



House of Commons
Housing, Communities and
Local Government Committee

Funding of local authorities' children's services

Fourteenth Report of Session 2017–19

*Report, together with formal minutes relating
to the report*

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Housing, Communities and Local Government Committee

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Summary

Local authorities in England deliver a range of statutory and non-statutory services for children at an annual cost of around £9 billion. Our inquiry sought to find out whether the funding for this vital aspect of local authorities' remit is sufficient to enable councils to fulfil their statutory duties, deliver non-statutory duties (e.g. early help services) and secure the long-term sustainability of local authorities' children's services. It is clear that it is not. We heard about a system at breaking point, increasingly reliant on the goodwill of social care professionals; the children supported by or in the care of councils are some of the most vulnerable in society and deserve better. We hope our recommendations for change will act as a catalyst for the Government to co-operate with local authorities to secure the short and long-term sustainability of these services.

Our key recommendations and conclusions detailed below are divided into two key areas: central government funding and systemic change.

(1) Central government funding

- **The 2019 Spending Review settlement must reflect the increased demand and pressures on local authorities' children's services; the Government should bridge the existing funding gap for local authority children's services. At a minimum, un-ringfenced core grant funding up until 2025 should increase by £3.1 billion in total.**

It is clear that current funding levels are unsustainable; local authorities are responding to increasing demand and decreasing spending power by prioritising child protection work and reducing spending on non-statutory children's services. Despite these efforts, most local authorities are still overspending their budgets on children's social care. Financial restraint combined with seemingly ever increasing demands on the sector is leading to what has been described as "a perfect storm".

- **When designing one-off grant funding, the Government should take a long-term strategic cross-government approach and ensure that the application and administration of such funding does not place an unreasonable administrative burden on council and that capital and other support is reaching all local authorities either directly or indirectly if they wish to participate in such programmes.**

Local authorities would benefit from greater long-term certainty about the availability of one-off grant funding. The impact of such funding could be improved if government departments share their expertise and aims, and pool their funding. Applying for one-off grant should not be overly burdensome nor disadvantage some local authorities.

- **The Government must announce a successor programme to the Troubled Families Programme in advance of the 2019 Spending Review to provide local authorities with certainty over their long-term funding streams beyond 2020.**

In the current financial climate, many local authorities are reliant on the Troubled Families Programme to provide non-statutory early help services. As the funding is due to expire in 2020, it is essential that the programme is continued.

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- **All new burdens on local authorities' children's services must be financed adequately. The Government should evaluate its process for understanding the financial burden of new statutory duties on children's services and consider how it could be made more accurate. The funding for new burdens should be reviewed regularly and the cap on the number of reviews per year should be reviewed in order to avoid any delays in adjusting payments if necessary.**

It is unrealistic to expect local authorities to successfully deliver new responsibilities without appropriate funding, and long-term inaccuracies in funding are likely to have a significant impact on local authority budgets.

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- **A day rate payment, equal to that of unaccompanied asylum seeking children and payable by the Home Office, should be introduced to enable local authorities to better support children within no recourse to public funds families.**
 - **The day rate payment for unaccompanied asylum seeking children should be increased.**

Local authorities should not solely bear the burden of financially supporting children within no recourse to public funds families, particularly as councils are often required to provide long-term support as a result of Home Office delays in deciding immigration cases. Moreover, the day rate for unaccompanied asylum seeking children is insufficient.

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- **The Government should increase core funding in order to enable local authorities to ease the pressure facing social workers.**
 - **The Government must conduct a consultation to gain a better understanding of the pressures facing social workers and why social workers are leaving their roles. Based on the consultation, the Government should assess the merits of options (e.g. limiting caseloads, reducing the administrative burdens, and nurturing supportive cultures) to lessen the burden on children's social workers as a matter of urgency. We expect the Government to report back to the Committee by December 2019.**
 - **We believe that the Government should fund the creation and implementation of a national recruitment strategy to encourage people into the sector.**

High turnover and low retention of the children's social care workforce point to a system that isn't working well. Children pay the price as professional relationships break down. It has a cost for local authorities who resort to filling vacancies with agency staff and may, if financially viable, have to spend money on attracting staff. Social workers are suffering from a range of pressures such as increased workload and administrative burdens.

- **Innovative initiatives should be seen as pilots with successful programmes systematically rolled-out to all local authorities with the appropriate long-term support and resources.**

While innovation cannot solely be responsible for delivering sustainable children's services, innovation which not only improves outcomes for children but also enhances financial sustainability is to be embraced by, and rolled out to, every local authority with the appropriate funding to ensure successful implementation.

(2) Systemic change

- **Increased funding will not solely improve sustainability; it goes hand in hand with systemic, strategic changes.**

The sooner systemic changes are made, the sooner local authorities will be able to deliver both the long-term financial sustainability for children's services and the best outcomes for children. The key systemic changes we recommend are detailed below.

- **The Government should review the key factors driving demand to consider whether there is scope to reduce demand nationally and assess methods for reducing demand by December 2019. Where there isn't scope to reduce demand, for example if increased need necessitates it, local government must be appropriately and flexibly resourced.**

Demands on children's social services have been increasing each year for well over a decade and it is undoubtedly putting financial pressure on councils. Without a better understanding of demand it is impossible for local authorities and the Government to anticipate care needs and budget effectively – the key to long-term sustainability.

- **The Public Accounts Committee's recent recommendation calling for the Department for Education to publish information concerning variation in spend and practice by December 2019, should be implemented. The National Audit Office should also independently continue to look into the reasons behind variation in spending and activity.**

Limited variation in spend on children's social care and differences in the numbers of children taken into care may be expected but the high level of divergence is concerning and suggests the practice of local authorities is very different, although the reasons why are unclear. While reducing spend per child must not be a goal in itself, best practice that emerges from this analysis should be disseminated nationally.

- **The Government should consider the barriers to creating more residential care placements to increase supply.**
- **There may also be a role for greater regulation of the children's care market to ensure that costs do not rise disproportionately and that there is appropriate competition. The Competition and Markets Authority should investigate this market.**
- **A review of the commissioning and procurement system, which also assesses the merits of the various improvements, should be conducted by**

December 2019. The Government and local authorities should introduce greater oversight of how different care placements affect outcomes for children and their value for money.

Local authorities are highly reliant on the independent sector, particularly for children's residential care. Costs are increasing but it's unclear why. Given this reliance, it is imperative that the market works well and that commissioning and procurement are improved to ensure no child is placed in unsuitable care settings.

Introduction

1. Local authorities in England deliver a range of statutory and non-statutory services for children at an annual cost of around £9 billion.¹ Demand for children's services is increasing. At the same time, local authorities have seen their overall spending power fall significantly in real terms since 2010. Local authorities have responded to these pressures by prioritising child protection work and reducing spending on non-statutory children's services. Despite these efforts most local authorities are still overspending their budgets on children's social care.² Financial restraint combined with seemingly ever increasing demands on the sector is leading to what we were told by Adam Pemberton from Barnardo's was "a perfect storm".³

2. Over the course of our inquiry, we have focused on four main questions: what financial and non-financial factors are placing the most pressure on children's services budgets; how the sustainability of the current system can be improved; the role of innovation; and what universal measures are needed to secure the long-term sustainable future for local authorities' children's services. The five chapters of our report reflect each of these questions. The first chapter considers the funding pressures on local authorities' children's services. The second chapter explores other pressures such as increasing demand, the burden of additional statutory responsibilities, unaccompanied asylum seeking children and children within families who have no recourse to public funds. The third chapter looks at the sustainability of the current system. It explores the variation in spend between councils, why demand is increasing, pressure on the workforce and the role of the independent sector. In the penultimate chapter, we consider the role of innovation. Finally, we conclude by identifying two broad areas of improvement which would benefit the entirety of local authorities' children's services funding.

We do not address the wider policy and legal context nor provide an overview of how children's services work, which can be found in the recent House of Commons Library briefing *Children's social care services in England* and the National Audit Office's (NAO) *Pressures on children's social care* report.⁴ A considerable number of reports and pieces of research, not least a March 2019 report by our Parliamentary colleagues, the Public Accounts Committee (PAC), have also been published in recent years on some of the themes which we cover in this report. We have used much of this research to inform our inquiry. We hope the Government responds positively to our conclusions and recommendations; collectively, we must not lose sight of the fact that local authorities support some of the most vulnerable children in our society and must therefore be adequately equipped and resourced to do so.

3. We thank everyone who has contributed to our inquiry. We received over 70 written submissions from local authorities, children's charities, independent care providers, academics and members of the public. The key themes of the written evidence were explored in three oral evidence sessions in which we heard from 18 organisations including both the Department for Education (DfE) and the Ministry of Housing, Communities and Local

1 NAO, [Pressures on children's social care](#), January 2019; MHCLG and DfE ([ACS0065](#))

2 NAO, [Pressures on children's social care](#), January 2019

3 [Q39](#)

4 House of Commons Library, [Children's social care services in England](#), April 2019; NAO, [Pressures on children's social care](#), January 2019

Government (MHCLG). We also thank Lucy Allan MP and Lucy Powell MP, members of the Education Select Committee, who 'gusted' on the inquiry under Standing Order No. 137A.

4. We wish to express our particular thanks to over 100 children's social work professionals who took the time to participate in our survey on the pressures facing the children's social care sector and their work. Our inquiry has undoubtedly benefited from hearing directly from professionals on the frontline of children's social work. We are grateful to the British Association of Social Workers (BASW) and the Association of Directors of Children's Services (ADCS) for promoting our survey among their memberships.

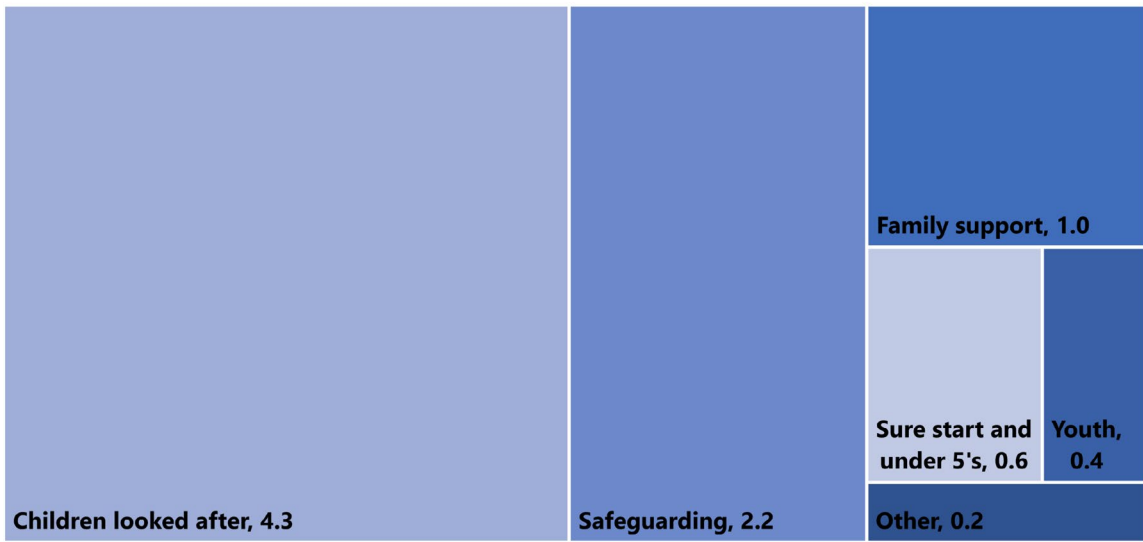
1 Funding pressures

5. Our report begins by considering the volume and administration of current funding from central government. We consider whether core funding is sufficient, the role of one-off grant funding and the future of the Troubled Families Programme.

Government funding

6. Local authorities' children's services are funded primarily through the local government core funding settlement. According to the Government, most of this funding is not ring-fenced "as a result of the Government's policy in recent years to end ringfenced grants and give councils more control over their local income", a position which is supported by the Local Government Association (LGA).⁵ In 2017–18, local authorities in England spent around £9 billion on children's services.⁶ The largest area of spending was for children looked after, which accounted for around half of all spending (Figure 1). Since 2010 local authorities have seen their overall spending power, which all pays for all local government activities including children's services, reduce by 28.6%.⁷ At the same time the number of children looked after by local authorities and other demands on children's services have been increasing (see Chapter 2 for further information).⁸ The LGA said that this has meant that "spending on children's social care has increased at a faster rate than any other area of council business".⁹ However, it considered that while "local authority spending on children's social care has risen, it has not kept pace with growing demand", leaving councils having "to make difficult decisions about the allocation of scarce resources".¹⁰

Figure 1: Children's services net spending 2017–18 (£ billion)



Source: DfE, [LA and school expenditure 2017 to 2018: Main tables](#); Scrutiny Unit analysis. Note – these expenditure amounts are net of income.

5 MHCLG and DfE ([ACS0065](#))
 6 House of Commons Library, [Local government finances](#), October 2018
 7 NAO, [Pressures on children's social care](#), January 2019
 8 NAO, [Pressures on children's social care](#), January 2019
 9 Local Government Association ([ACS0037](#))
 10 Local Government Association ([ACS0037](#))

7. Children England told us that “cuts in funding from central government have forced local authorities to close non-statutory services such as children’s centres, parenting programmes and early help, and concentrate on those that they are legally bound to provide, including services for children in need, children in care and young carers”.¹¹ Barnardo’s agreed that “early intervention and prevention services have taken the biggest hit”.¹² This view was reflected by many local authorities.¹³ The Royal Borough of Greenwich described it as “a significant reorientation of spending on children’s services”.¹⁴ It was also reflected in spending data from the NAO: in 2010–11 English local authorities spent 59% of their children’s services spend on statutory services, while by 2017–18, councils were spending 75% on statutory services leaving only 25% for non-statutory services.¹⁵ Looking forward, the County Councils Network said that “in recent months a growing number of LAs have suggested that they may only be able to provide core services in the future”.¹⁶

8. Despite the diversion of funding to statutory services, we heard that the funding of statutory services is also unsustainable.¹⁷ 65% of participants in our survey said that the funding was ‘definitely not’ sufficient to enable local authorities to fulfil their statutory duties while 93% said it would ‘definitely or probably not’ be enough for 2019–20 and beyond. Newcastle City Council explained that it was becoming “more and more difficult” to fund statutory services due to budget cuts, inflationary pressures and increasing demand.¹⁸ It continued:

The Government have said that austerity is over but that is not what councils are experiencing. The current level of council funding is insufficient to fund local authority services that is a council’s legal duty to provide. The fact that councils including our own are still having to find savings over the next three years to balance the medium term financial plan due to further funding cuts and pressures demonstrates this.¹⁹

9. The National Society for the Prevention of Cruelty to Children (NSPCC) also identified the prevalence of overspending local authorities as a sign of unsustainable spending cuts: “the pressure on maintaining statutory services is highlighted by the estimated £840m annual budget overspend on children’s services”.²⁰ Indeed, the NAO found that 91% of councils overspent the budgets they had set for children’s services at the start of the year—the national overspend amounted to £872 million in total.²¹ For Staffordshire County Council, overspend has resulted in a reduction in reserves and the council investing £6 million into its 2018–19 budget.²² It said that “this has placed great pressure on the council’s finances and meant other services had to find additional savings on order for the budget to balance”.²³ Councillor Roy Perry, Leader of Hampshire County Council

11 Children England ([ACS0013](#))

12 Barnardo’s ([ACS0032](#))

13 See among others Staffordshire County Council ([ACS0030](#)), County Councils Network ([ACS0035](#)), Local Government Association ([ACS0037](#)) and Barnsley Metropolitan Borough Council ([ACS0061](#)).

14 Royal Borough of Greenwich ([ACS0059](#))

15 NAO, [Pressures on children’s social care](#), January 2019. See also data from Newcastle City Council ([ACS0045](#)).

16 County Councils Network ([ACS0035](#))

17 See among others Cambridgeshire County and Peterborough City Councils ([ACS0007](#)), Children England ([ACS0013](#)), Rainbow Trust Children’s Charity ([ACS0018](#)) and Hampshire County Council ([ACS0033](#)).

18 Newcastle City Council ([ACS0045](#))

19 Newcastle City Council ([ACS0045](#))

20 NSPCC ([ACS0053](#))

21 NAO, [Pressures on children’s social care](#), January 2019

22 Staffordshire County Council ([ACS0030](#))

23 Staffordshire County Council ([ACS0030](#))

and representing the LGA, told us that “all councils, regardless of politics and part of the country, have made superhuman moves to achieve those efficiencies and economies, but that route is very definitely coming to an end”.²⁴ The Permanent Secretary of DfE told PAC that he recognised that this type of situation was unsustainable:

Councils have been increasing their spend to protect these services... Is that sustainable? No, because some councils have been drawing from reserves. Some councils have had to draw from funding for other services. You cannot carry on like that forever. That is the starting point for the next spending review.²⁵

10. The Government told us that “local authorities have sufficient funding to fulfil their statutory duties, and that they are prioritising between statutory and non-statutory services as needed” though the Parliamentary Under Secretary of State for Children and Families acknowledged that local authorities were faced with a “challenging financial environment”.²⁶ Nevertheless, he suggested that councils could be doing more to manage overspending:

Two-thirds of local authorities are spending more than they budgeted for. We talked earlier about where the demand pressures are coming from... but it is worth reminding the Committee, that a handful of very complex needs can have a disproportionate impact on budgets. Some local authorities have invested really well, and the outcome is that they manage risk a lot better and reduce the number of looked-after children.²⁷

Anne Longfield, Children’s Commissioner for England, supported the view that children with complex needs can unpredictably impact budgets, saying that there will always be some overspend, even for high-performing local authorities, “because high-cost individuals with complex needs will come and you cannot predict that”.²⁸

11. The Chancellor of the Exchequer announced additional social care funding in the Autumn Budget 2018: £410 million for adult and children’s social care in 2019–20 and £84 million for the Children’s Social Care Innovation Programme over five years.²⁹ The Parliamentary Under Secretary of State for Children and Families explained that this funding had been made available because of the pressures facing local government.³⁰ However, this was criticised by ADCS who said “this will not even allow us to stand still”.³¹ The local government settlement for 2019–20 will see a real-terms increase from £41.1 billion in 2018–19 to £46.4 billion.³²

12. Current funding levels are unsustainable. More and more local authority spending is being directed at a handful of statutory services. The Committee will be considering the impact of this on other services in its forthcoming inquiry on local government finance.

24 [Q124](#)

25 [Q124](#), [Transforming children’s services transcript](#), HC 1741, 4 February 2019

26 [Q196](#) and MHCLG and DfE ([ACS0065](#))

27 [Q189](#)

28 [Q72](#)

29 HM Treasury, [Budget 2018](#), 29 October 2018

30 [Q191](#)

31 Association of Directors of Children’s Services ([ACS0038](#))

32 MHCLG and DfE ([ACS0065](#))

One-off grant funding

13. Alongside core grant funding, additional time-limited or project-focused funding has been made available to local authorities such as the Troubled Families Programme. The Parliamentary Under Secretary of State for Children and Families told us that this one-off grant funding enables the Government “to respond much more flexibly to new and emerging needs and evidence” and provided reassurance that “grant funding will never replace core funding”.³³ However, notwithstanding our later comments on specific programmes, we heard widespread criticism of the use of such funding. ADCS summarised the concerns we heard:

In recent years, small, time limited pots of money to address single issues have become the norm in children's services. This piecemeal approach to funding is unhelpful...

