South West Sufficiency Strategy Additional Tables

November 2025

Contents

1. Expenditure on children in care by local authority

Local authority	2022/23	2023/24	Percentage change
Bath and North East Somerset	£27,617,276	£28,507,289	3%
Bournemouth, Christchurch and Poole	£45,669,650	£58,629,960	28%
Bristol, City of	£67,472,754	£84,905,075	26%
Cornwall	£49,558,426	£69,141,143	40%
Devon	£87,634,053	£101,382,076	16%
Dorset	£44,627,376	£53,266,305	19%
Gloucestershire	£98,504,394	£96,009,476	-3%
North Somerset	£16,195,625	£24,225,808	50%
Plymouth	£53,508,242	£53,040,851	-1%
Somerset	£84,567,903	£92,558,690	9%
South Gloucestershire	£31,743,297	£31,364,652	-1%
Swindon	£33,160,167	£40,303,667	22%
Torbay	£27,585,847	£30,631,893	11%
Wiltshire	£38,511,863	£41,806,895	9%

Source: Local Authority Interactive Tool, Total Children Looked After (finance) Gross, which takes data from LA and school expenditure Financial year 2023-24, which are published Official Statistics.

Description: Sum of the costs of looking after children, for continuous periods of more than 24 hours. Includes the funding lines: Residential care, Fostering, Adoption, special guardianship support, other CLA services, short breaks for disabled children looked after, children placed with family or friends, education of children looked after, leaving care support and asylum seeking services for children.

2. Children looked after by local authority

Local authority	March 2021	March 2024	March 2025	% change 2021-25
Bath and North East Somerset	179	218	219	22%
Bournemouth, Christchurch and Poole	431	546	561	30%
Bristol, City of	633	768	780	23%
Cornwall	496	619	638	29%
Devon	812	873	850	5%
Dorset	450	446	394	-12%
Gloucestershire	784	842	814	4%
North Somerset	213	254	280	31%
Plymouth	485	513	530	9%
Somerset	517	586	624	21%
South Gloucestershire	220	214	287	30%
Swindon	304	320	310	2%
Torbay	319	300	280	-12%
Wiltshire	417	476	482	16%
South West Total	6,260	6,975	7049	13%

Source: Children looked after including adoptions, November 2024, which are published official statistics except March 2025, which is unpublished data collected by the South West Sufficiency Project.

3. Sex of children in care by local authority

Local authority	Male	Female
Bath and North East Somerset	59%	41%
Bournemouth, Christchurch and Poole	58%	42%
Bristol, City of	57%	43%
Cornwall	57%	43%
Devon	55%	45%
Dorset	59%	41%
Gloucestershire	56%	44%
North Somerset	50%	50%
Plymouth	57%	43%
Somerset	56%	44%
South Gloucestershire	65%	35%
Swindon	56%	44%
Torbay	54%	46%
Wiltshire	54%	46%
South West Total	57%	43%
England	57%	43%

Source: Children looked after including adoptions, November 2024, which are published official statistics.

4. Age of children looked after by local authority

Local authority	0-1	1-4	5-9	10-15	16-17
Bath and North East Somerset	c	c	15%	39%	32%
Bournemouth, Christchurch and Poole	5%	11%	19%	37%	28%
Bristol, City of	4%	10%	16%	39%	31%
Cornwall	4%	14%	17%	38%	27%
Devon	6%	11%	15%	39%	29%
Dorset	3%	11%	15%	41%	30%
Gloucestershire	5%	12%	19%	36%	28%
North Somerset	6%	15%	16%	39%	24%
Plymouth	4%	11%	18%	46%	22%
Somerset	6%	14%	13%	39%	27%
South Gloucestershire	4%	12%	14%	31%	38%
Swindon	5%	8%	19%	39%	29%
Torbay	6%	13%	20%	40%	22%
Wiltshire	5%	14%	14%	42%	26%
South West Total	5%	12%	17%	39%	28%
England	4%	13%	18%	38%	27%

Source: Children looked after including adoptions, November 2024, which are published official statistics.

c denotes a suppressed figure due to small numbers

5. Number of Mainstream Fostering Places by local authority

Local authority	March 2021	March 2024	Change	Percentage change
Bath and North East Somerset	81	90	9	11%
Bournemouth, Christchurch and Poole	219	220	1	0%
Bristol, City of	500	420	-80	-16%
Cornwall	417	375	-42	-10%
Devon	547	430	-117	-21%
Dorset	288	255	-33	-11%
Gloucestershire	454	400	-54	-12%
North Somerset	125	100	-25	-20%
Plymouth	224	210	-14	-6%
Somerset	357	310	-47	-13%
South Gloucestershire	125	140	15	12%
Swindon	112	90	-22	-20%
Torbay	160	165	5	3%
Wiltshire	290	260	-30	-10%
South West	3899	3465	-434	-11%
England	42010	37430	-4580	-11%

Source: Fostering in England Statistics, 2020/21 to 2023/24 releases, analysed by IPC. 2021 figures have been calculated from total fostering places minus estimated family and friends places.

6. Growth in registered children's home places by authority

Local authority	March 2021	March 2024	Change
Bath and North East Somerset	9	5	-4
Bournemouth, Christchurch and Poole	22	26	4
Bristol, City of	37	31	-6
Cornwall	59	50	-9
Devon	133	148	15
Dorset	37	51	14
Gloucestershire	69	93	24
North Somerset	16	14	-2
Plymouth	35	29	-6
Somerset	134	144	10
South Gloucestershire	16	16	0
Swindon	13	21	8
Torbay	11	10	-1
Wiltshire	77	93	16
South West Total	668	731	63

Source: Ofsted Children's Social Care in England 2021 to 2024 releases, collated and analysed by IPC. Data shows number of registered children's home places as at 31 March each year. The data includes short breaks only children's homes but not residential special schools registered as children's homes..

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