

By email to: socialhousingallocationsconsultation@levellingup.gov.uk

Date 26/4/2024

ADCS response to consultation on reforms to social housing allocations

1. The Association of Directors of Children's Services Ltd. (ADCS) is the national leadership organisation in England for directors of children's services (DCSs). Under the provisions of the *Children Act (2004)*, the DCS acts as a single point of leadership and accountability for services for children and young people in a local area, including children's social care and education. ADCS welcomes the opportunity to respond to this consultation.

Context

2. According to the Office for National Statistics ([2019](#)), the average age for young people to leave home is 23 years old, however, the large majority of care leavers leave home at 18 years old. Recent years have seen some positive changes, including the extension of entitlements up to 25 years old, and the introduction of initiatives Staying Put and Staying Close (although these only last until the young person turns 21 years old). However, care leavers still face a myriad of challenges upon leaving care, and accessing and maintaining suitable housing poses a significant concern. Many care leavers have multiple accommodation moves after they leave care, and can live in unsafe accommodation or even experience periods of homelessness ([Centrepoint, 2017](#)). This can impact on care leavers' opportunities to enter or remain in employment, education and training, their ability to maintain relationships and can also affect their physical and mental health.
3. Latest data shows that the number of care leavers aged 18 - 20 years old facing homelessness has increased by 33% since 2018, and 9% between 2021/22 and 2022/23 ([DLUHC, 2023](#)). It is vital that the transition out of care is made as smooth as possible to reduce this figure and the on-going impact that homelessness and poor-quality/unsuitable housing has on the lives of care-experienced adults.

Placing children outside of area

4. In the majority of cases, it is important for children to remain close to home, so they can stay connected to their family, friends and community. For a minority of children, however, there are good reasons why they should be placed out of area, e.g. for safety reasons. Due to the national placement sufficiency crisis, local authorities (LAs) are struggling to find placements of all kinds (i.e. foster care, children's homes, secure children's homes, semi-independent accommodation, etc.) for children which both meets their needs and are where they need them to be. This means that, despite LAs' best efforts, 32% of children placed in children's homes, secure units and semi-independent accommodation, and 18% of children in foster care, are being placed more than 20 miles from home into neighboring LAs, elsewhere in England, or across the border in Scotland or Wales ([DfE, 2024](#)). As it stands, LAs' low funding alongside bureaucratic planning regulations can mean that it takes several years to open new provision. There is limited scope to alter the market to allow for more of their children to be placed locally. According to Ofsted data ([2023](#)), 81% of children's homes are owned by private providers, 85% of which were owned by a company with multiple homes, with the ten largest companies accounting for 30% of all children's homes, and the number of homes backed by investment companies increasing significantly in recent years. With profiteering rife in this dysfunctional market ([CMA, 2022](#)), children's homes are opened in

locations where the greatest profit is to be made, regardless of the uneven distribution of children's homes across the country. LAs are investing to develop more local in-house provision, however this will take time and greater intervention from government to improve the functioning of the market. In the meantime, it is important that care leavers are supported in their transition to independent living.

Reasons for care leavers to choose to live outside of their home area

5. There are a number of reasons for why a care leaver might choose to live in an area outside of their home LA, including, but not limited to:
 - They were most recently in an out of area placement and want to maintain the connections and relationships built up over time
 - While their most recent placement may have been in their home LA, they may want to live in the area where they lived during a previous placement
 - They may wish to move to be close to significant people in their lives, e.g. family, friends, previous foster parents, etc. who have moved out of their home LA
 - They may wish to continue with the education, employment or training they are currently engaged in outside of their home LA, or to gain access to a specific type of education, employment or training which isn't available in their home LA.
6. Whether the intention to move away from their home LA stems from wanting to develop and maintain a strong support network, or from the wish to establish their career path, there are many benefits for young people to remain in the LA where they had been placed in, or to move to a new area which they don't currently have a connection to. Exempting care leavers up to 25 from the local connection test would make this possible.

Impact on LAs and communities

7. The exemption of the local connection test will have a differential impact on LAs. As mentioned previously, there is an uneven distribution of children's homes across England, driven by private provider's focus on profit making. LAs with higher numbers of children's homes, often those with low-cost housing, are likely to experience a higher number of care leavers applying for social housing, in order to maintain the connections and relationships that they established during their placement there. Whereas LAs with low numbers of children's homes are likely to see fewer care leavers applying for social housing. In addition, urban LAs offering more opportunities for education, employment and training are likely to see an increase in applications from care leavers wishing to access these opportunities, while rural areas may see reductions. Any additional burden on LAs, e.g. processing increased numbers of claims and greater pressure on emergency housing, will need to be understood and fully funded.
8. There is an increasing proportion of care leavers who were formerly unaccompanied asylum seeking children (UASC), who make up over a quarter of all 19-21 year old care leavers ([DfE, 2024](#)). The uneven distribution of UASC children placed through the national transfer scheme and through other routes further complicates the differential impact on LAs, e.g. previously UASC care leavers may wish to move to LAs where there are existing communities of people from their country of origin.

9. For those areas which are likely to see a significant increase in applications for local housing from care leavers, there will not be a subsequent increase in housing stock. Rather, it is likely that waiting lists will only increase, causing knock on effects for other people who are waiting, making social housing more inaccessible and impacting on other priority groups.
10. Making care leavers exempt from the local connection test will bring significant benefits to this vulnerable group of young adults, however, the unintended consequences for LAs need to be thought through carefully. We would welcome the opportunity to contribute to further planning to ensure that the maximum benefits can be achieved and that the final proposals are deliverable, without causing unintended consequences for LAs, in the context of a significant shortage of quality social housing. Please contact ADCS Policy Officer Sarah Wilson via sarah.wilson@ADCS.org.uk in the first instance.