Whilst it may be true that the children and families in the areas that secure funding will benefit, the nature of grant funding does not guarantee sustainability beyond the lifespan of the initiative and moreover the majority of the population do not benefit from this investment. This competitive approach to investment absorbs significant resources locally and all too often the skills of the bid writer determine success, not the needs of the local population. It would be preferable if all LAs [local authorities] were allocated funds to try new ways of working, not just a select few.³⁴

14. In the context of the Children's Social Care Innovation Programme, Stuart Gallimore expanded on ADCS's call for all local authorities to be allocated funding, telling us that over half of the funding had been distributed to just 11 councils and that 54 local authorities had received no additional grant funding from DfE.³⁵ The Parliamentary Under Secretary of State for Children and Families said that while this sounded “worrying”, it did not reflect the fact that “95% of local authorities have engaged with the programme, either through being funded to deliver a project, partnering on a project, applying for funding or attending one of our learning events”.³⁶

15. Coventry City Council agreed with ADCS's concerns about the application process for one-off grant funding, suggesting that it may disadvantage some councils:

We have also been concerned at the number of short term grant funding streams that have a very quick turnaround for applications. This adds to the pressure in the system, and does not help service planning, or enable us to work with partners in relation to securing funding. This also often means that better performing Local Authorities, with more capacity, have a better chance of securing the money.³⁷

33 [Q194](#)

34 Association of Directors of Children's Services ([ACS0038](#)). Among others, see also Cambridgeshire County and Peterborough City Councils ([ACS0007](#)), British Association of Social Workers ([ACS0026](#)) and Durham County Council ([ACS0041](#)).

35 [Q132](#). See also Association of Directors of Children's Services, [Safeguarding Pressures Phase 6](#), November 2018.

36 [Q197](#)

37 Coventry City Council ([ACS0050](#)). See also Cambridgeshire County and Peterborough City Councils ([ACS0007](#)).

16. Concerns were also raised by Bolton Council that “short-term and uncertain grant funding makes staffing recruitment difficult and long-term planning impossible”.³⁸ Devon County Council said that the uncertainty of the continuation of the Troubled Families Programme “could lead to good, experienced staff seeking alternative employment before the end of the grant period, seriously compromising the delivery of the service”.³⁹

17. Councillor Perry acknowledged that councils would continue to access this type of funding despite its flaws: “No local authority is going to say, “No, we do not want it”, but it is no way to have a long-term solution to the problem”.⁴⁰ However, a number of suggestions were made about how one-off grant funding could be improved. The County Councils Network called for grant-based programmes to have longer timescales to provide greater certainty to councils on what services they can provide.⁴¹ ADCS agreed that a long-term approach was necessary, stating that “supporting children and families with complex and overlapping health, social care and welfare needs requires a resource intensive, long-term response”.⁴²

18. The Children’s Society argued that improved co-ordination between Government departments in terms of the funding pots that are available could result in local authorities being better able to address challenges.⁴³ While not commenting in the context of one-off grant funding, questions about the disconnect between MHCLG leading on the funding of children’s social care and DfE leading on the policy framework and delivery were raised in PAC’s recent report.⁴⁴ PAC concluded that “there is little evidence of strong cross-government collaboration in improving children’s social care” and that “this can only be a hindrance to improving services”.⁴⁵ It called for DfE to “develop and lead a cross-government strategy for raising quality in children’s social care, with a cross-government approach agreed by December 2019”.⁴⁶

19. Rather than improve the administration of one-off grant funding, Oxfordshire County Council said the grant funding would likely be better used to top-up mainstream funding or should be ring-fenced:

While there will always be a case for piloting some policies and interventions, we would support a reduction in the amount of funds which are distributed on a “bidding” basis, with more moved into mainstream or ringfenced funding, reducing the administrative burden on local authorities of the bidding process, and giving greater certainty over future funding levels.⁴⁷

20. While Professor Ray Jones, Emeritus Professor of Social Work at Kingston University and St George’s, University of London, raised concerns about one-off pots of funding, he cautioned that “if you just put money into the general pot, it will be used to deal with the crisis that we are in at the moment but it will not help to turn the ship around”.⁴⁸

38 Bolton Council ([ACS0019](#))

39 Devon County Council ([ACS0003](#))

40 [Q132](#)

41 County Councils Network ([ACS0035](#))

42 Association of Directors of Children’s Services ([ACS0038](#))

43 The Children’s Society ([ACS0068](#))

44 Public Accounts Committee, Eighty-eighth Report of Session 2017–19, [Transforming children’s services](#), HC 1741.

45 Public Accounts Committee, Eighty-eighth Report of Session 2017–19, [Transforming children’s services](#), HC 1741.

46 Public Accounts Committee, Eighty-eighth Report of Session 2017–19, [Transforming children’s services](#), HC 1741.

47 Oxfordshire County Council ([ACS0039](#)). See also West Sussex County Council ([ACS0022](#)).

48 [Q10](#)

21. Although additional funding available through one-off grants is welcome at a time of increasing financial pressure, and there is value in flexible responses to the challenges facing local authorities, there is no place for it to be seen as a replacement of reduced core funding. We are pleased that the Government recognises this.

22. Local authorities would benefit from greater long-term certainty about the additional funding available. It would also be beneficial for Government departments to work together to a greater extent in order to pool funding and expertise when designing additional funding pots. *When designing one-off grant funding, we urge the Government to take a long-term strategic cross-government approach. We ask that this constitutes an essential part of the cross-government strategy for improving children's social care which the Public Accounts Committee recently endorsed and we also support.*

23. The application process for one-off grant funding should not be overly burdensome on, nor disadvantage some, local authorities. *The Government should review by December 2019 the application and administration of its one-off grant funding to ensure that they do not place an unreasonable administrative burden on councils, and that capital and support is reaching all local authorities either directly or indirectly if they wish to participate in specific programmes. The lessons learnt from this review should be implemented in the design of all future one-off grant funding. We comment specifically on the Innovation Programme in Chapter 4.*

Troubled Families programme

24. A key funding source for local authorities' children's services is the Troubled Families Programme which has been backed by almost £1.4 billion of Government money since its inception in 2012. While its efficacy has previously been called into question,⁴⁹ the most recent programme evaluation is more positive.⁵⁰ We repeatedly heard concerns about the ending of the programme, which is expected in 2020.⁵¹ Devon County Council stated that "there is no resource elsewhere in the Council that could plug the gap left by the Troubled Families Grant which is in the region of £2 million".⁵² A response to our social worker survey described the ending of this funding as a "cliff edge for early help services which are already creaking under the weight of a 113% increase in early help assessments". Cambridgeshire County and Peterborough City Councils (CCPCC) broadly agreed, telling us that as a consequence the non-statutory early help services would likely end:

This grant is due to end in 2020; without this funding prevention and early help services will be very much reduced in Cambridgeshire [where services have until now benefited from a higher level of core funding] and reduced to almost nothing in Peterborough. This situation, if it were to come about, would lead to poorer outcomes among vulnerable children and young people, with accompanied negative impact on social mobility.⁵³

49 MHCLG, [National Evaluation of the first Troubled Families Programme 2012 to 2015](#), October 2016. See also Dr Michael Lambert (ACS0008).

50 MHCLG, [National Evaluation of the Troubled Families Programme 2015 to 2020 report](#), March 2019

51 Among others, see West Sussex County Council (ACS0022), Essex County Council (ACS0042), Wigan Council (ACS0044), NSPCC (ACS0053), and [Association of Directors of Children's Services, Safeguarding Pressures Phase 6, November 2018](#).

52 Devon County Council (ACS0003)

53 Cambridgeshire County and Peterborough City Councils (ACS0007). Among others, see also Children's Commissioner for England (ACS0058), Barnsley Metropolitan Borough Council (ACS0061), Royal Borough of Greenwich (ACS0059) and County Councils Network (ACS0035).

25. Stuart Gallimore of ADCS told us that the continuation of the programme “in some way, shape or form... is important”.⁵⁴ This reflected calls from West Sussex County Council which said that it, as well as other local authorities from across the country, had “made strong representations to central government about the continued need for an equivalent programme”.⁵⁵

26. The Children’s Commissioner for England, Anne Longfield, agreed that the Troubled Families Programme needed to continue but said it should be changed: “It absolutely needs to continue, but it needs to be reshaped and probably to have more of a focus on early years and children as part of that”.⁵⁶ The Minister for Local Government suggested that change was likely. He told us that he was “personally very keen to see something like the Troubled Families programme continue” and that when the third evaluation report and the evaluation data was published, the Government would start considering what should follow the Troubled Families Programme.⁵⁷ While he told us that we can count on him to make a strong case to HM Treasury on continuing the programme, he noted that nobody “other than the Chancellor can give anyone any guarantees about what will happen after this current spending review ends”.⁵⁸

27. It is critical that the Troubled Families Programme continues given that many local authorities are reliant on the funding it provides to deliver non-statutory early help services. The Government must announce a successor programme in advance of the 2019 Spending Review to provide local authorities with certainty over their long-term funding streams beyond 2020.

54 [Q130](#)

55 West Sussex County Council ([ACS0022](#)). See also Royal Borough of Greenwich ([ACS0059](#)).

56 [Q101](#)

57 [Q201](#)

58 [Q201](#) and [Q203](#)

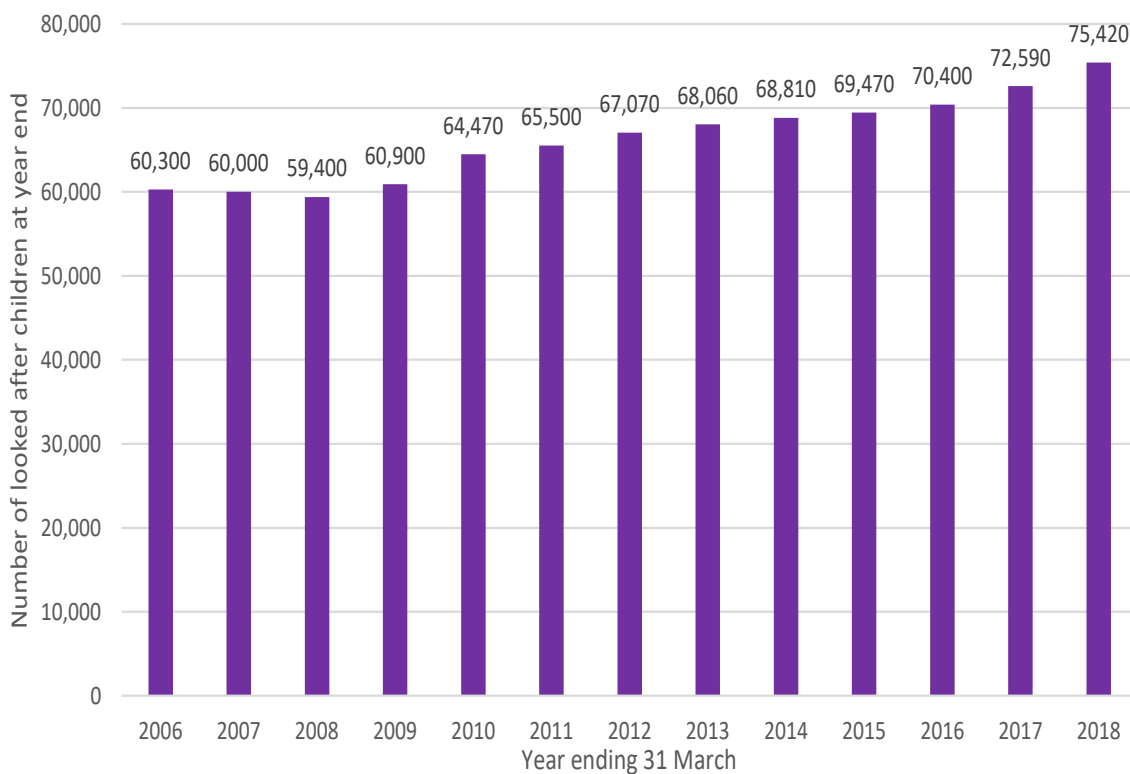
2 Other pressures

28. Our second chapter considers other key drivers of increasing financial pressure on local government. We explore the extent of the increasing demand that councils are dealing with and the additional responsibilities and duties they are delivering.

Increasing demands on children's services

29. The number of children looked after by local authorities in England is the highest it has been in a generation.⁵⁹ The latest statistics show that at the end of March 2018 there were 75,420 looked after children in England - a 4% increase on the previous year and an increase of 27% in the ten years since 2008 (see Figure 2).

Figure 2: Numbers of looked after children in England - 2006 to 2018



Source: DfE [Statistics: looked-after children](#); Scrutiny Unit analysis

This increase is higher than the increase in the child population. In 2018 the numbers of under 18s who were looked after stood at 64 per 10,000 compared to a rate of 54 per 10,000 in 2008 - an increase in the rate of looked after children of around 19% (Table 1). A recent report by the NAO showed that the trend of increased rates of children in care goes back over 20 years.⁶⁰

59 NAO, [Pressures on children's social care](#), January 2019

60 NAO, [Pressures on children's social care](#), January 2019

Table 1: Children looked after per 10,000 children as at year ending 31 March 2018

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Rate	54	55	57	58	59	60	60	60	60	62	64

Source: DfE, [Statistics: looked-after children](#)

30. Around half of all local authorities' expenditure on children's services is for children who are looked after (see Figure 1 in Chapter 1). This is not surprising given that local authorities are providing foster care or residential care for most of these children. This means that increases in the numbers of children in care have a significant financial impact on councils. The NAO notes that:

The area in which recent increases in children's social care activity has most significantly affected costs for local authorities is the increase in the number of children they have in care.⁶¹

31. As well as the numbers of children being looked after going up, the cost of looking after each of these children is also increasing. For example, the NAO says that there has been a "notable increase in the number of older looked after-children". Local authorities told the NAO that these older children were harder to place into foster care and were therefore more likely to go into more costly residential care.⁶² Evidence from Andrew Isaac, Chair of the Children's Services Development Group (CSDG), concurred with this: he noted that "the dynamics of the children's market are changing to be older children with far more significant needs".⁶³

32. Whilst the rate of looked after children has been steadily increasing each year, other child protection activity has gone up even more significantly over the last ten years. ADCS stated that in the ten years to 2017–18 the "number of children subjects of child protection plans increased by 87%".⁶⁴ Professor Jones highlighted that the number of child protection investigations, also known as Section 47 investigations, had more than doubled (an increase of 122% since 2009–10) as had the number of public law care proceedings (an increase of 125% since 2007–08). Professor Jones considered that "child protection activity has increased and come to dominate, and indeed overwhelm, local authority children's social services".⁶⁵

33. The Government noted that "numbers of children in care and on child protection plans has risen since 2013 at a rate that outstrips the growth of the child population" and recognised that "spend on these higher-need, and therefore higher-cost, services are placing additional financial pressures on the sector".⁶⁶

34. Demands on children's social services have been increasing each year for well over a decade. The number of looked after children in England has increased by 27% over the last ten years and is now at its highest level for a generation. The National Audit Office have reported that the increase in the number of children in care is the area of activity which has "most significantly affected costs" for local authorities. Local

61 NAO, [Pressures on children's social care](#), January 2019

62 NAO, [Pressures on children's social care](#), January 2019

63 [Q157](#)

64 Association of Directors of Children's Services ([ACS0038](#))

65 Professor Ray Jones ([ACS0005](#))

66 MHCLG and DfE ([ACS0065](#))

authorities have also seen even more significant rises in other activity such as child protection plans and investigations plans. These demands on statutory services are undoubtedly putting financial pressure on councils.

Growing responsibilities

Additional statutory duties

35. The number of statutory duties placed on local authorities' children's services in England has increased in recent years. While the Government identified 200 duties in 2011, ADCS conducted research in 2018 which found that that number had grown to almost 300.⁶⁷ Resourcing for delivering those additional responsibilities is seen by some local authorities to have been insufficient or unforthcoming.⁶⁸ North Yorkshire County Council explained the impact of extending local authority responsibility to care leavers from 18 up to the age of 25:

The extension of responsibility to care leavers up to the age of 25 will place additional cost onto the local authority. We estimate that our Leaving Care service will see caseloads increase by one third to around 400 active cases over the next few years, compared to approximately 300 cases that we have previously been supporting. No additional funding has been provided to assist with the necessary additional staffing.⁶⁹

The President of ADCS and the Director of Children's Services at East Sussex County Council, Stuart Gallimore, agreed:

Who would argue that we should not be involved, where they want us to be, in the lives of our looked-after children up to 25? It is what those of you on this panel who have children will do. You do not shut the door at 18 when your child goes off to university, an apprenticeship or work. You remain involved in their lives. We would want to do that, but the money we were given to do that was woefully inadequate... It does not take very much to suddenly see a significant increase in cost in any local authority.⁷⁰

ADCS's written submission to our inquiry explained that "the new burdens funding to support the expansion of this role was based on a relatively crude estimate of advisor's time and did not consider any of the additional services or practical support care leavers may require as they transition to independence".⁷¹

36. The Government disputed criticism of its funding of new burdens, which it describes as "new duties, powers, targets and other bureaucratic burdens" which are placed on local authorities.⁷² It told us that when new duties are introduced, "extensive research" is conducted with local authorities and that it does "follow through with funding" to

67 Association of Directors of Children's Services, [Children's Services Statutory Duties](#), October 2018

68 See Kent County Council ([ACS0011](#)), Association of Directors of Children's Services ([ACS0038](#)) and Manchester City Council ([ACS0040](#))

69 North Yorkshire County Council ([ACS0021](#))

70 [Q121](#)

71 Association of Directors of Children's Services ([ACS0038](#))

72 Ministry of Housing, Communities and Local Government, [New burdens doctrine: guidance for government departments](#), June 2011

make sure that “the pressure on council tax is kept down”⁷³ The Minister for Local Government, Rishi Sunak MP, acknowledged that sometimes the costs are overestimated or underestimated but that adequately funding new burdens is a “general Whitehall principle”.⁷⁴ In preparation for the Spending Review 2019, he told us that MHCLG is currently reviewing burdens across local government and that if its analysis shows that costing is inaccurate, it “will very much inform our conversation with the Treasury around the spending review, to make that we can, where possible, make a strong case for adjusting some of those things or make the case that they are not sufficient for the purposes that they were designed for”.⁷⁵

37. It is unclear how the current review of new burdens ahead of the Spending Review 2019 sits with the Government’s guidance on new burdens which states that “on average no more than six new burdens from across the whole of Government will be selected for independent scrutiny per year and that there should normally be no more than one for an individual department”.⁷⁶ When raised with the Government in the course of our inquiry, the Minister for Local Government said:

Not all burdens are equally burdensome. Where we focus our attention is on the ones that the LGA or indeed local authorities tell us they feel are the most financially burdensome or where there is the biggest disconnect between what they are being compensated and what the cost is.⁷⁷

38. It is unrealistic to expect local authorities to successfully deliver new responsibilities without appropriate funding in the current financial climate. All new burdens must be financed adequately. The Government should evaluate its process for understanding the financial burden of new statutory duties on local authorities and consider how it could be made more accurate.

39. Long-term inaccuracies in funding are likely to have a significant impact on local authority budgets. The Government should review new burdens regularly and consider removing the cap on the number of reviews per year in order to avoid any delays in adjusting payments if necessary. We would encourage the Government to prioritise the review of those new burdens, which were identified in the written evidence we received in the course of our inquiry as being underfunded such as support to care leavers up to the age of 25 years. The Committee plans to engage further on the effect of such new burdens in its forthcoming inquiry into local government finance.

No recourse to public funds

40. Some residence permits allow people to live in the UK on the basis that they have No Recourse to Public Funds (NRPF). While NRPF status extends to precluding access to child benefit, local authority homelessness assistance and an allocation of local authority housing,⁷⁸ local authorities may provide accommodation or other financial support to

73 Ministry of Housing, Communities and Local Government, [Q174–175; New burdens doctrine: guidance for government departments](#), June 2011

74 [Q175](#)

75 [Q176](#)

76 Ministry of Housing, Communities and Local Government, [New burdens doctrine: guidance for government departments](#), June 2011

77 [Q177](#)

78 UK Visas and Immigration (Home Office), [Guidance: Public Funds](#), February 2014

families with NRPF if their statutory safeguarding duties under Section 17 of the Children Act 1989 apply.⁷⁹ Project 17, a charity which works to end destitution among migrant children by improving access to local authority support, describes the intervention of local authorities in this instance as “a vital safety net against destitution”.⁸⁰ However, central government does not provide any funding for supporting children within NRPF families and “this activity does not form part of children’s services base budget or the funding formula which determines LA [local authority] funding” according to ADCS.⁸¹

41. We heard that the costs of supporting children in need within NRPF families placed pressure on local authority budgets.⁸² Data collected by the NRPF Network, hosted by Islington Council, found that the fifty local authorities which used its NRPF Connect database spent a total of £43.5 million in the 2017–18 financial year on accommodation and subsistence.⁸³ In the 2016–17 financial year, London boroughs spent £53.7 million, an estimated annual cost of nearly £19,000 per NRPF household.⁸⁴ Project 17 said that austerity and reductions in local authority funding were having a “devastating” impact on families as it had led to local authorities being “largely unwilling” to provide support to NRPF families.⁸⁵ A 2016 report by The Children’s Society, *Making Life Impossible*, found “a reluctance or delay in making an initial assessment is an emerging practice in some local authorities... [and] a significant increase in the need to resort to litigation following a ‘child in need’ assessment to secure a clearly destitute family the support they need”.⁸⁶

42. It was suggested to us during the course of the inquiry that local authority financial support was prolonged by Home Office delays in deciding immigration claims. The Children’s Commissioner for England said that “a number of councils highlighted the lengthy amount of time taken by the Home Office to make decisions regarding the immigration status of children and families”.⁸⁷ The NRPF Network told us that the average family is supported for 2.5 years and that “27% of households have received support for 1000 days or longer”.⁸⁸ It went on to explain that the majority of support to children within NRPF families ends when a Home Office decision is made:

67% of cases are closed when they no longer require social services’ support because the parent or adult has been granted leave to remain with recourse to public funds and can access mainstream benefits and housing services.

This data shows that, in the majority of cases, local authorities are safeguarding children by providing support whilst families are waiting for a final outcome on their immigration claim. Any delay in achieving this results in direct costs to the local authority.⁸⁹

79 NRPF Network ([ACS0009](#))

80 Project 17 ([ACS0014](#))

81 Association of Directors of Children’s Services ([ACS0038](#))

82 See NRPF Network ([ACS0009](#)), Local Government Association ([ACS0037](#)) and London Councils, [No Recourse to Public Funds webpage](#).

83 NRPF Network, [Annual Report 2017–18](#)

84 London Councils, [No Recourse to Public Funds webpage](#)

85 Project 17 ([ACS0014](#))

86 The Children’s Society, [Making Life Impossible](#), April 2016

87 Children’s Commissioner for England ([ACS0058](#))

88 NRPF Network, Islington Council ([ACS0009](#))

89 NRPF Network, Islington Council ([ACS0009](#))

Stuart Gallimore of ADCS seemingly agreed, telling us that “as an association, we have long argued in terms of the impact those delays have, in terms of local authorities”.⁹⁰

43. While no direct funding is made available, the Minister for Local Government told us “there are a range of things in place to help manage that situation”.⁹¹ He expanded:

One of those is a database called NRPF Connect, which allows local authorities to work with the Home Office to identify these people and look at which status they fall under and whether that means they need extra funding or not, which has proven to be very helpful.

There are also Home Office immigration officials, and there is also another group of people... called local partnership managers, who are embedded inside local authorities where there is a particularly acute issue to help them manage that. There is also a quarterly steering group with officials from my Department, DfE and the Home Office as well, which works with local government to try to find out whether there are particular issues or cases that need escalating.

Lastly, the process of helping some of these families remove that condition has been sped up considerably. The processing time for that has halved over recent time, and the cases where local authorities are on the hook at the moment are being prioritised. With that said, I know the Home Office are looking at this and they are aware of the situation.⁹²

The Parliamentary Under Secretary of State for Children and Families, Nadhim Zahawi MP, elaborated:

DfE has also grant-funded the No Recourse to Public Funds Network to develop the triple-pathway planning guidance and resources for social workers and personal advisers who are undertaking the educational element of support normally provided for looked-after children as well.⁹³

44. Nevertheless, we heard calls for the Government to reduce the burden of supporting children in NRPF families on local authorities. The NRPF Network called on the Government to “take a more strategic approach to the resolution of local authority supported cases and review all the immigration policies that create barriers to obtaining leave to remain or that hinder the integration of families who have a long-term future in the UK”.⁹⁴ In the short term, it also suggested “conducting a one-off exercise to systematically grant indefinite leave to remain to individuals or households receiving local authority support where regularisation of immigration status is outstanding”.⁹⁵

45. Local authorities should not solely bear the burden of financially supporting children within no recourse to public funds families, particularly as councils are often required to provide long-term support as a result of Home Office delays in deciding immigration cases. Not only does it place extra pressure on local authority budgets

90 [Q118](#)

91 [Q184](#)

92 [Q184](#)

93 [Q185](#)

94 NRPF Network ([ACS0009](#))

95 NRPF Network ([ACS0009](#))

but we heard it can also lead to delays in supporting these children. *The Government should provide funding to councils proportionate to the number of children within NRPF families that they support. Notwithstanding our later recommendations regarding funding for unaccompanied asylum seeking children, we consider that the Government may wish to introduce a day rate payment equivalent to that available for supporting unaccompanied asylum seeking children.*

46. While we acknowledge that the Government has made some efforts to reduce the time taken to process immigration claims, it is clear that more could be done. *We urge the Government to review its relevant immigration policies and processes by December 2019 to consider where delays in the resolution of local authority-supported cases can be reduced. Also, the day payment, which we recommend above, should be payable by the Home Office in order to incentivise the quick conclusion of local authority-supported cases.*

Unaccompanied asylum seeking children

47. According to the Parliamentary Under Secretary of State for Children and Families, unaccompanied asylum seeking children (UASC) account for a third of the increase in demand that local authorities' children's services have experienced since 2013.⁹⁶ Indeed, DfE statistics show that there has been a large rise in the number of UASC that are looked after by local authorities since 2016.⁹⁷ Increases in the numbers of UASC are reflected in how much local authorities are spending on UASC: analysis by the LGA found that councils "spent more than £152 million on unaccompanied asylum seeking children in 2017/18—an increase of 95 per cent on the £77 million spent in 2014/15".⁹⁸

48. The Government reimburses local authorities with UASC in their care a daily rate that varies from £71 to £114 depending on the age of the child and whether they entered the UK on or before 20 June 2016.⁹⁹ Councils can also apply for support from the Controlled Migration Fund to develop capacity and "tackle specific service issues".¹⁰⁰ However, we repeatedly heard from local authorities that the day rate did not cover the costs of supporting these children. CCPCC explained:

These [the day rates] in no way meet actual costs. In Cambridgeshire, the shortfall between grant and actual costs of providing the accommodation in the current financial year is around £800,000... This shortfall does not include other costs faced by the local authority, including social workers, personal advisers and so on.¹⁰¹

ADCS supported this view, stating that "the grant funding provided by the Home Office covers on average, at best, 50% of the costs of caring for an unaccompanied child or young person".¹⁰² Devon County Council added that funding does not take into account the individual needs of children:

96 [Q162](#).

97 Department for Education, [Children looked after in England \(including adoption\) 2017/2018](#), November 2018

98 Local Government Association, [Spend on asylum-seeking children doubles in four years](#), February 2019

99 Home Office, [UASC Funding Instructions 2018/19](#), August 2018

100 Ministry of Housing, Communities and Local Government, [Controlling Migration Fund Prospectus](#), August 2018

101 Cambridgeshire County and Peterborough City Councils ([ACS0007](#)). See also Devon County Council ([ACS0003](#)) and The Children's Commissioner for England ([ACS0058](#)).

102 Association of Directors of Children's Services ([ACS0038](#))

The Home Office funding takes no account of the exceptional needs some of these children have. Devon is currently looking after one young person received through the National Transfer Scheme at a cost of £10,300 per week. We receive just £637 per week from the Home Office.¹⁰³

49. ADCS raised concerns that the costs of supporting UASC are “becoming a barrier to ongoing participation in the voluntary national transfer arrangements”.¹⁰⁴ ADCS President, Stuart Gallimore, stated that the cost burden was unevenly distributed, telling us that “local authorities are sharing a significant financial cost on the back of doing the right thing, or geographically being close to a dispersal point or a port of entry”.¹⁰⁵ The geographic nature of this responsibility was reflected by ADCS research which found that London was supporting the most UASC, followed by the South East, though the largest increases between 2016–17 and 2017–18 were in the North West and the South West. ADCS explained that the increase in the South West was “largely due to new ‘entry points’ emerging, such as Poole and Portsmouth, following the closure of the migrant camps in Calais and subsequent reduction in arrivals via Dover”.¹⁰⁶

50. The Minister for Local Government told us that “a strong amount of representation” had also been made to him about the mismatch between the available funding and the costs to local authorities of supporting UASC.¹⁰⁷ He went on to say that he had raised the issue with the Home Office several times and that it is “aware that there is a cost pressure there and they are actively in the process of reviewing it”. The Leader of the House recently confirmed that a review was being conducted and its conclusions would be published soon:

We are currently reviewing funding arrangements, and more than 50 local authorities have taken part in a consultation. We hope to reach a conclusion soon, but it is right to take time to assess the evidence thoroughly. We are committed to putting in place arrangements that work as well as possible for both unaccompanied children and local authorities.¹⁰⁸

51. It is right that the Government is currently reviewing its reimbursement policy for local authorities which provide care to unaccompanied asylum seeking children. As part of its review, we call on the Government to increase the daily rate of payment. The review should also consider how the funding system can be designed to better disperse UASC across the country in order to reduce pressures in some areas.

103 Devon County Council ([ACS0003](#)). See also ECPAT UK ([ACS0027](#)).

104 Association of Directors of Children's Services ([ACS0038](#))

105 [Q118](#)

106 Association of Directors of Children's Services, [Safeguarding Pressures Phase 6](#), November 2018

107 [Q187](#)

108 [Business Question](#), 21 February 2019

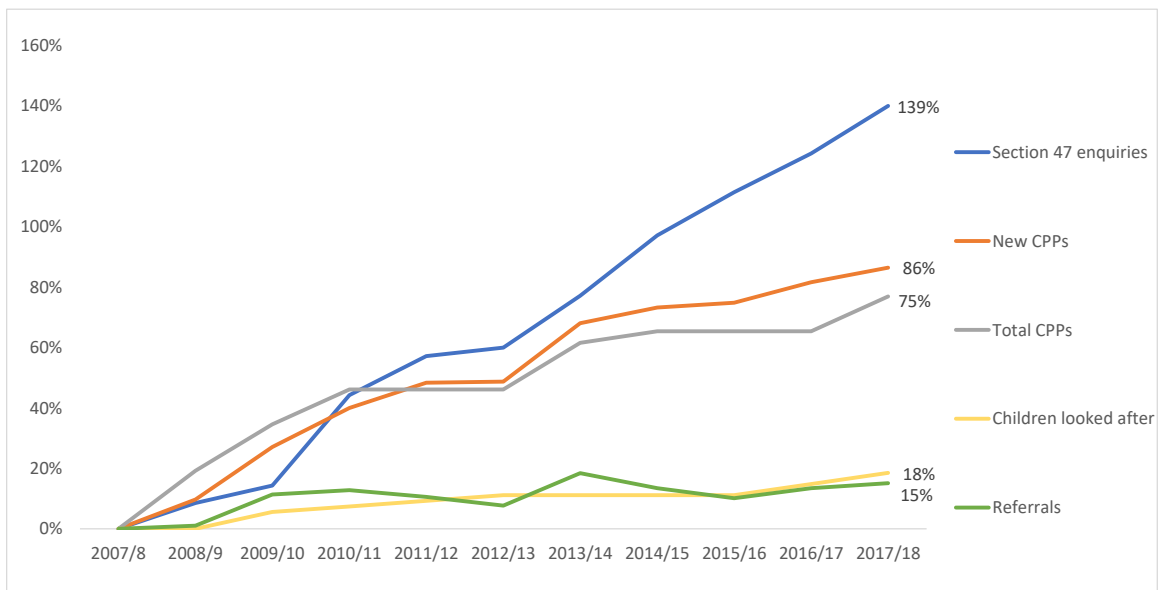
3 Sustainability of current system

52. Our third chapter considers how the factors identified in Chapters 1 and 2 are impacting the long-term sustainability of services and how they may be addressed. We focus on four main elements: understanding demand, variation in spend and practice, increasing care costs and the independent sector, and the children's social care workforce.

Understanding demand

53. As this report highlighted in Chapter 2, the number of children looked after by local authorities in England has been increasing each year for over a decade and is currently at its highest level since the Children Act 1989.¹⁰⁹ At the same time, there have been even more significant increases in other child protection activity. For example, the number of new Child Protection Plans (CPPs) each year per child in the population had increased by 86% between 2007–08 and 2017–18 and the number of child protection investigations (also known as Section 47 enquiries) had more than doubled, increasing by 139%, over the same ten year period (Figure 3).

Figure 3: Percentage increase between 2007–08 and 2017–18 in children's services activity per child in population



Source: ADCS, [Safeguarding Pressures Phase 6](#), November 2018; Scrutiny Unit analysis

Lack of analysis

54. Reasons for the increased demand pressures on children's services were widely explored in the evidence we received to our inquiry yet a lack of clarity about what is driving demand remains. The NAO report on children's social care which was published in January 2019 found that "the Department [for Education] does not fully understand what is causing increases in demand and activity in children's social care". It "had not seen it as a central part of its responsibilities to understand drivers in demand" and "as a result

it had little quantified analysis of the drivers of demand". However, the report did say that in "late 2017, the Department for Education, Ministry of Housing, Communities & Local Government and HM Treasury have commissioned external research which they hope will explain demand pressures and variation by summer 2019".¹¹⁰ The NAO called for the DfE to build on the modelling it carried out as part of its report "by commissioning research into the factors that drive demand for children's social care, using the individual child-level data that it holds".¹¹¹

55. In response to the NAO findings, the Parliamentary Under Secretary of State for Children and Families told us:

The National Audit Office's report is an important one, and it is a challenging report for us. [...] If you look at the difference from 2013 to today, one-third is population growth, one-third is unaccompanied asylum seeking children, and one-third is domestic abuse, substance misuse and mental health—the toxic trio.¹¹²¹¹³

56. We asked whether or not these factors could "explain why the number of children with child protection investigations, or indeed the number of newborn babies taken into care, has doubled in the last 10 years". The Parliamentary Under Secretary of State considered that they did but his answer referred to "numbers of looked-after children" rather than other child protection activities.¹¹⁴ He said that the NAO's "criticism was around whether we are moving fast enough, in our understanding... the work we are doing in preparation for the spending review will begin to address that issue".¹¹⁵ The Government acknowledged that "the drivers of statutory demand are complex".¹¹⁶

Multiple factors behind increased activity

57. The NSPCC said "there is no single definitive answer as to what [is] causing the increase in the number of children in contact with the social care system".¹¹⁷ The Children's Commissioner for England, Anne Longfield, said that in her experience the increased pressures on children's services were caused by three factors: "retrenchment from other agencies providing services to children or their parents"; "greater awareness of the harms experienced by teenagers"; and "children's services are supporting more adolescents [...] with really complex needs".¹¹⁸ Adam Pemberton, Corporate Director for Strategy and Performance at Barnardo's, agreed that there were an increasing number of children and families with needs that were "more complex and harder to meet".¹¹⁹ He explained that "we are seeing many more issues of neglect, poverty, homelessness and the toxic trio, as it is known: domestic abuse, parental mental ill health or parental substance abuse ... which makes the needs more complex and harder to meet".¹²⁰

110 NAO, [Pressures on children's social care](#), January 2019

111 NAO, [Pressures on children's social care](#), January 2019

112 [Q162](#)

113 NAO analysis found that UASC accounted for closer to 1% of increasing numbers of children in need when a longer view between 2009–10 to 2016–17 is taken (see NAO, [Pressures on children's social care](#), January 2019).

114 [Q168](#)

115 [Q167](#)

116 MHCLG and DfE ([ACS0065](#))

117 NSPCC ([ACS0053](#))

118 Children's Commissioner ([ACS0076](#))

119 [Q41](#)

120 [Q41](#)

58. Cathy Ashley, Chief Executive Officer of the Family Rights Group, told us that there were a range of factors driving the increases including “people struggling with deprivation”, “some cuts to preventative services” and a “shift in the way the system responds to domestic violence and neglect”.¹²¹ However, she also explained that there was an “increasingly risk-averse blame culture that permeates both the child welfare system but also the family justice system”.¹²² She explained how this risk averse culture contributed to increasing pressure on the system:

Social workers are often concerned that if they make a wrong judgment, they will be blamed by their managers. Managers are worried that, if the case ends up subject to court proceedings, the judge will criticise them because it did not go through the process fast enough, et cetera. All the way through there is an element that people end up looking after their own back, in a very crude sense, and passing over the risk. In doing so, they end up escalating. This is even more the case if they are not reassured that there is some service on the ground to be able to pass that family over to.¹²³

Reductions in other public services

59. Kathy Evans, Chief Executive Officer of Children England, also considered that “there are multiple factors at play” in the increased pressures children’s services were experiencing. She explained that one aspect was “failure demand: ... as difficult decisions have been made about closing services of whatever kind, the people who would otherwise have gone there do not tend to do nothing. They tend to go looking for help from whoever they might tend to get it from”. She considered that families struggling with other challenges was a factor behind the pressure on children’s services:

Many of the factors driving families either feeling anxious or having really strong presenting needs that end up being a concern for children’s services are being driven by homelessness and the housing crisis, DWP reforms to benefits and income, the gig economy, insecure work and low pay. These all feed into the experience of a child in their family, in ways that generate concern and a need for help that was not there before.¹²⁴

60. Professor Jones agreed that cuts in public services and financial support for families from 2010–11 meant that “more work is piling into children’s social services”.¹²⁵ ADCS said that “we cannot overlook cumulative impact of austerity on the most vulnerable families and the links between deprivation, poverty and safeguarding activity in terms of less support being available earlier on combined with the stresses and strains of dealing with insecure work, poor quality housing and welfare reforms”.¹²⁶ The Centre for Outcomes of Care agreed that “the austerity of the last 12 years has increased pressures on low income families”.¹²⁷

121 [Q39](#)

122 [Q39](#)

123 [Q40](#)

124 [Q39](#)

125 [Q2](#)

126 Association of Directors of Children’s Services ([ACS0038](#)). See also [Q2](#), [Q14](#), [Q17](#) and [Q123](#).

127 Centre for Outcomes of Care ([ACS0070](#))

61. Professor Jones also highlighted that the “focus on neglect has been increasing over recent years”. He noted that 48% of child protection plans are because of concerns about the neglect of children and 38% are due to concerns about emotional abuse. His evidence stated:

Concerns about poor parenting leading to neglect and emotional abuse which are the types of issues which would have been more likely—and often better—responded to by seeking to work with families to improve the care of children. These are the services which have been dramatically cut since 2010.¹²⁸

Risk averse and anxious system

62. Another factor Professor Jones cited was the response of the Office for Standards in Education, Children's Services and Skills (Ofsted) and local authorities to high profile cases. “If we go back 10 years to 2008 and 2009, and the death of Peter Connelly, with the Baby P story breaking and the way it was shaped in the media, there was an instant response across local authorities, not just in England but across the UK, escalating more work to be defined as child protection”. He noted that in response to the case of Baby P and its rating of Haringey, Ofsted's inspections and terminology became tougher so that “local authorities were always chasing after good Ofsted judgment, but unsuccessfully”.¹²⁹ However, he acknowledged that “it is positive that Ofsted is now re-positioning itself as focussed more on development and improvement with councils rather than one-off inspections and gradings”.¹³⁰

63. Others commented on the culture of children's services. Anne Longfield, Children's Commissioner for England, told us “it is an anxious system. It focuses on immediate risk, and I would prefer it to look at outcomes”.¹³¹ The Minister for Local Government also commented on “risk aversion” noting that there was, in some local authorities, “a culture where people want to avoid being blamed”. He went on: “They are going to act in a more risk-averse manner, which is understandable but obviously has implications for the amount of activity around investigations”.¹³² He considered that this was less of a problem where there was “a strong culture of leadership and a more confident authority”.¹³³

64. Professor Lauren Devine, Director of the Social Justice Research Group at the University of West of England, explained “based on my research findings and the data... demand at this point is equally driven by the system itself”. She went on to add:

There is no research evidence to tell us that we have more child abuse, although we do have undetected child abuse. What we have is a situation where, inevitably, at each stage, the system will claw more people in, keep them in and elevate them through the stages, rather than allowing them out again. That is the heart of the problem, in my view.¹³⁴

128 Professor Ray Jones ([ACS0005](#))

129 [Q2](#)

130 Professor Ray Jones ([ACS0005](#))

131 [Q94](#)

132 [Q39](#)

133 [Q172](#)

134 [Q2](#)

65. Written evidence from the Social Justice Research Group provided further details: “The longitudinal data shows increasing numbers of children referred into the system, but a reduced child abuse detection ratio from 24.1% to 7.4%. This is deeply concerning against a backdrop of increasing number of children at each stage of the system and reports of a consequential CSC [children’s social care] budget crisis”.¹³⁵ Professor Devine considered that “[there] is an increasing statutory guidance conflation of how children in need and children at risk of abuse are being progressed through the system” and “that, in a risk-averse climate, they are more likely to keep families in, even though the reason for the referral is not suspected child abuse”.¹³⁶ She explained:

We have access to the Ministry of Justice files, giving us full clearance to see exactly why these cases are progressing. With the exception of very, very notable and very rare cases, mostly these are not parents abusing their children, but their children travel all the way through to the end stage. They cannot get out. You can almost see, palpably, the fear of the local authority in allowing them out and being criticised. That is probably the best example I can give.¹³⁷

Professor Devine called for this to be addressed through a review of the statutory guidance, *Working together to safeguard children*. She said that “would bring costs down almost immediately and make the system leaner, more efficient and fit for purpose”.¹³⁸ However, this was disputed by Stuart Gallimore of ADCS who said that revising the guidance would be a distraction and not “take us into a world of helping more families and saving money”.¹³⁹

66. Concerns about social workers feeling unable to “de-escalate” cases was also made by Ruth Allen, Chief Executive Officer of BASW:

Enabling a working culture and a working context where social workers can make the best possible decisions to try to de-escalate is absolutely essential, at whatever stage you are working with a family and a young person. We hear a lot about the fact that social workers feel very constrained in that.¹⁴⁰

She said that “we should be concerned that we have so many children coming into the care system” and should “think about whether we have a system that is able to support struggling families well enough, and whether that is driving the increase as well”.¹⁴¹

67. Professor Jones considered that local authorities were “trying to hold work off as much as I can now, because I just do not have the capacity to take it all on”. He did though agree that some child protection activity was increasing due to lack of resources in other areas:

The public at large think child protection is about children who have been beaten up and abused, or sexually assaulted. It is not. If you look at the figures, the growth in child protection work has been about children who have been neglected and children who have been emotionally abused. In

135 Social Justice Research Group, University of West of England ([ACS0028](#))

136 [Q3](#)

137 [Q3](#)

138 [Q10](#)

139 [Q131](#)

140 [Q117](#)

141 [Q119](#)

the past, these are families that we would have worked with not as child protection concerns but as families that needed assisting. Because the assistance that might have been available has been cut back, there is nothing much you can do, apart from escalating it as a child protection concern.¹⁴²

Cathy Ashley of the Family Rights Group agreed that the current system could encourage social workers to game the system as the only way of ensuring that families received help:

In order to be able to access a particular service, you have to show that a parent, for example, not only suffers from some elements of learning disability or mental health issues, but actually that they have reached this threshold. A whole sort of game gets played, because you have to prove it.¹⁴³

Reductions in early help services

68. As well as the escalation of cases to child protection concerns, many commentators, including 83% of local authorities,¹⁴⁴ have said that the reduction in non-statutory early help services, as considered in Chapter 1, is playing a role in increasing demand because it is “storing up problems for the future” and may be a “false economy”.¹⁴⁵ ADCS said that “clear, preventive work to manage demand is the only way to secure a sustainable fiscal future of local government but most importantly, this investment is the best chance we have to make a meaningful difference in the lives of the most disadvantaged children”.¹⁴⁶ A recent report by the All Party Parliamentary Group for Children supported this view, finding that social workers and teachers “were seeing a shift to later and more complex interventions” as a result of reductions in early intervention.¹⁴⁷ A report by five children’s charities explained why early intervention services are important:

Statutory services are a vital function for any local authority. But they reflect the need to step in because problems have escalated to crisis point. In comparison to early intervention, these late intervention services, aren’t designed to try and spot problems early. In addition to being more costly, by the time a family has reached crisis point, they are likely to have experienced really difficult challenges that are detrimental to a child, young person or parent. This makes investing in early intervention services all the more valuable to local authorities and families alike.¹⁴⁸

The Chief Inspector of Education, Children’s Services and Skills agreed stating:

Reductions in funding in other areas, such as preventative and wider children’s services, mean that LAs are less able to intervene early, before

142 [Q4](#)

143 [Q41](#)

144 DfE, [Children’s Services Omnibus: Wave 1 Research Report](#), August 2017

145 British Psychological Society ([ACS0064](#)); Kent County Council ([ACS0011](#)). Among others, see also Bi-borough educational psychology and consultation service ([ACS0017](#)), County Councils Network ([ACS0035](#)) and Newcastle City Council ([ACS0045](#)).

146 Association of Directors of Children’s Services ([ACS0038](#))

147 All Party Parliamentary Group for Children, [Storing Up Trouble: A postcode lottery of children’s social care](#), July 2018

148 Action for Children, National Children’s Bureau, NSPCC, The Children’s Society and Barnardo’s, [Children and young people’s services: Funding and spending 2010/11 to 2017/18](#), February 2019

young people need statutory services. The evidence suggests that these cuts to youth and other services are a false economy, simply leading to greater pressures elsewhere.¹⁴⁹

69. Nevertheless, the Government said that “there is no clear, conclusive evidence to prove that a greater spend on early help reduces the need for children to be looked after”.¹⁵⁰ The Institute for Government (IfG) and the Chartered Institute for Public Finance and Accountancy (CIPFA) agreed, stating that “the overall quantitative evidence on effectiveness of preventative services is mixed, so we cannot be certain of their effects on demand for children’s social care”.¹⁵¹ NAO analysis supports this view. It found the closing of Sure Start Centres, thereby reducing preventative services, had “not had any consequential increases in child protection plans”.¹⁵² However, it should be noted that the NAO said that “this analysis addresses the narrow question of the impact of closures on child protection activity and does not comment on any wider value such centres may have”.¹⁵³ Indeed, Kathy Evans of Children England described this assessment as “a very simplistic snapshot”.¹⁵⁴

70. The Social Justice Research Group questioned the value of early intervention: “Evidence shows that despite a massive fiscal, policy and ideological drive towards early intervention, the result is the relentless creation of new clients (service users) who require services (privately provided) to apparently head off abuse. The data, however, does not support this approach as successful”.¹⁵⁵ It added that “the challenge will be to ensure that funded non-statutory services prove they provide return on investment by an objectively robust measure, that they are demonstrably improving lives and not (as an unintended by-product) causing harm”.¹⁵⁶

Societal expectations

71. Yvette Stanley, National Director for Children’s Social Care at Ofsted, also considered that society’s expectations had shifted over time and were a factor in increased demand:

How one would expect us to respond to child sexual exploitation, broader child exploitation or even something like domestic abuse is different now from how society and decision-makers expected local authorities to respond to those issues 15 or 20 years ago.¹⁵⁷

Anne Longfield, Children’s Commissioner for England, agreed, saying that “they [children at risk of abuse or sexual exploitation] were ignored before, and now there is an expectation that they will be supported”.¹⁵⁸ This point was also echoed by Stuart Gallimore of ADCS:

149 DfE, [Annual Report of Her Majesty’s Chief Inspector of Education, Children’s Services and Skills 2017/18](#), December 2018

150 MHCLG and DfE ([ACS0065](#))

151 Institute for Government and Chartered Institute for Public Finance and Accountancy, [Performance Tracker 2018](#), October 2018

152 NAO, [Pressures on children’s social care](#), January 2019

153 NAO, [Pressures on children’s social care](#), January 2019

154 [Q43](#). See also Professor Paul Bywaters ([ACS0069](#)).

155 The Social Justice Research Group, University of the West of England, Bristol ([ACS0028](#))

156 The Social Justice Research Group, University of the West of England, Bristol ([ACS0028](#))

157 [Q62](#)

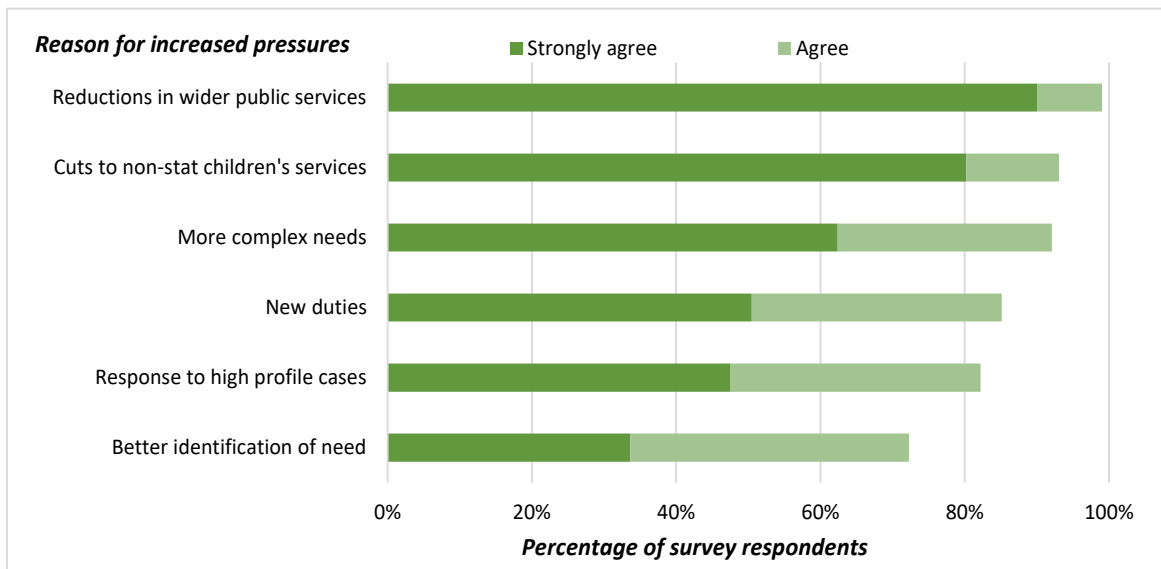
158 [Q63](#)

Sadly, and with some shame, I can reflect back on a time when my profession would talk about child prostitutes. We would talk about young people who were not old enough to give consent as in some way choosing to engage in a lifestyle that we now look back on with shame. We have seen that in terms of a number of significant inquiries as well. We are now intervening in the lives of some young people who do not particularly want our intervention, but we should always have been intervening.¹⁵⁹

Online survey findings

72. As part of the inquiry, the Committee reached out to people working in children's services through an online survey. Just over 100 people completed the survey - around half were frontline social workers and the rest were senior leaders or in "other" roles such as local government finance professionals. The group were self-selecting therefore the results may not be representative of the views of the sector as a whole. Nevertheless, the results do provide insight into the views of some of the staff who work in children's services. Regarding the reason for increased pressure on statutory children's services, the reason most often selected was reductions in wider public services closely followed by reductions in the non-statutory children's services - over 90% of respondents either agreed or strongly agreed that these reductions had been a contributory factor. However, a majority of respondents agreed or strongly agreed with all of the reasons. This is consistent with other evidence we heard, referred to in our earlier section on 'Multiple factors driving demand', which cited multiple factors which have caused pressures on children's services to increase (Figure 4).

Figure 4: Reasons for increased pressure on children's services - survey responses



Source: Committee survey; Scrutiny Unit analysis

Box 1: Survey comments on why demand for children's services is increasing

The survey also provided the opportunity for social workers to provide comments - some of them commented on the reasons for increasing demands on the service. Respondent explanations included:

- “The pressure on CSC [Children’s Social Care] has increased due to a number of factors including, immigration, social housing, cuts to the welfare state, the cost of private proceedings and the complexity of gang related behaviours”;
- “Austerity policies are creating more human need”;
- “Children’s Social Care and, increasingly, specialist SEND [Special Educational Needs and Disability] services are developing into the local authority equivalents of Accident and Emergency departments. Services of ‘last resort’ are becoming viewed as the only available option for partners, families and communities. Not only is underfunding of non-statutory services and pressure on schools budgets leading to failure to intervene earlier, it is arguably acting to escalate the complexity of need, seeding long-term issues for children and the sustainability of services”;
- “If we don’t invest in early help then more children end up at the statutory end of child protection and or becoming looked after children”; and
- “Quite simply put there are too many children and families coming through the door - families that should (and would once upon a time) have been supported by non-statutory services or community groups, preventing a need for social care involvement”.

73. The Committee heard many factors were at play in accounting for the record numbers of children in care and the significant increases in other child protection activity. Without a better understanding of demand it is impossible for local authorities and the Government to anticipate care needs and budget effectively – the key to long-term sustainability.

74. While we welcome the Government’s efforts to understand demand by conducting research we are concerned that it has only recently started seriously looking into this issue. We are particularly concerned that the numbers of newborns taken into care has more than doubled in the last ten years. Understanding the reasons behind the record numbers of children in care is of utmost importance if the Government wants to bring these numbers down.

75. The Government should share its research data anonymously with local authorities in order that they can use it to inform their budget projections. By December 2019, the Government should report to the Committee whether there is scope to reduce demand nationally, and, if so, the Government should have assessed the merits of various methods to reduce demand by then as well. Where there isn’t scope to reduce demand, for example if increased need necessitates it, local government must be appropriately and flexibly resourced.

Variation in spend and practice

Variation in spending

76. The varied practices and spending levels in children's services were raised by a number of witnesses during our inquiry. The Minister for Local Government told us "the variation in spend is very significant in children's services, more so than you find in other areas of local government spend".¹⁶⁰ The Minister referred to the NAO report which said that "the amount spent by local authority per child in need episode ranged between £566 and £5,166 per year across different local authorities" and that "there is no link between spending per child in need and quality of services as assessed by Ofsted". The report did caveat its findings by noting "some of this variation [in spending] could be attributable to differences in the way that individual local authorities define each episode".¹⁶¹ The Minister agreed that variation in spending was "an extraordinarily wide range" and said that "there are some people who are able to use that money better... we should be figuring out how to spread that to everybody".¹⁶² The NAO criticised the DfE for having "little quantified analysis" regarding the "reasons for variation between authorities" and noted that "it still does not fully understand... why there is such wide variation between local authorities in their children's social care activity and costs". PAC agreed that the DfE "cannot explain why there is so much variation" and went on to remark that the Department "has not set out the level of variation between local authorities that it considers to be acceptable".¹⁶³ Nonetheless, the NAO also noted that the DfE, MHCLG and HM Treasury had commissioned external research to look in more depth into the reasons for variations.¹⁶⁴

77. A number of contributors to our inquiry expressed caution about reading too much into the variation in spending. Phil Harding, an independent expert, noted that house prices varied significantly across the country: "before I came here I was just looking at house prices. I got a range from £140,000 to £3.365 million. Your costs do vary across the country for a whole variety of reasons".¹⁶⁵ He said that he had had done some analysis into "looked-after children costs and safeguarding costs". He explained that, after excluding atypical outliers such as Westminster and Kensington and Chelsea, he "was left with a range of costs for looked-after children between £190,000 and £383,000, which is about double. It was much the same in terms of safeguarding. It was between £112,000 and £218,000". He considered that "if you probe a bit more ... you will find that the variation is not that great".¹⁶⁶

78. The LGA highlighted a report from Newton Europe which they had commissioned to look into this issue.¹⁶⁷ This report found that "approximately 50 per cent of the variation in spend per head of 0–25 population seen nationally across all authorities can be explained by just five demographic, economic and geographic factors all largely outside of the control of councils, and certainly outside the control of children's services".¹⁶⁸ The most

160 [Q193](#)

161 NAO, [Pressures on children's social care](#), January 2019

162 [Q193](#)

163 Public Accounts Committee, Eighty-eighth Report of Session 2017–19, [Transforming children's services](#), HC 1741.

164 NAO, [Pressures on children's social care](#), January 2019

165 [Q28](#)

166 [Q28](#)

167 Newton Europe, [Making Sense: Understanding the drivers of variation in spend on children's services](#), July 2018

168 Newton Europe, [Making Sense: Understanding the drivers of variation in spend on children's services](#), July 2018

significant single factor was levels of deprivation which explained 31% of the variation.¹⁶⁹ The LGA also noted that the research had “highlighted the impact of inconsistencies in financial reporting” and “found that reported spend changed by up to 12 per cent in either direction”.¹⁷⁰ The LGA said that “variation in what authorities spend on children’s services (per head of 0–25 population) is inevitable, it is not logical to expect authorities to converge on a single ‘right’ value of spend”.¹⁷¹ It considered that the “scope to reduce spending variation through practice changes in relation to looked after children’s services ... is small, accounting for just 13 per cent of variation, and concluded that even those changes that could be made would often require investment to achieve”.¹⁷² The submission from the LGA also noted that the differing approaches taken by local authorities would affect levels of spend:

Some consistently high performing authorities may feel more confident in the ability of their workforce to manage risk outside the formal child protection system, for example, while areas which have recently undergone a difficult Ofsted inspection may adopt a more risk averse attitude as they focus on driving immediate service improvements. This will impact upon cost, yet both are valid approaches to ensuring the safety and wellbeing of children.¹⁷³

79. Children England also expressed concerns about comparing average costs which it considered were often beyond a local authority’s control:

National policy debate has recently focussed on the apparent disparity between how much a local authority spends on children’s services, and the outcomes for local children... Costs vary beyond a council’s control, especially according to levels of deprivation, and the interaction of children’s needs with other local factors like health, housing, and immigration status make linking spending on children’s services to overall outcomes for children challenging at best and a dangerous distraction at worst.¹⁷⁴

This point was echoed by Hampshire County Council who described the “suggestion... that higher spenders should be able to reduce their budgets to match those of lower spending authorities” as “misguided”.¹⁷⁵

80. PAC called for DfE to address and consider the variation in spending by setting out by December 2019 the following:

- data on the costs and quality of children’s social care for each local authority in England, which is easily accessible publicly and enables comparison between authorities;
- the key factors contributing to the variation across local authorities;
- the action it is taking to reduce variation; and

169 Local Government Association ([ACS0037](#))

170 Local Government Association ([ACS0037](#))

171 Local Government Association ([ACS0037](#))

172 Local Government Association ([ACS0037](#))

173 Local Government Association ([ACS0037](#))

174 Children England ([ACS0013](#))

175 Hampshire County Council ([ACS0033](#))

- its future targets for limiting the levels of variation between local authorities in cost and quality of children's social care.¹⁷⁶

The Committee also called for the Department to “set out by December 2019 the thresholds it deems acceptable for (i) rate of children in need episodes, and (ii) amount spent per child in need episode”.¹⁷⁷

Variation in practice

81. We also heard that as well as the differing levels of spending across the country the practices of children's services departments were also highly variable. Cathy Ashley of the Family Rights Group told us “there is significant variation across the country”. She provided examples:

In the north-west you often get care orders at home made. You just do not have that down in London. There is a certain sort of culture in relation to pre-proceedings work. Again, you see some very significant variations. In some local authorities, exploration about how to support a child to stay with parents or, if not with parents, with wider family is done before you get to the pre-proceedings stage. In other local authorities, none of that work has been done until you get to that point. If that work has not been done until you get to that point, the danger is that you end up having very fast decisions and no proper exploration about the support. We see that particularly with, for example, care leavers who have had babies where no or very little work has been done whilst those young parents-to-be are pregnant, and then you end up with fast removal.¹⁷⁸

She added that the differences between local authorities meant describing “what the system [as a whole] is like is difficult, because of the fact that it is extremely variable”.¹⁷⁹

82. Professor Devine also highlighted the wide variation in practice across local authorities, noting that “there are 150 local authorities that are pretty much all, at this point in time, free to innovate and do things in the way that they see fit, as long as they follow the statutory guidance”.¹⁸⁰ She considered that “there needs to be more targeted thinking at the central level about how funds are being spent at a local level”,¹⁸¹ and that “there is a lot of control left to each local authority and very little central understanding”.¹⁸²

83. Other witnesses had a slightly different take on the variations in practice across the country. Yvette Stanley of Ofsted told us “we have to be really careful not to endorse a particular methodology. There are all sorts of practice models out there”.¹⁸³ Councillor Perry, representing the LGA, explained:

The LGA's position, which I would support, is that local authorities will know their area. They will work out what they think is the appropriate

176 Public Accounts Committee, Eighty-eighth Report of Session 2017–19, [Transforming children's services](#), HC 1741

177 Public Accounts Committee, Eighty-eighth Report of Session 2017–19, [Transforming children's services](#), HC 1741

178 [Q40](#)

179 [Q59](#)

180 [Q17](#)

181 [Q17](#)

182 [Q18](#)

183 [Q69](#)

mix in their area. Clearly, each child is different and a care package has to be devised that is in the best interests of that child. I am not so sure a national prescriptive standard and service would work. What might be quite effective in the north-west may not be quite so effective in London or in other parts of the country.¹⁸⁴

84. Data published by the DfE shows regional variations between the numbers of children being looked after as at 31 March 2018 and how this has changed since 2014 (Table 2).¹⁸⁵ The North East and North West have the highest numbers of children in care and these are also the regions where the numbers of children have increased most. In contrast London and the East of England have much lower rates of children in care per 10,000 children and the numbers have reduced between 2014 and 2018.

Table 2: Regional variation in numbers of children looked after and changes between 2014 and 2018

Region	Number of children looked in 2018 after per 10,000 children	Change since 2014	
		Number	Percentage
North East	95	+14	+17%
North West	91	+10	+12%
Yorkshire and the Humber	71	+6	+9%
East Midlands	57	+6	+12%
West Midlands	78	+5	+7%
East of England	49	-1	-2%
London	49	-5	-9%
South East	51	+4	+9%
South West	55	+4	+8%

Source: DfE, [Local authority tables: children looked after in England including adoption 2017 to 2018](#), November 2018; Scrutiny Unit analysis

85. Research from the Nuffield Family Justice Observatory on the numbers of newborns taken into care also highlighted regional variations.¹⁸⁶ The report said that “care proceedings at birth has been described as a severe form of intervention in family life by some judges”. It went on to note that the incidence rate of newborns being taken into care had more than doubled in less than 10 years and also said that “marked differences in incidence rates for newborns across regions and over time were found”. The report also found that “the North West and Yorkshire and Humber recorded the highest incidence rates” of babies taken into care and that “the greatest proportional increases were in the North East, North West and South West”. The report also considered variation at a local authority level. It noted that:

A minority of local authorities departed significantly from the national average of 35 newborns per 10,000 live births. The range in rates for the

184 [Q117](#)

185 See also All Party Parliamentary Group for Children, [Storing Up Trouble: A postcode lottery of children's social care](#), July 2018

186 Nuffield Family Justice Observatory, [Born into care](#), October 2018

outliers (local authorities significantly above the expected average) in 2016 was 55 newborns per 10,000 live births in the general population to 159, per 10,000.

The report concluded that “further analysis is needed in order to better understand the reasons for this variation”.¹⁸⁷

86. There is very limited public information available surrounding the circumstances under which children and newborns are taken into care. This makes it hard to scrutinise decisions made by councils and therefore very difficult to assess whether regional variations in activity and practice are appropriate. In one recent case a journalist had to crowdfund a campaign to overturn a reporting restriction order. The order had sought to prevent the media reporting on a council’s application (later overturned by the Court of Appeal) to have an infant taken into care and then adopted.¹⁸⁸ This case highlights the risk of inappropriate care and adoption orders.¹⁸⁹ However, the lack of transparency means that it is very difficult to assess how widespread these problems are.¹⁹⁰

87. Limited variation in spend on children’s social care and differences in the numbers of children taken into care may be expected but the high level of divergence is concerning and suggests the practice of local authorities is very different, although the reasons why are unclear. While we acknowledge that an over simplistic comparison of spend per child is unhelpful, there must be lessons to be learnt for the sector as a whole from understanding such variation further. We welcome the Government’s efforts to better understand what is happening in individual local authorities but it could be doing more.

88. We therefore urge the Government to implement the first recommendation of the Public Accounts Committee’s 88th Report of Session 2017–19, which calls for the Department for Education to publish information concerning variation by December 2019. The National Audit Office should also independently continue to look into the reasons behind variation in spending and activity. While reducing spend per child must not be a goal in itself, we believe best practice that emerges from this analysis should be disseminated nationally. The Government should also consider standardising financial reporting to make comparisons easier and provide greater transparency on cases of children being taken into care.

Increasing care costs and the independent sector

Costs

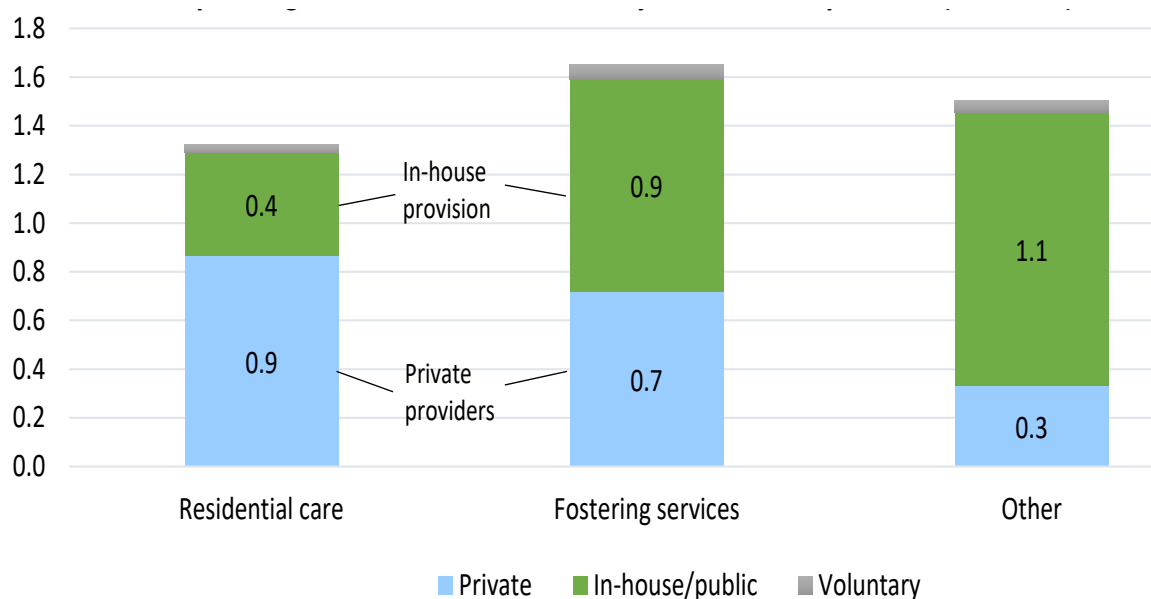
89. Around half of spending on children’s services is for looked after children (see Figure 1 in Chapter 1) and a large amount of this spending is now with private providers. Figure 5 shows that in 2017–18 local authorities spent around £0.9 billion on privately run residential children’s homes (65% of their spending on residential homes) and around £0.7 billion on independent fostering agencies (44% of their spending on foster care).

187 Nuffield Family Justice Observatory, [Born into care](#), October 2018.

188 The Times, [Top family judge vows to clarify reporting restriction rules](#), 18 February 2019

189 BBC, [The mother who lost her daughter over an EpiPen](#), 16 February.

190 The Guardian, [The Guardian view on family law: transparency is in the public interest](#), 15 February 2019

Figure 5: Spending on provision of services for "looked after children" in 2017–18 (£ billions)

Source: DfE, [LA and school expenditure 2017 to 2018: Main tables](#); Scrutiny Unit analysis

90. Concerns were raised about local authorities' reliance on private providers and the cost and quality of some of this care. Professor Jones told the Committee: "at the moment, 40 local authorities do not provide any residential childcare themselves; they buy it all in the market". He considered that the overdependence on the private sector meant "the market is now escalating the price [of residential care] because they can afford to, because they have local authorities over a barrel". He also considered that "the same is true of independent foster care agencies".¹⁹¹

91. Anne Longfield, Children's Commissioner for England, said that there was a shortage of places for children in care and explained that "when there is a shortage of places and an increase in demand, there is an escalation of costs".¹⁹² Highlighting the issue of high cost residential care, she relayed the comments of a director of children's services who told her "that they are now quite used to paying £4,000 a week for a place [in residential care]".¹⁹³

She went on to provide an example of some of the challenges that directors of children's services can face in finding places for children:

One director of children's services told me that they needed to pay for a place a month in advance. The placement broke down on day one and they had to get another one and pay a month in advance. By day three they were on to their third one and clearly two months out of budget. This is at a position where it needs national intervention. There needs to be a rebalancing in the costs of residential care, because every one of the councils I have spoken to has raised that as an issue. There will be others where there is variance in independent foster care and local in house provision. There will be all sorts of reasons why a council does not have that in-house provision and needs to pay, sometimes, three times as much for independent provision.¹⁹⁴

191 [Q18](#)

192 [Q76](#)

193 [Q75](#)

194 [Q78](#)

92. Newcastle City Council conducted a benchmarking exercise on behalf of Core Cities UK, an organisation which brings together ten of the largest cities in the UK, excluding London. This found that the average cost per looked after child was £37,824 in 2017–18, ranging from £50,719 to £32,986.¹⁹⁵ Devon County Council reported an estimated cost per looked after child of £52,000 for 2018–19, representing a 30% increase on the average cost of two years previously.¹⁹⁶ This was consistent with comments from the Children's Commissioner for England, Anne Longfield, who said that "several councils have reported to us that spend on placements for children in care has increased by 30% over the past 2 years".¹⁹⁷ We note that the costs quoted above may include both in-house and independent provision.

93. We also received evidence which clearly set out the increasing costs of independent provision. The written submission from the Liverpool City Region local authorities highlighted "service price escalation, much of which far exceeds reasonable inflationary cost growth". This evidence submission provided details of the prices on a framework contract for local authorities in the North West region for 2018 to 2020. Contract price increases for residential care were particularly stark. The average annual price for a child in standard residential care from April 2018 was £173,212 - an increase of £48,516 or 39% compared with the price on the previous framework contract which ran from 2014 to 2018. Specialist residential care costs on the contract were now £214,000 - an increase of £47,892 or 29% compared with the price of the old contract.¹⁹⁸

94. Phil Harding referred to an independent review of foster care in England for the DfE that had been published in February 2018.¹⁹⁹ He noted that the review had found that costs of independent foster agencies (IFAs) were generally higher than in-house provision and that "the difference is about £300 a week, which is significant".²⁰⁰ One of Phil Harding's written submissions provided further detail. This noted that the cost of an IFA was £798 a week, £323 or 68% higher than in-house local authority foster care. The submission noted that "there can be a lot of reasons for the difference—for example the children may have higher needs, both the NAO and the Foster Care review supported a review and improvement in existing commissioning practice".²⁰¹

95. The Independent Children's Homes Association (ICHA) acknowledged that costs had increased but argued that they have risen in line with growing costs for providers, citing rising utility costs and additional Government requirements such as automatic pension involvement and a higher national minimum wage.²⁰² CSDG, which represents private providers, stated that it was a misconception that independent care placements are more expensive than in-house services:

There is a prevailing, inaccurate, belief among local authorities and sector commentators that in-house services are cheaper than independent sector provision. Direct comparisons are difficult as in-house foster carer fees are

195 Newcastle City Council ([ACS0045](#))

196 Devon County Council ([ACS0003](#))

197 Children's Commissioner for England ([ACS0058](#))

198 Liverpool City Region Local Authorities ([ACS0043](#))

199 DfE, [Foster Care in England: A Review for the Department for Education](#) by Sir Martin Narey and Mark Owers, February 2018

200 [Q32](#)

201 Phil Harding ([ACS0066](#))

202 Independent Children's Homes Association ([ACS0073](#))

just one element of the real cost of a placement while an independent sector overall fee is a total, all-inclusive cost including return on investment, risk, and training costs.

These inaccurate cost perceptions are also due to the specialist care offered by the independent sector, particularly for children with the most complex needs, which local authorities are often unable to provide directly and naturally comes with associated cost implications...

All our members' allowance rates are set at least at the national minimum fostering allowance, and often allowances are increased to reflect the specialist care required to meet the complex needs of many of the young people we care for. This is similarly reflected in pay for care and education staff.²⁰³

Lack of supply and choice

96. A number of witnesses highlighted how the lack of supply in the sector also affects the placement of children. Yvette Stanley of Ofsted told us “the issue for local authorities is that, more often than they would like, it is about the thing that is available rather than the best provision for that child”.²⁰⁴ Allan Madeley, Commissioning Co-ordinator for Liverpool City Region local authorities (LCR), told the Committee:

In just over two years, they [authorities on Merseyside] have increased the use of independent residential care across the six by 41%. That is another 101 children in independent residential care. The average that has been paid within that region—about £3,300 a week, give or take—has added an extra £17 million on to placement commissioned budget there.²⁰⁵

97. Allan Madeley of LCR further considered that the principal reason that these authorities had placed 101 more children in residential care was due to “stagnation within the foster care market”. He noted that in the independent sector the number of foster carers was down by 239 since 2016. He went on to argue that:

I guarantee, without any hesitation today, that if that market had at least broken even in number, there would not be another 101 children placed in residential care. What we are talking about here is unnecessary escalation. It is four times as expensive to place a child in residential as it is with an independent provider, and six or seven times as much as it is to place a child within a local authority's fostering service.²⁰⁶

98. Allan Madeley also told us that the incentives for independent providers of children's services were not always aligned with those of local authorities. For example, independent foster agency acquisition of smaller rivals made commercial sense for providers but could lead to fewer options for local authorities and allow providers to dictate terms.²⁰⁷ He also noted that there was potential for a conflict of interest from private providers of residential

203 [Correspondence from the Children's Services Development Group](#), 22 February 2019

204 [Q85](#)

205 [Q119](#)

206 [Q119](#)

207 [Q126](#)

care when a decision is made to take a child out of residential care. He said that the “efficacy is challenging on the provider side” and explained that he had experienced “what are probably perceived to be unnecessary delays in supporting a young person transitioning from residential care back into a family-based placement” which made him “question the motives of a provider”.²⁰⁸

Quality

99. Some of the witnesses also said that the lack of choice meant the quality of provision was not always considered. Dr Miriam Silver, a Consultant Clinical Psychologist and an Associate Research Fellow at University College London, told us that “a lot of the placing decision is not about quality; it is about supply and demand, unfortunately”.²⁰⁹ She also considered that it was “a real challenge for Ofsted in trying to inspect provision and make judgments about the degree to which this placement really understands this child’s needs and is trying to meet and address them versus the degree to which they are just providing a roof, transport and some food” as well as noting that “when certain private providers get homes that are not doing well, they close, rebrand and reopen them”.²¹⁰ Professor Devine also considered that “if you are a head of commissioning for a local authority and you are looking at tenders, you are not necessarily in the best position to understand the quality of the service”.²¹¹

100. According to Ofsted, the overall difference in quality in services run by local authorities and by private providers “is not materially different”. Yvette Stanley of Ofsted told us that it had found that:

The profile for the private sector is no different from the charitable sector or the local-authority sector. The quality is similar but, as we mentioned in our annual report, we see cases where smaller chains go through the instability that a local authority has, and then we have to take enforcement action and sadly close a home or a number of homes.²¹²

101. Andrew Isaac of CSDG, which represents independent providers, told us that “97% of CSDG members’ [fostering] facilities are all “good” or “outstanding”. On any framework that you have to be on, you have to have a minimum Ofsted of ‘good’”.²¹³ Jonathan Stanley, Chief Executive Officer of ICHA, added that “unless a provider is providing good outcomes, they will not survive. It is as bleak or as bald as that”.²¹⁴

208 [Q122](#)

209 [Q23](#)

210 [Q23](#)

211 [Q29](#)

212 [Q78](#)

213 [Q160](#)

214 [Q160](#)

Making improvements

102. As evidenced above, many of the witnesses considered that the market for provision of care for looked after children was not working well. Improving supply in the market was often presented as key to addressing concerns and making funding more sustainable.²¹⁵ Dr Silver told the Committee:

One of the biggest areas of scope for changing spend is in being able to generate more placement options. If we could make fostering a really attractive option to people, if we could encourage more providers to provide a greater variety of children's homes, there would be less supply and demand decision-making in situations where we need a placement for this child from today and the only options are X, Y and Z.²¹⁶

103. In order to improve supply in the market, Allan Madeley of LCR explained that the Liverpool City Region had been doing work looking at how to “incubate and grow a new, localised micro market of providers, particularly ethical-based providers... community interest companies, social enterprises, trusts, mutuals and charitable incorporated organisations”.²¹⁷ He said “it is important for authorities to really get to grips with and shape their local market, to get a provider set and mix that works for them”.²¹⁸ ICHA suggested that local authorities could be doing more to shape the market in saying “despite the highest levels of demand and placement searching by local authorities reported in any survey to date, there was almost no strategic procurement activity in the year targeting the establishment of new capacity for identified needs”.²¹⁹ Jonathan Stanley of ICHA elaborated that “what we need to improve it is a strategy. We have no national, regional or local strategy. We need a plan on all three levels”.²²⁰ He called for local authorities to undertake need assessments using national defined criteria, to aggregate the data and share with private providers so that they have evidence for a business case.²²¹ PAC called for DfE to set out by December 2019 “how it will work with local authorities to manage the supply of high quality and cost-effective residential care and match this to demand”.²²²

104. In regard to increasing supply of foster carers, Allan Madeley of LCR said that we “need to create a shared, national environment that supports the growth of carers”. He suggested that local authorities could learn from the independent sector, saying that “local authorities certainly can work perhaps more extensively on the process side of recruitment. That is where you see a slick approach on the commercial independent side that perhaps some of the local authorities have not always been able to replicate themselves”.²²³ Stuart Gallimore of ADCS said that “the best advocates for your local authority fostering service will be your foster carers” so they should be used in recruitment. He also said that foster carers need to be supported throughout the process and feel valued.²²⁴ The

215 See Liverpool City Region (LCR) Local Authorities ([ACS0043](#)), Royal Borough of Greenwich ([ACS0059](#)) and Independent Children's Homes Association ([ACS0073](#)).

216 [Q18](#)

217 [Q135](#)

218 [Q135](#)

219 Independent Children's Homes Association ([ACS0073](#))

220 [Q153](#)

221 [Q153](#). See also [Q159](#).

222 Public Accounts Committee, Eighty-eighth Report of Session 2017–19, [Transforming children's services](#), HC 1741

223 [Q126](#)

224 [Q136](#)

Minister for Local Government agreed that there is a role for involving foster families in the recruitment of more foster carers. He also said that local authorities should consider working regionally and creating a culture of appreciation.²²⁵

105. We heard from Kathy Evans of Children England that a national care bank should be established to conduct procurement on behalf of local authorities nationally.²²⁶ She suggested that it could do so “on an open book basis [as] that would enable the proper scrutiny of their pricing, of their shareholder fee withdrawal, and of whether or not their private equity financing arrangements are actually an acceptable risk for the public”.²²⁷ ADCS said exploring whether such a model could work would be a “worthwhile endeavour” if “the government and indeed wider society remains comfortable with the extraction of ever larger profit margins from the care of children and providers of vital care services being bought and sold on the open market”.²²⁸ While not commenting directly on the value of the proposal, Ofsted noted that such a proposal would mean “needs assessments would be located locally with the funding and associated financial risks held centrally ... it might cause substantial turbulence for all the parties affected and any destabilising of social care would be a concern”.²²⁹

106. We also heard a variety of other potential improvements. Adam Pemberton of Barnardo's called for “those responsible for commissioning to think about how they are joining up children's services, health services and adult services”, arguing that councils should approach commissioning creatively and holistically.²³⁰ This view was partly shared by Yvette Stanley of Ofsted who said health was a “really important partner” in commissioning.²³¹ Allan Madeley of LCR endorsed “a greater level of accountability, visibility and regulation into the commercial aspects of providers in the children's sector”.²³² CSDG called for “a commissioning approach that is needs not cost-based, via the development of a National Outcomes Framework that benchmarks all providers (local authority and independent) on value, quality, cost and outcomes to support effective outcomes-based commissioning”.²³³

Private profit from children's services

107. ADCS's comment above in paragraph 105 regarding the appropriateness of profit-making from children's social care was also raised by other stakeholders in the course of our inquiry, with some witnesses expressing significant concerns.²³⁴ Professor Jones told us that “the privatisation of children's social services has become sizeable and significant ... hundreds of millions of pounds are now being taken out of children's social services as profits by private companies and distant venture capitalists”.²³⁵ An article in the *Financial Times* in January 2019 explained why this may be the case for independent fostering agencies: “fostering businesses are resilient to political change and financial squeezes, so

225 [Q211](#)

226 [Q54](#) and [Q56](#)

227 [Q56](#)

228 Association of Directors of Children's Services ([ACS0072](#))

229 Ofsted ([ACS0074](#))

230 [Q55](#)

231 [Q78](#)

232 [Q135](#)

233 [Correspondence from the Children's Services Development Group](#), 22 February 2019. See also [Q153](#).

234 See Association of Directors of Children's Services ([ACS0072](#)), [Q134](#), and The Social Justice Research Group, University of the West of England, Bristol ([ACS0028](#)).

235 Professor Ray Jones ([ACS0005](#))

a current popular choice with investors".²³⁶ Professor Jones elaborated that while there is a place for specialist providers, there is no advantage in the current process, whereby "the motivation of people in terms of providing that service is to keep the costs as low as they can to generate as much of a profit as they can".²³⁷ ADCS advocated for a "review of the ability of organisations and individuals to generate significant profits from the care of some of the most vulnerable children and young people in the country, particularly when set against a decade of year-on-year budget reductions for local authorities".²³⁸

108. The Children's Commissioner for England, Anne Longfield, described a non-profit making clause, which could prohibit or limit profits, as "very enticing" but told us that "the main drawback with it is that we are where we are and we already have a shortage of places. We would fall over if we did not have that private sector within it".²³⁹ Kathy Evans of Children England agreed:

The reality is that for thousands of children in foster care and in residential care, they are currently cared for in a private sector establishment. We are nowhere near having the capacity with which to say we will drive out the private sector tomorrow ...

In the immediate term, we cannot afford to just decide on principle no profit and then wonder what happens to the children. Many private companies are providing essential care for children right now.²⁴⁰

109. Jonathan Stanley of ICHA agreed that there is a "scarcity of supply in residential care".²⁴¹ He said that "anything we do has to be increasing supply rather than decreasing it. If it is the case that we have overseas investment, it is coming in for a purpose; it is coming in to deliver care. Yes, there may well be a repayment going out beyond these shores, but if we want to do it ourselves, let us think of an internal British way of being able to finance social care sustainably".²⁴² A report by ICHA disputed the level of profit-making in the sector, stating that "providers find it difficult to make returns on investment in this sector because of its volatility and the rigid price control of councils".²⁴³ Stanley also said that while overall 41% of children's home providers recorded a lower profit last year, 51% of smaller providers recorded a lower profit. He explained that "that is really important, because most of our provision is small providers that only have one or two homes". He added that reserves were either "static or in decline".²⁴⁴

110. Councillor Perry, representing the LGA, drew attention to the fact that just because a care provider is not-for-profit does not mean that it is necessarily high-performing:

From a personal point of view, I have always said, "Be very careful of saying you will only deal with a non-profit-making organisation". I can run any organisation that does not make a profit. That does not necessarily mean it is a good organisation delivering good-value services. One wants to be

236 [Foster care agencies join forces in £100m tie-up](#), Financial Times, 20 January 2019

237 [Q131](#)

238 Association of Directors of Children's Services ([ACS0072](#))

239 [Q76](#) and [Q83](#)

240 [Q56](#)

241 [Q160](#)

242 [Q160](#)

243 [State of the Market survey](#), Independent Children's Homes Association, February 2018

244 [Q158](#)

on the lookout there. Above all, to the point I made earlier, flexibility and a mixed economy are important. There will be a case for private providers, and definitely a case for the local authority to be providing itself.²⁴⁵

111. The Government shared the pragmatism described above, saying that “if we attack the private sector, then the unintended consequences of that could be far worse”.²⁴⁶ The Minister for Local Government went on to say that “if you were going to move to a system where that [profit-making] was not possible, you would have to have a very safe view about what would happen to supply in what is, as you have already talked about, a supply-constrained environment. We are starting from where we are at this point”.²⁴⁷ Both the Minister for Local Government and the Parliamentary Under Secretary for Children and Families were unable to explain why the approach to profit-making in children’s social care and academy schools was so different because “the decision as to why there are different treatments of those two sectors predates our time as Ministers”.²⁴⁸

112. Local authorities are highly reliant on the independent sector, particularly for children’s residential care. Both local authorities and independent providers recognise that costs for care placements in the independent sector are increasing but there is some disagreement on why this is the case. More must be done by local government and central government to facilitate an increase in the supply of such placements.

113. The Government should consider the barriers to creating more residential care placements from the perspectives of both local authorities and private providers, and of people applying to become foster carers. In doing so, it should consider the role of greater central government investment in this sector. There may also be a role for greater regulation of the market to ensure that costs do not rise disproportionately and that there is appropriate competition. The Competition and Markets Authority should investigate this market. We encourage the NAO to analyse and compare the cost and value for money of private and in-house children’s residential care provision when it next revisits this topic.

114. Given local authorities’ high reliance on the independent sector, particularly for residential care, it is imperative that commissioning and procurement are improved to ensure no child is placed in unsuitable care settings. There should be more monitoring of the impact of different placements and the quality of care on children’s outcomes. A variety of improvements were suggested to us including the introduction of a national care bank, central government investment, and a local government procurement strategy.

115. Local authorities and the independent sector must work pragmatically together to ensure the needs of children are met; independent care providers constitute a significant proportion of the market. By December 2019, the Government should take the lead in conducting a review of the whole commissioning and procurement system and assess the merits of the various improvements that have been suggested to us in the course of our inquiry. We urge the Government and local authorities to introduce greater oversight of how different care placements affect outcomes for children to ensure that every

245 [Q135](#)

246 [Q216](#)

247 [Q216](#)

248 [Q216](#)

child receives the support they require. Local authorities should also better monitor the value for money of placements; as supply increases and commissioning improves, understanding the value for money will become more and more important.

Workforce

Social workers

116. According to the IfG and CIPFA, children's services have been able to broadly maintain performance levels at a time of increasing pressures "mainly by increasing productivity—asking social workers to do more".²⁴⁹ A respondent to our survey said that "the system would collapse if it wasn't for the goodwill of practitioners going above & beyond because of their values and not wanting to let kids down". We heard that this was leading to difficulties in recruiting children's social workers.²⁵⁰ As at 30 September 2018, there were 5,810 vacancies, resulting in a vacancy rate of 16% in England.²⁵¹ Between 2013–14 and 2017–18, the number of full time equivalent vacancies rose by 61%.²⁵² There are also challenges in retaining staff with the turnover rate for the year ending September 2018 being 16% in England.²⁵³ 68% of people leaving a children's social worker role in a local authority²⁵⁴ had been in service for less than five years while 54% were aged between 30 and 49;²⁵⁵ West Sussex County Council stated that the average professional life of a social worker was eight years.²⁵⁶ Professor Jones told us that the turnover rate for Directors of Children's Services was even higher at 40%.²⁵⁷

117. We heard a number of explanations of why local authorities were struggling to recruit and retain children's social workers. Ruth Allen of BASW highlighted challenging working conditions: "Many social workers are reporting working in very poor working conditions and having very high caseloads, a lack of time to think, a lack of access to resources to provide for children and families early and a lack of ability to support vulnerable parents".²⁵⁸ This view was reflected in our survey of social work professionals with one participant saying that "children's social services are overburdened, overwhelmed, overstretched. It's simply not possible to deliver a quality, helpful and meaningful service to children and families when we have so many cases and lack the (financial and time) resources to help".

249 [Performance Tracker 2018](#), Institute for Government and Chartered Institute for Public Finance and Accountancy, October 2018

250 See among others Devon County Council ([ACS0003](#)) and West Sussex County Council ([ACS0022](#)), British Association of Social Workers ([ACS0026](#)) and Children, Families and Education, Essex County Council ([ACS0042](#)).

251 [Experimental statistics: Children and family social work workforce in England, year ending 30 September 2018](#), Department for Education, February 2019

252 [Performance Tracker 2018](#), Institute for Government and Chartered Institute for Public Finance and Accountancy, October 2018

253 [Experimental statistics: Children and family social work workforce in England, year ending 30 September 2018](#), Department for Education, February 2019

254 We note that "these are leavers from a child and family social worker role in the local authority, rather than leaving the social work profession altogether: for example, leavers may be moving to a different local authority, to a non child and family social work role within the same LA [local authority], or leaving the profession. In addition, there is the potential for the 2017 figures to be out of line, as this was the first year of the individual level collection". See [Experimental statistics: Children and family social work workforce in England, year ending 30 September 2018](#), Department for Education, February 2019, for further information.

255 [Experimental statistics: Children and family social work workforce in England, year ending 30 September 2018](#), Department for Education, February 2019

256 West Sussex County Council ([ACS0022](#))

257 [Q8](#)

258 [Q117](#). See also The Children's Society ([ACS0068](#)) and Bath Spa University ([ACS0012](#)).

Another participant said: "There are no services resources to support what we are doing. Most of my colleagues are done with working long hours for free and are looking to leave the profession. We need more help!". Time pressures were also reflected in the results of our survey: 65% of respondents said that they always or often had unrealistic time pressures and 68% always or often neglected some tasks because they had too much to do.

118. Yvette Stanley of Ofsted said working culture was partly to blame:

As the host for multiagency safeguarding hubs, social care holds that anxiety and risk. If you ask frontline social workers to take too much risk, they will leave... They want to work somewhere where they think the risk balance is appropriate and they are going to be supported in taking those very difficult decisions.²⁵⁹

The Care Crisis Review found that "a strong sense of unease about a culture of blame, shame and fear affecting those working within the child welfare... was resulting in a growing sense of mistrust between those working at all levels, and between families and professionals".²⁶⁰ Councillor Perry told us that "a good local authority will give its officers the administrative support that they need, and will give them the political and moral support they need when they have taken difficult decisions".²⁶¹

119. Concerns were also raised about the administrative burden on social workers and its impact on time spent directly with families. Ruth Allen of BASW said that they had found "children's social workers were saying that they were spending 80% of their time on paperwork or non-professional activities, and only 20% of their time on what they considered to be either direct work or work that was directly about their professional practice".²⁶² A survey conducted by BASW published in September 2018 (see Figure 6) found that "on average, social workers worked 45 hours a week, of which 11 hours were spent face-to-face with children, young people, parents and carers. This equates to just over 20%. 29 hours a week were spent on a computer or doing paperwork which accounts for 65% of the average working week".²⁶³ BASW in partnership with the Children's Commissioner for England made eight recommendations for how social workers could spend more time on direct social work practice including investing in better IT systems and employing more administrators.²⁶⁴ The Parliamentary Under Secretary for Children and Families agreed that there was value in employing more support staff to reduce administrative tasks for social workers.²⁶⁵

259 [Q65 and Q106](#)

260 [Care Crisis Review: Options for change](#), Family Rights Group, June 2018

261 [Q142](#)

262 [Q140](#)

263 [80–20 Campaign: How much 'direct' time do social workers spend with children and families?](#) British Association of Social Workers, September 2018

264 [80–20 Campaign: How much 'direct' time do social workers spend with children and families?](#) British Association of Social Workers, September 2018

265 [Q225](#)

Figure 6: BASW survey - proportion of working week spent by social workers on different activities

Source: British Association of Social Workers, [80–20 Campaign Final Report 2018](#), 17 September 2018; Scrutiny Unit analysis

120. One response to our survey said that Ofsted was partly to blame for a difficult working environment, explaining that:

Ofsted itself has driven much of the risk averse approaches in many LAs [local authorities]. Fear of a poor Ofsted score adds to professional anxiety and greater intervention; Ofsted insist on lots of recording because that is how they inspect; and Ofsted do not fully understand the concept of working with families systemically.

Ofsted has recognised that its work can have “unintended consequences” and its 2017–22 strategy highlights that it is making changes to reduce the burdens on local authorities.²⁶⁶ Yvette Stanley of Ofsted elaborated that:

We have done our best, as have local authorities, to make the systems, processes and procedures less bureaucratic over the last decade ...

We need to check that children are visited and social workers have had their supervision, but that should be their business as usual. It is not about filling in another form for us on our arrival; it should be easily extractable from their information system. We have worked very hard to have a more proportionate, risk-based, child-focused inspection regime. The feedback from local authorities is that it is as robust, but it focuses on the important frontline work, not on checking that meetings have happened and forms have been filled in within a certain time.²⁶⁷

121. Sharon Chappell, Assistant Ombudsman at the Local Government and Social Care Ombudsman, told the Committee how high staff turnover can lead to poorer outcomes for children:

266 [Ofsted strategy 2017–22](#), Office for Standards in Education, Children’s Services and Skills, September 2017.

267 [Q95](#)

In the cases that we are upholding, there are often numerous reallocations of social workers. There was a case this week that has just been referred to me for some advice where there were 10 different social workers involved since July 2018, eight in a three-month period. That young person just has no opportunity to build any relationship in those circumstances. In cases we are not upholding, where we are seeing good practice, those relationships are firmly established with both the young person and the family, so the impact is quite clear.²⁶⁸

The British Psychological Society said that “research indicates that staff changes are a key indicator in the breakdown of placements and the ability to protect children”.²⁶⁹ Professor Jones reiterated the importance of maintaining relationships between social workers and families, telling us:

The local authorities that are doing well in terms of Ofsted judgments are the local authorities with stable leadership and a stable workforce. They stay close to their children, they know the children and they know the families. That is a big help in terms of families and children trusting the workers they work with but also in terms of dealing with some of the stress and chaos in those children's lives. Creating that stability and continuity is one of the ways we can improve outcomes.²⁷⁰

122. Poor recruitment and retention also has a financial impact as local authorities fill vacancies with more costly agency staff.²⁷¹ DfE data for September 2018 found that there were 5,360 full-time agency workers employed as children and family social workers in England, equivalent to 15% of children and family social workers.²⁷² Of these agency workers, 78% were covering vacancies.²⁷³ Based on freedom of information requests, the BBC estimated that spending across the UK on agency social workers increased from £180 million in 2012–13 to £356 million in 2016–17.²⁷⁴ *The Guardian* reported that local authorities in England spent at least £335 million in 2017–18 on agency workers.²⁷⁵ Stuart Gallimore of ADCS clarified that agency workers can be paid more than council-employed social workers but “they [agency workers] are not paid that much more when compared to the fee that the local authority is paying that agency for that worker. There is a significant top-up”.²⁷⁶ Devon County Council explained that it has had to increase the agency rates paid by £600,000 per annum in order to attract applications.²⁷⁷ Yvette Stanley of Ofsted suggested that agency rates can be exacerbated by poor Ofsted ratings.²⁷⁸ We also heard

268 [Q112](#)

269 British Psychological Society ([ACS0064](#))

270 [Q33](#). See also [Q42](#).

271 See Devon County Council ([ACS0003](#)), West Sussex County Council ([ACS0022](#)) and British Association of Social Workers ([ACS0026](#)).

272 [Experimental statistics: Children and family social work workforce in England, year ending 30 September 2018](#), Department for Education, February 2019

273 [Experimental statistics: Children and family social work workforce in England, year ending 30 September 2018](#), Department for Education, February 2019

274 [Councils spend doubles on social workers hired from agencies](#), BBC, 1 November 2017

275 *The Guardian*, [Councils spend millions on agency social workers amid recruiting crisis](#), 7 April 2019

276 [Q144](#)

277 Devon County Council ([ACS0003](#))

278 [Q105](#)

from BASW that local authorities compete “for social workers by offering higher salaries than neighbouring areas”.²⁷⁹ It said that “this creates a bidding war that no authority wins”.²⁸⁰

123. Several strategies to overcome the challenge of recruiting and retaining children's social workers were presented to us in the course of our inquiry. West Sussex County Council explained how supporting newly qualified social workers had been somewhat successful while acknowledging that there was no quick fix:

We have had a social work academy running for 5 years and through this we have retained 77% of our newly qualified social workers, which has partially mitigated the lack of availability. However, for the last 12 months we have had on average 15.7% of posts not filled with permanent staff meaning we are heavily reliant on agency staff (at higher cost) to maintain safe levels of service. The County Council has identified £1.2m of additional resource to implement a competitive salary range and career progression pathway, along with a number of other innovative ideas to recruit and retain permanent experienced social workers. Due to the national shortage of children's social workers (the average professional life of a children's social worker is 8 years), coupled with rising demand and complexity in children's services, and the continuing negative public perception of children's social work means that we anticipate this will be an ongoing challenge.²⁸¹

Stuart Gallimore of ADCS told us that councils have to put the “ingredients of success in place”. He says that East Sussex County Council is trying to be the “authority of choice for people wanting to do social work”, explaining that “an environment where people feel confident, protected and safe, and are encouraged to do great work” has to be created.²⁸² The Parliamentary Under Secretary of State for Children and Families agreed that building a “successful, well-motivated workforce, whether through the offer of support and supervision, opportunities for development, management, manageable workloads or positive organisational culture” is vital and “will ensure that social workers want to work and stay”.²⁸³

124. Anne Longfield, Children's Commissioner for England, called on the Government to introduce a “national marketing and advertising campaign... to bring people into the profession”.²⁸⁴ She also called for the sector to learn from the NHS 10-year plan: “It is looking at the staffing implications over a 10-year period and looking at workforce recruitment and how workforce development on a national basis can take place”.²⁸⁵

125. Stuart Gallimore, ADCS President, explained how some local authorities are trying to mitigate the financial burden of agency staff:

In many regions, such as the south-east, which I am part of, authorities have banded together to try to regulate the cost of agency workers, because

279 British Association of Social Workers ([ACS0026](#))

280 British Association of Social Workers ([ACS0026](#))

281 West Sussex County Council ([ACS0022](#))

282 [Q145](#)

283 [Q220](#)

284 [Q107](#)

285 [Q107](#)

in the situations that Ruth [Allen of BASW] described, where authorities are desperate for social workers, the cost that they can be charged can be quite eyewatering.²⁸⁶

126. Hampshire County Council has gone a step further and set up its own agency in conjunction with Kent County Council after finding that some social workers prefer to be employed by an agency. Councillor Perry explained:

My own authority has decided to set up its own agency. We are doing that in conjunction with Kent County Council. We are being told that a number of social workers, for all sorts of reasons—personal family reasons or whatever—prefer to have agency working so that they can pick the times and periods of the year when they work. I posed the question, “Will that not mean that we are possibly going to stand accused of not offering them full-time professional positions?”, to which the director said, “If they want to come and work for us as a full-time worker, we will welcome them with open arms”. It is the fact that, in the present climate, a number of social workers prefer that greater flexibility—not all, but some do. That is why we are going down the line of setting up our own agency. I will let you know in a few years’ time if it works.²⁸⁷

127. The Parliamentary Under Secretary of State for Children and Families recognised the importance of the children’s social care workforce, telling us that when he has seen “local authorities go from failure to success, it is the workforce ... it is really worthwhile that we invest in the workforce”.²⁸⁸ He said good leadership was vital to building “a successful, well-motivated workforce, whether through the offer of support and supervision, opportunities for development, management, manageable workloads or positive organisational culture”.²⁸⁹ The Government has introduced reforms to the social work workforce such as the National Assessment and Accreditation Scheme and Social Work England in order to “improve social work and reduce reliance on agency staff, leading to more sustainable services”.²⁹⁰ The Parliamentary Under Secretary of State for Children and Families added that the Government was working with the LGA on the development of leadership talent.²⁹¹

128. He addressed concerns about caseloads by saying that Ofsted considers caseloads and the support that is available as part of their inspection regime.²⁹² However, as noted in the IfG and CIPFA’s *Performance Tracker 2018*, the average social worker’s caseload—17.8 cases—is now greater than the average caseload in local authorities that Ofsted judged ‘good’—typically between 10 and 14 cases.²⁹³ Also, a 2018 survey of members of the Social Workers’ Union and BASW found that working conditions for social workers continue to be poor:

Concurrent with 2017 findings, we demonstrated that working conditions (irrespective of job role within social work) are still chronically poor—

286 [Q144](#)

287 [Q143](#)

288 [Q220–221](#)

289 [Q220](#)

290 MHCLG and DfE ([ACS0065](#))

291 [Q224](#)

292 [Q223](#)

293 [Performance Tracker 2018](#), Institute for Government and Chartered Institute for Public Finance and Accountancy, October 2018

worse than the UK national average. The only slight exception to this is the amount of support received from peers, which was relatively positive. However, in comparison to 2017 figures, 2018 working conditions are even worse—it would appear that over the past 12 months, working conditions have consistently worsened. Similarly, we found that levels of job dissatisfaction were high, as well turnover intentions (although migration was much higher than attrition), presenteeism, and stress. In fact, each of these measures were higher than the 2017 figures, again demonstrating that each are progressively worsening. Once again, the demands associated in social work was the one consistent working condition which had the biggest influence on the outcome measures included in the study (stress, job satisfaction, presenteeism, and turnover intentions).²⁹⁴

129. Efforts have been made to increase recruitment: the Government supports Frontline, a two-year leadership programme for graduates and career changers, and Step Up to Social Work, an intensive, 14-month, full-time programme for trainee social workers.²⁹⁵ The Parliamentary Under Secretary of State for Children and Families told us that the number of full-time equivalent children's and family social workers has increased since last year and "1,700 more talented individuals who would not necessarily have considered social work as a career path" have entered the sector.²⁹⁶ While welcome, this has led to a relatively inexperienced workforce. Analysis by the IfG and CIPFA found:

Overall workforce experience declined over the past two years, which is likely to be the consequence of recruiting more people. Between September 2015/16 and 2017/18 there was a 30% increase in the number of staff with less than five years' local authority experience, and a 11% decrease in staff with more than five years' experience.²⁹⁷

BASW suggested that this could lead to lead to the inappropriate escalation of care: "The frontline is now largely staffed by newly qualified social workers with little experience in managing and dealing with risk and complex cases. This cycle can result in cases escalating into care proceedings too quickly".²⁹⁸

130. High turnover and low retention of the children's social care workforce point to a system that isn't working well. Children pay the price as professional relationships break down. It has a cost for local authorities who resort to filling vacancies with agency staff and may, if financially viable, have to spend money on attracting staff. Social workers are suffering from a range of pressures such as increased workload and administrative burdens.

131. While some workforce reforms have been introduced, it is clear that more needs to be done nationally to retain good professionals and build long-term professional relationships in the sector; there is no point recruiting more staff if they will not stay. The Government should increase core funding in order to enable local authorities to ease the pressure facing social workers. We suggest that the implementation of the

294 [UK Social Workers: Working Conditions and Wellbeing](#), Bath Spa University, August 2018

295 [Q224](#)

296 [Q221-222](#)

297 [Performance Tracker 2018](#), Institute for Government and Chartered Institute for Public Finance and Accountancy, October 2018

298 [British Association of Social Workers \(ACS0026\)](#)

recommendations of the British Association of Social Workers and the Children's Commissioner for England, detailed in their 80–20 Campaign report such as increasing the number of support staff and upgrading IT equipment, would be a good place to start.

132. *The Government must also conduct a consultation with social workers, local authorities and representative professional organisations across the country to gain a better understanding of the pressures facing social workers and why social workers are leaving their roles, whether to go to another local authority, take another job at the same council or to leave the profession altogether. Based on the consultation, the Government should assess the merits of options (e.g. limiting caseloads, reducing the administrative burdens, and nurturing supportive cultures) to lessen the burden on children's social workers as a matter of urgency. We expect the Government to report back to the Committee by December 2019.*

133. *We believe that the Government should fund the creation and implementation of a national recruitment strategy to encourage people into the sector. As part of this work, the Government should consider whether additional recruitment incentives or support are required, particularly to attract staff to local authorities with poor Ofsted ratings. We consider that this work could be conducted by Social Work England.*

Wider workforce

134. Dr Silver told us that quality and remuneration of the wider workforce should also be of concern, saying that “there are challenges in terms of how we provide really good-quality services for the most needy looked-after children with the most complex needs and the most challenge”.²⁹⁹ She expanded:

What we want is a workforce that is psychologically available to these children and that sticks with these children over a long period of time. If you pay minimum wage, if you do not train and support those staff and if you do not provide sick pay and the terms and conditions that public sector organisations used to, your workforce are more depleted, turn over faster and are less qualified. They do a less good job of that important primary care relationship with that child...

The most complicated kids we have are effectively being looked after by the least trained and least supported workforce... The difficulty is that, at the moment, for a lot of people, it is a slightly more interesting job paid on a par with working in the supermarket.³⁰⁰

Dr Silver went on to say that “skilling up that workforce, and recognising and supporting the contribution of the front-line carers, whether they are in residential care or foster carers, is super important. Otherwise those people get traumatised and burnt out and leave. That is not good for anybody”.³⁰¹ Some of these concerns were reflected in UNISON's Ethical Care Charter which was developed in response to concerns among the homecare workforce, suggesting that this is of concern across both the adult and child care market.³⁰² A report by a previous iteration of this Committee called on the Government, in partnership

299 [Q23](#)

300 [Q30](#) and [Q37](#)

301 [Q37](#)

302 [UNISON's Ethical Care Charter](#), UNISON

with the LGA to “publish a care workers’ charter, drawing upon UNISON’s Ethical Care Charter, which sets out what care workers can expect from their employer. Employers should be expected to demonstrate their commitment to supporting and developing care workers”.³⁰³ The Government responded by saying that “Skills for Care have published a Code of Conduct for employees and employers. This sets out employers’ responsibilities in supporting and developing their staff, and what care workers can expect from their employers”.³⁰⁴

135. Yvette Stanley of Ofsted agreed that “work in the care end of the industry is not the best paid or the best qualified” and told us that “the problems we see are churn in terms of the home manager, churn in terms of staff and not enough staff with the level of qualifications”.³⁰⁵ She added that improving quality has a cost to local authorities and that “quality versus cost in relation to that is a really dynamic issue, which local authorities, as commissioners, are struggling with on a day-to-day basis”.³⁰⁶

136. Professor Jones suggested that there were also challenges in getting to know staff in the independent sector:

It is a real concern that we are placing children with people when we do not know who they are. They may be at some distance from where the child lives and where the social worker is based, so they are not seen that often. When I used to run children’s homes, I would be dropping in and out when I was going past. I would know the staff; I would know the children who were there ...

If you are doing this with the private sector, first, you have no right of access apart from going in and seeing the children you have placed there and, secondly, it is not your business in one sense. You are not responsible for it. You may be responsible for the child, but you are not responsible for the service.³⁰⁷

137. The Government responded to concerns about quality in the wider children’s care workforce by saying that “there are mandatory qualifications for those working in care roles. Registered managers must keep a record of training completed by employees and their ongoing training needs. Children’s homes must ensure their staff are equipped with the skills and knowledge needed to provide that quality care”.³⁰⁸ Ofsted was cited as having a role in ensuring that the registered managers of care homes are being held to account.³⁰⁹ The Parliamentary Under Secretary of State for Children and Families said the Government wanted to go further and was considering introducing a professional registration for people in care roles in children’s homes as recommended by the Independent Inquiry into Child Sexual Abuse.³¹⁰

303 Communities and Local Government Committee, Ninth Report of Session 2016–17, [Adult social care](#), HC 1103

304 MHCLG, [Government Response to the Communities and Local Government Select Committee Report: Adult Social Care](#), October 2017, CM9501

305 [Q82](#)

306 [Q82](#)

307 [Q24](#)

308 [Q226](#)

309 [Q228](#)

310 [Q228](#)

138. In terms of wages in the wider workforce, the Parliamentary Under Secretary of State for Children and Families said that “it is important that we get the funding right, which is why we are working together to make sure that we understand where the pressures are and to put our best foot forward at the spending review”.³¹¹ While he would not commit to increasing remuneration,³¹² the Minister for Local Government said that this is “one piece of a broader funding question” and that the Government is conscious that when it mandates higher wages (e.g. increasing national minimum wages) that this has a cost.³¹³

139. Some of the challenges facing social workers are reflected in the wider children’s social care workforce, where retention of staff is also proving problematic. Nevertheless, the wider workforce also has challenges of its own, particularly regarding remuneration, which we were told is on a par with working in a supermarket, and the level of training. It is highly questionable that some of the most vulnerable children are being cared for by a workforce that may not always be as well qualified as might be expected. *The Government should invest in the workforce to ensure that it is appropriately remunerated, skilled and supported to deliver the best outcomes for children. There is value in considering what lessons from UNISON’s ethical care charter may also apply to children’s care; we reiterate a recommendation by our predecessor committee which called for the Government, in partnership with the LGA to publish a care workers’ charter, drawing upon UNISON’s Ethical Care Charter, which sets out what care workers can expect from their employer.*

140. More should be done to understand the wider children’s care workforce. *The Government should collect data about the profile of this workforce to better understand who is supporting some of the most vulnerable children in society. We believe that professional registration, as recommended by the Independent Inquiry into Child Sexual Abuse, may be a vehicle for greater transparency.*

311 [Q239](#)

312 [Q239–240](#)

313 [Q241](#)

4 Innovation

141. The Government states that “innovative approaches to the design and delivery of children’s services, and enabling the sector to share and spread these, are important to the sector’s financial sustainability”.³¹⁴ Indeed, the Parliamentary Under Secretary for Children and Families told us that “there is a real role for system change through the Innovation Programme”³¹⁵ and one of the three main pillars of the DfE’s children’s social care reform programme is “delivering a national system of excellent and innovative practice”.³¹⁶ The Government has largely pushed its innovation agenda through the Children’s Social Care Innovation Programme, which is backed by over £200 million of Government funding,³¹⁷ and the new What Works Centre, which is “focused on understanding and evaluating best practice, and spreading this from high-performing LAs to others”.³¹⁸

142. The Parliamentary Under Secretary for Children and Families told us that there was “some really clever innovation taking place”.³¹⁹ In particular, he pointed to the success of initiatives by Hertfordshire County Council, Leeds City Council and North Yorkshire County Council whose models are being scaled up to 20 further local authorities with £84 million of Government funding.³²⁰

143. We were also told about several other initiatives which were supporting the financial sustainability of local authorities.³²¹ For example, Hampshire County Council has rolled out “mobile laptop devices across all front line children’s social care staff to reduce travel time and enable more flexible working patterns” and is “building the delivery of a new social care case management system that supports a consistent way of working and automates manual activities”.³²² Barnardo’s is considering the role of digital solutions:

We are currently partnering with the CareTech Foundation on a £1million project to develop a ground-breaking digital resource to support young people leaving care. In the long term, such apps and technologies can result in earlier identification and intervention, cost savings, and better, more holistic support.³²³

Box 2: An example of innovation in Hertfordshire County Council

Case study: Family Safeguarding Hertfordshire

With £4.8 million of Government funding, Hertfordshire County Council trialled “a whole-system reform of Children’s Services”, known as Family Safeguarding Hertfordshire (FSH), which “brings together a partnership including the police, health (including mental health), probation and substance misuse services”

314 MHCLG and DfE ([ACS0065](#))

315 [Q193](#)

316 MHCLG and DfE ([ACS0065](#))

317 [£200 million to transform life chances of vulnerable young people](#), DfE, 2 April 2016 and [Budget 2018](#), HM Treasury, 29 October 2018.

318 MHCLG and DfE ([ACS0065](#))

319 [Q200](#)

320 [Q189](#), [Q200](#) and [Budget 2018](#), HM Treasury, 29 October 2018.

321 Among others, see West Sussex County Council ([ACS0022](#)), Suffolk County Council ([ACS0029](#)) and National Youth Agency ([ACS0031](#)).

322 Hampshire County Council ([ACS0033](#))

323 Barnardo’s ([ACS0032](#))

with children's social workers. The independent evaluation report found that "multidisciplinary teams are a very promising approach for Children's Services... there is strong evidence that FSH produces substantial cost savings within Children's Services even in the first year". FSH was estimated to result in savings of £2.6 million in the first year "due to reduced care and child protection allocations": the evaluation report found a 39% reduction in days spent in care, a 29% reduction in child protection plans and an 8.8% reduction in Children in Need cases. It also resulted in cost savings for the NHS and the police:

- An annual cost saving of £106,824 for the police and criminal justice system due to an estimated 58% annual reduction in repeat police incidents; and
- An annual cost saving of £220,002 to the NHS due to an estimated 53% annual reduction in adult admissions to A&E.

Source: [Family Safeguarding Hertfordshire: Evaluation Report](#), DfE, July 2017; [Family Safeguarding Hertfordshire: Project Summary](#).

144. However, while innovation in the sector is seen positively by many stakeholders, the Government's focus on innovation has been criticised for overlooking the delivery of basic services.³²⁴ Professor Devine told us that "some of these innovations and early interventions work intensively with individual families and have some effect, but are very costly, are localised and are not necessarily fixing the bigger problem".³²⁵ Children England suggested councils who had received innovation funding had seen a reduction in the number of children in care "not because they have 'innovated' specifically, but because they have been awarded the extra investment they need to reduce caseloads, retain and support staff, make time for child-centred practice, and develop good working links with other teams and areas".³²⁶ ADCS acknowledged some innovation had been successful but queried its long-term sustainability:

Some of the projects that received funding in the first wave of the DfE's Innovation Programme have shown promise, it is not clear if this early success can be sustained in the longer term, particularly beyond the lifespan of the funding. Good children's services require a relentless focus on getting the basics right; constant demands to innovate are a distraction from the core business.³²⁷

145. Yvette Stanley of Ofsted acknowledged that "in order to do the innovation, you need to get your basics right".³²⁸ She explained that Ofsted "are now seeing more local authorities having those basics right and then building from that. The task is to stabilise and ensure the poorer-performing ones are secure, so they can take the learning from those that are further down the journey".³²⁹

146. Notwithstanding concerns raised about the administration of the Innovation Programme in Chapter 1, innovation which not only improves outcomes for children but also enhances financial sustainability is to be embraced. We welcome the

324 See [Q8–12, Professor Ray Jones \(ACS0005\)](#) and [British Association of Social Workers \(ACS0026\)](#)

325 [Q8](#)

326 Children England ([ACS0013](#))

327 Association of Directors of Children's Services ([ACS0038](#))

328 [Q70](#)

329 [Q70](#)

Government's commitment to supporting the expansion of successful initiatives to 20 local authorities. *However, we believe that these initiatives should be seen as pilots with successful programmes systematically rolled out to all local authorities with the appropriate long-term support and resources which that would entail.*

147. Moreover, we believe that these initiatives should enrich and complement the delivery of good core services: innovation should not be prioritised over getting the basics right. *Innovation cannot solely be responsible for delivering sustainable children's services and must be accompanied by an increase in core funding and the other reforms we propose in this report.*

5 Improving children's services

148. The final chapter of our report examines two universal mechanisms for securing short- and long-term financial sustainability: future funding and systemic changes. Addressing these two mechanisms successfully will benefit the totality of children's social care, from the frontline of care to local authority budget lines.

Increasing funding

149. The challenges facing local authorities' children's services are diverse. Time and time again we have been told, and indeed concluded in previous sections of this report, that the solution to those challenges is increased Government funding. A selection of the wide-ranging calls for increased funding from stakeholders across the sector that we heard during the course of the inquiry are provided below:

- “We have to inject funding now to see results in the long term. Funding is needed at all levels”;³³⁰
- “There should be a far more significant contribution from the Treasury and from the income-taxpaying public”;³³¹
- “We do need some more money. We can have as many conversations as we like about how we can do this more efficiently and so on, but the cuts that have kicked in are just so big that, if you do not replenish some of those cuts, there is no solution to this”;³³² and
- “St Helens Council has taken a number of steps to attempt to mitigate this rapid acceleration in costs... The underlying issue however, is that the Authority is not adequately funded by central government for these costs through the relative needs formula in the first instance”.³³³

In Chapter 1, we agreed with local authorities that the current funding levels are unsustainable, echoing the Government's comments that local authorities are in a “challenging financial environment”.³³⁴

150. The LGA calculated how much more funding was needed to deliver the current level of service in the future: £2 billion by 2020 and £3.1 billion by 2025.³³⁵ The LGA acknowledged that would not allow for any enhancements to services.³³⁶ The LGA's estimation of the funding gap was often referenced by local authorities and other stakeholders who participated in our inquiry, suggesting that there is support of this analysis.³³⁷ The Parliamentary Under Secretary for Children and Families said “in terms

330 Survey response

331 [Q48](#)

332 [Q18](#)

333 St Helens Council ([ACS0057](#))

334 [Q196](#)

335 [Children's services funding - facts and figures](#), Local Government Association and [Close the children's services funding gap joint letter](#), Local Government Association and others, 15 November 2017.

336 Local Government Association ([ACS0037](#))

337 See Kent County Council ([ACS0011](#)), The Children's Services Development Group ([ACS0023](#)), Wigan Council ([ACS0044](#)), Royal College of Nursing ([ACS0056](#)), Royal Borough of Greenwich ([ACS0059](#)) and The Children's Society ([ACS0068](#)).

of future funding and the spending review, the LGA has done really excellent work, and I want to commend them for that work. We are working between now and the spending review to get a much sharper and more granular picture of children's social care cost pressures. That is where we are today".³³⁸

151. If additional funding is forthcoming, we heard mixed views on the desirability of ring-fencing it. Kathy Evans, Children England, told us "we have to move away from some of the pre-targeting, the ring-fencing and the control mechanisms, because what you need is free-flow reinvestment".³³⁹ Stuart Gallimore of ADCS explained that "local authorities are in the best place to understand their local context".³⁴⁰ Ruth Allen of BASW agreed that councils should be able to "tailor [funding] to their local populations" but suggested that doing so within a framework would be preferable. Gallimore identified "a really good model" which has been used previously, "where Government set some outcomes they wanted local authorities to achieve, and then left those local authorities to get on and achieve them. They annually looked back at how that money had been spent and whether it had been spent on the things they had wanted to achieve".³⁴¹ The Government has been clear that local government is best placed to decide its spending priorities and that it has no intention of reversing its policy of ending ring-fenced grants as far as is possible.³⁴²

152. As well as additional money to plug the funding gap, the LGA called for the cuts to early intervention services to be reversed.³⁴³ On the provision of early help services, Barnardo's suggested that ring-fenced funding had a place, calling for the Government to "provide ring-fenced central funding for prevention and early intervention, which cannot be subsumed into the wider children's social care budget, and which incentivises sustainable partnership working".³⁴⁴ Professor Jones agreed that there is a risk that additional funding may be used to off-set overspending rather than deliver services if it is not ring-fenced. He told us: "How you make sure that is properly accounted for and it does not just leak out into dealing with the overspends we have already is an issue that you would want to see addressed".³⁴⁵ He suggested allocating money to all local authorities which can be spent as they see fit, but solely on early intervention.³⁴⁶

153. Concerns were also raised about how local authority budgets are linked to "the rise and fall of local economies".³⁴⁷ Children England said that inequalities between councils may be exacerbated as councils are empowered to raise their own revenues.³⁴⁸ Professor Jones shared these concerns, stating that "without an as yet disclosed or committed compensatory mechanism this will have a further significant impact especially on local councils in areas of high deprivation where there will be little scope to raise money to replace the withdrawal of financial support from central government".³⁴⁹ Children England proposed that core funding be subject to a new children's services funding formula:

338 [Q192](#)

339 [Q42](#)

340 [Q129](#)

341 [Q129](#)

342 [Q189–192](#)

343 [Bright Future: Children's Services](#), Local Government Association.

344 Barnardo's ([ACS0032](#))

345 [Q10](#). See also [Q18](#).

346 [Q10](#)

347 Children England ([ACS0013](#))

348 Children England ([ACS0013](#))

349 Professor Ray Jones ([ACS0005](#)). See also Association of Directors of Children's Services ([ACS0038](#)), Newcastle City Council ([ACS0045](#)) and SIGOMA ([ACS0051](#)).

We have developed the case for a Children Act Funding Formula, which would distribute national taxation to all authorities with duties under the Children Act 1989 according to the needs of children in their area, based on three factors: Current and projected child population; Numbers of disabled children and young carers; and Multiple deprivation indices for the area. It will be essential to weight the formula appropriately across these three areas. In order to be responsive to changes in local population but also provide authorities with the predictable core income they need to plan and commission services appropriately, we propose that it informs a grant period of three to five years.³⁵⁰

The Alcohol and Families Alliance supported the introduction of the Children England funding formula, believing that it would reduce the financial burden on councils and allow more money to be spent on early intervention.³⁵¹

154. The Minister for Local Government told the Committee that he was overseeing the introduction of a new funding formula for local government and that as part of that work the Department was working with external partners to develop a specific funding formula for children's services. He explained that the formula would be highly detailed:

When they do their analysis to predict need when it comes to children's services, they will be doing that not at a local authority level or even a lower layer super output area level; they will be doing it at the level of the individual child.

That database, which they now have, will enable the predictive modelling for the fair funding review to be done at a very granular level. Out of all the things in the fair funding review, that is probably the one that will have the most level of detail. Hopefully that provides you with some comfort going forward in terms of how funding is allocated. It will be done on as detailed and as granular a basis as possible.³⁵²

155. *The 2019 Spending Review must reflect the increased demand and pressures on local authorities' children's services. The Government should bridge the existing funding gap for local authority children's services in the 2019 Spending Review. At a minimum, core grant funding up until 2025 should increase by £3.1 billion to address short-term pressures. Funding for children's services should not be ring-fenced except in limited instances of time-limited one-off grant funding as detailed in Chapters 1 and 4. Current funding levels are unsustainable given the multitude of pressures in the system which have been discussed in this report. Additional core funding is urgently required to ensure that local authorities can meet increasing demand, provide high quality children's services and, ultimately, adequately safeguard children.*

350 Children England ([ACS0013](#))

351 Alcohol and Families Alliance ([ACS0024](#))

352 [Q173](#)

156. **In the long-term, we welcome the creation of a specific children's services funding formula to make the distribution of funding fairer. We urge the Government to consult local authorities and children's charities to ensure it meets the needs of children across the country. After one year of implementation, the formula should be independently evaluated to consider whether it is accurately predicting needs. If it underestimates local authority costs, the need for further funding must be communicated by both the Department for Education and the Ministry of Housing, Communities and Local Government to HM Treasury in the strongest terms.**

Systemic change

157. While, as evidenced above and in Chapter 1, increased Government funding is essential to securing the short and long-term sustainability of local authorities' children's services, we heard that it would not solve deeper systemic issues. The Social Justice Research Group at the University of the West of England told us:

Whilst we agree that funding is a key element to effective delivery of statutory and non-statutory children's social care functions, our findings, gained through a thorough review of the whole of the CSC [children's social care] system do not support an increase in funding as a panacea to deeper, systemic problems. It will not provide a solution to systemic issues which are costly in terms of budgets deficits, welfare failures and failures of social justice.³⁵³

Professor Devine from the Social Justice Research Group elaborated to the Committee:

There are only two possible solutions to that problem [funding deficit] ... You either have to increase the budget on the basis that we are just going to keep doing more of the same—to keep doing the same, you need a bigger budget; we cannot really get away from that—or you have to change some of the variables and make sure you are doing something different to keep the budget down.³⁵⁴

158. The Government agreed that “money is definitely not a panacea”.³⁵⁵ The Minister for Local Government said that sharing best practice should “equally be focused on”.³⁵⁶ The Parliamentary Under Secretary for Children and Families agreed highlighting the “real role for system change through the Innovation Programme” and explained how successful models, where councils were unlocking savings and safely managing demand for critical services, were being scaled-up to bring system change to 20 more local authorities.³⁵⁷

159. **We recognise increased funding will not solely improve sustainability; it goes hand in hand with systemic, strategic changes. During the course of our inquiry many recommendations for systemic change have been proposed, several of which have been considered already in this report. We call on the Government to implement our recommendations, particularly regarding the children's care market, workforce, understanding demand and innovation, without delay. The sooner these systemic**

353 The Social Justice Research Group, University of the West of England ([ACS0028](#))

354 [Q26](#)

355 [Q193](#)

356 [Q193](#)

357 [Q193](#)

changes are made, the sooner we will have children's social care which is fit for purpose and able to deliver both long-term financial sustainability for local authorities and also the best outcomes for children. The Government should consult on what further systemic changes are necessary. *As we have noted throughout, we expect the reviews that have been recommended throughout this report to be reported back to the Committee by December 2019. We also expect the Government to indicate how it has taken our report into consideration in the 2019 Spending Review and explain how it is monitoring progress by December 2019.*

Conclusion

160. Our inquiry asked whether the funding for local authorities' children's services is sufficient to enable councils to fulfil their statutory duties, deliver non-statutory duties and secure the long-term sustainability of this vital aspect of local authorities' remit. It is clear that it is not. We heard about a system at breaking point, increasingly reliant on the goodwill of social care professionals. We cannot allow children's services to become a 'blue light' service; the children supported by or in the care of councils are some of the most vulnerable in society and deserve better. We urge the Government to consider our conclusions and recommendations with this in mind.

161. Many of our proposals are rooted in the research of academics, local authorities and organisations which work directly with children; largely they are neither novel nor fundamentally complicated. However, they require local authorities to be adequately resourced and to be founded on a co-ordinated, long-term approach from central government. In the words of Professor Jones, "some of this is not rocket science, but also there are no magic bullets".³⁵⁸

Conclusions and recommendations

Funding pressures

1. Current funding levels are unsustainable. More and more local authority spending is being directed at a handful of statutory services. The Committee will be considering the impact of this on other services in its forthcoming inquiry on local government finance. (Paragraph 12)
2. Although additional funding available through one-off grants is welcome at a time of increasing financial pressure, and there is value in flexible responses to the challenges facing local authorities, there is no place for it to be seen as a replacement of reduced core funding. We are pleased that the Government recognises this. (Paragraph 21)
3. Local authorities would benefit from greater long-term certainty about the additional funding available. It would also be beneficial for Government departments to work together to a greater extent in order to pool funding and expertise when designing additional funding pots. *When designing one-off grant funding, we urge the Government to take a long-term strategic cross-government approach. We ask that this constitutes an essential part of the cross-government strategy for improving children's social care which the Public Accounts Committee recently endorsed and we also support.* (Paragraph 22)
4. The application process for one-off grant funding should not be overly burdensome on, nor disadvantage some, local authorities. *The Government should review by December 2019 the application and administration of its one-off grant funding to ensure that they do not place an unreasonable administrative burden on councils, and that capital and support is reaching all local authorities either directly or indirectly if they wish to participate in specific programmes. The lessons learnt from this review should be implemented in the design of all future one-off grant funding. We comment specifically on the Innovation Programme in Chapter 4.* (Paragraph 23)
5. It is critical that the Troubled Families Programme continues given that many local authorities are reliant on the funding it provides to deliver non-statutory early help services. *The Government must announce a successor programme in advance of the 2019 Spending Review to provide local authorities with certainty over their long-term funding streams beyond 2020.* (Paragraph 27)

Other pressures

6. Demands on children's social services have been increasing each year for well over a decade. The number of looked after children in England has increased by 27% over the last ten years and is now at its highest level for a generation. The National Audit Office have reported that the increase in the number of children in care is the area of activity which has "most significantly affected costs" for local authorities. Local authorities have also seen even more significant rises in other activity such as child protection plans and investigations plans. These demands on statutory services are undoubtedly putting financial pressure on councils. (Paragraph 34)

7. It is unrealistic to expect local authorities to successfully deliver new responsibilities without appropriate funding in the current financial climate. *All new burdens must be financed adequately. The Government should evaluate its process for understanding the financial burden of new statutory duties on local authorities and consider how it could be made more accurate.* (Paragraph 38)
8. Long-term inaccuracies in funding are likely to have a significant impact on local authority budgets. *The Government should review new burdens regularly and consider removing the cap on the number of reviews per year in order to avoid any delays in adjusting payments if necessary. We would encourage the Government to prioritise the review of those new burdens, which were identified in the written evidence we received in the course of our inquiry as being underfunded such as support to care leavers up to the age of 25 years. The Committee plans to engage further on the effect of such new burdens in its forthcoming inquiry into local government finance.* (Paragraph 39)
9. Local authorities should not solely bear the burden of financially supporting children within no recourse to public funds families, particularly as councils are often required to provide long-term support as a result of Home Office delays in deciding immigration cases. Not only does it place extra pressure on local authority budgets but we heard it can also lead to delays in supporting these children. *The Government should provide funding to councils proportionate to the number of children within NRPF families that they support. Notwithstanding our later recommendations regarding funding for unaccompanied asylum seeking children, we consider that the Government may wish to introduce a day rate payment equivalent to that available for supporting unaccompanied asylum seeking children.* (Paragraph 45)
10. While we acknowledge that the Government has made some efforts to reduce the time taken to process immigration claims, it is clear that more could be done. *We urge the Government to review its relevant immigration policies and processes by December 2019 to consider where delays in the resolution of local authority-supported cases can be reduced. Also, the day payment, which we recommend above, should be payable by the Home Office in order to incentivise the quick conclusion of local authority-supported cases.* (Paragraph 46)
11. It is right that the Government is currently reviewing its reimbursement policy for local authorities which provide care to unaccompanied asylum seeking children. *As part of its review, we call on the Government to increase the daily rate of payment. The review should also consider how the funding system can be designed to better disperse UASC across the country in order to reduce pressures in some areas.* (Paragraph 51)

Sustainability of current system

12. The Committee heard many factors were at play in accounting for the record numbers of children in care and the significant increases in other child protection activity. Without a better understanding of demand it is impossible for local authorities and the Government to anticipate care needs and budget effectively—the key to long-term sustainability. (Paragraph 73)
13. While we welcome the Government's efforts to understand demand by conducting research we are concerned that it has only recently started seriously looking into

this issue. We are particularly concerned that the numbers of newborns taken into care has more than doubled in the last ten years. Understanding the reasons behind the record numbers of children in care is of utmost importance if the Government wants to bring these numbers down. (Paragraph 74)

14. *The Government should share its research data anonymously with local authorities in order that they can use it to inform their budget projections. By December 2019, the Government should report to the Committee whether there is scope to reduce demand nationally, and, if so, the Government should have assessed the merits of various methods to reduce demand by then as well. Where there isn't scope to reduce demand, for example if increased need necessitates it, local government must be appropriately and flexibly resourced.* (Paragraph 75)
15. Limited variation in spend on children's social care and differences in the numbers of children taken into care may be expected but the high level of divergence is concerning and suggests the practice of local authorities is very different, although the reasons why are unclear. While we acknowledge that an over simplistic comparison of spend per child is unhelpful, there must be lessons to be learnt for the sector as a whole from understanding such variation further. We welcome the Government's efforts to better understand what is happening in individual local authorities but it could be doing more. (Paragraph 87)
16. *We therefore urge the Government to implement the first recommendation of the Public Accounts Committee's 88th Report of Session 2017–19, which calls for the Department for Education to publish information concerning variation by December 2019. The National Audit Office should also independently continue to look into the reasons behind variation in spending and activity. While reducing spend per child must not be a goal in itself, we believe best practice that emerges from this analysis should be disseminated nationally. The Government should also consider standardising financial reporting to make comparisons easier and provide greater transparency on cases of children being taken into care.* (Paragraph 88)
17. Local authorities are highly reliant on the independent sector, particularly for children's residential care. Both local authorities and independent providers recognise that costs for care placements in the independent sector are increasing but there is some disagreement on why this is the case. More must be done by local government and central government to facilitate an increase in the supply of such placements. (Paragraph 112)
18. *The Government should consider the barriers to creating more residential care placements from the perspectives of both local authorities and private providers, and of people applying to become foster carers. In doing so, it should consider the role of greater central government investment in this sector. There may also be a role for greater regulation of the market to ensure that costs do not rise disproportionately and that there is appropriate competition. The Competition and Markets Authority should investigate this market. We encourage the NAO to analyse and compare the cost and value for money of private and in-house children's residential care provision when it next revisits this topic.* (Paragraph 113)

19. Given local authorities' high reliance on the independent sector, particularly for residential care, it is imperative that commissioning and procurement are improved to ensure no child is placed in unsuitable care settings. There should be more monitoring of the impact of different placements and the quality of care on children's outcomes. A variety of improvements were suggested to us including the introduction of a national care bank, central government investment, and a local government procurement strategy. (Paragraph 114)
20. *Local authorities and the independent sector must work pragmatically together to ensure the needs of children are met; independent care providers constitute a significant proportion of the market. By December 2019, the Government should take the lead in conducting a review of the whole commissioning and procurement system and assess the merits of the various improvements that have been suggested to us in the course of our inquiry. We urge the Government and local authorities to introduce greater oversight of how different care placements affect outcomes for children to ensure that every child receives the support they require. Local authorities should also better monitor the value for money of placements; as supply increases and commissioning improves, understanding the value for money will become more and more important.* (Paragraph 115)
21. High turnover and low retention of the children's social care workforce point to a system that isn't working well. Children pay the price as professional relationships break down. It has a cost for local authorities who resort to filling vacancies with agency staff and may, if financially viable, have to spend money on attracting staff. Social workers are suffering from a range of pressures such as increased workload and administrative burdens. (Paragraph 130)
22. While some workforce reforms have been introduced, it is clear that more needs to be done nationally to retain good professionals and build long-term professional relationships in the sector; there is no point recruiting more staff if they will not stay. *The Government should increase core funding in order to enable local authorities to ease the pressure facing social workers. We suggest that the implementation of the recommendations of the British Association of Social Workers and the Children's Commissioner for England, detailed in their 80-20 Campaign report such as increasing the number of support staff and upgrading IT equipment, would be a good place to start.* (Paragraph 131)
23. *The Government must also conduct a consultation with social workers, local authorities and representative professional organisations across the country to gain a better understanding of the pressures facing social workers and why social workers are leaving their roles, whether to go to another local authority, take another job at the same council or to leave the profession altogether. Based on the consultation, the Government should assess the merits of options (e.g. limiting caseloads, reducing the administrative burdens, and nurturing supportive cultures) to lessen the burden on children's social workers as a matter of urgency. We expect the Government to report back to the Committee by December 2019.* (Paragraph 132)
24. *We believe that the Government should fund the creation and implementation of a national recruitment strategy to encourage people into the sector. As part of this work, the Government should consider whether additional recruitment incentives or*

support are required, particularly to attract staff to local authorities with poor Ofsted ratings. We consider that this work could be conducted by Social Work England. (Paragraph 133)

25. Some of the challenges facing social workers are reflected in the wider children's social care workforce, where retention of staff is also proving problematic. Nevertheless, the wider workforce also has challenges of its own, particularly regarding remuneration, which we were told is on a par with working in a supermarket, and the level of training. It is highly questionable that some of the most vulnerable children are being cared for by a workforce that may not always be as well qualified as might be expected. *The Government should invest in the workforce to ensure that it is appropriately remunerated, skilled and supported to deliver the best outcomes for children. There is value in considering what lessons from UNISON's ethical care charter may also apply to children's care; we reiterate a recommendation by our predecessor committee which called for the Government, in partnership with the LGA to publish a care workers' charter, drawing upon UNISON's Ethical Care Charter, which sets out what care workers can expect from their employer. (Paragraph 139)*
26. More should be done to understand the wider children's care workforce. *The Government should collect data about the profile of this workforce to better understand who is supporting some of the most vulnerable children in society. We believe that professional registration, as recommended by the Independent Inquiry into Child Sexual Abuse, may be a vehicle for greater transparency. (Paragraph 140)*

Innovation

27. Notwithstanding concerns raised about the administration of the Innovation Programme in Chapter 1, innovation which not only improves outcomes for children but also enhances financial sustainability is to be embraced. We welcome the Government's commitment to supporting the expansion of successful initiatives to 20 local authorities. *However, we believe that these initiatives should be seen as pilots with successful programmes systematically rolled out to all local authorities with the appropriate long-term support and resources which that would entail. (Paragraph 146)*
28. Moreover, we believe that these initiatives should enrich and complement the delivery of good core services: innovation should not be prioritised over getting the basics right. *Innovation cannot solely be responsible for delivering sustainable children's services and must be accompanied by an increase in core funding and the other reforms we propose in this report. (Paragraph 147)*

Improving children's services

29. *The 2019 Spending Review must reflect the increased demand and pressures on local authorities' children's services. The Government should bridge the existing funding gap for local authority children's services in the 2019 Spending Review. At a minimum, core grant funding up until 2025 should increase by £3.1 billion to address short-term pressures. Funding for children's services should not be ring-fenced except in limited instances of time-limited one-off grant funding as detailed in Chapters 1*

and 4. Current funding levels are unsustainable given the multitude of pressures in the system which have been discussed in this report. Additional core funding is urgently required to ensure that local authorities can meet increasing demand, provide high quality children's services and, ultimately, adequately safeguard children. (Paragraph 155)

30. *In the long-term, we welcome the creation of a specific children's services funding formula to make the distribution of funding fairer. We urge the Government to consult local authorities and children's charities to ensure it meets the needs of children across the country. After one year of implementation, the formula should be independently evaluated to consider whether it is accurately predicting needs. If it underestimates local authority costs, the need for further funding must be communicated by both the Department for Education and the Ministry of Housing, Communities and Local Government to HM Treasury in the strongest terms. (Paragraph 156)*
31. *We recognise increased funding will not solely improve sustainability; it goes hand in hand with systemic, strategic changes. During the course of our inquiry many recommendations for systemic change have been proposed, several of which have been considered already in this report. We call on the Government to implement our recommendations, particularly regarding the children's care market, workforce, understanding demand and innovation, without delay. The sooner these systemic changes are made, the sooner we will have children's social care which is fit for purpose and able to deliver both long-term financial sustainability for local authorities and also the best outcomes for children. The Government should consult on what further systemic changes are necessary. As we have noted throughout, we expect the reviews that have been recommended throughout this report to be reported back to the Committee by December 2019. We also expect the Government to indicate how it has taken our report into consideration in the 2019 Spending Review and explain how it is monitoring progress by December 2019. (Paragraph 159)*

Formal minutes

Tuesday 23 April 2019

Members present:

Mr Clive Betts, in the Chair

Bob Blackman	Mr Mark Prisk
Mr Tanmanjeet Singh Dhesi	Mary Robinson
Helen Hayes	Liz Twist
Kevin Hollinrake	Matt Western
Andrew Lewer	

Draft Report (*Funding of local authorities' children's services*) proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 161 read and agreed to.

Summary agreed to.

Resolved, That the Report be the Fourteenth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned until Wednesday 1 May at 9.45 a.m.]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Monday 11 February 2019

Professor Lauren Devine, Director, Social Justice Research Group, University of the West of England, **Phil Harding**, Independent Expert, **Professor Ray Jones**, Emeritus Professor of Social Work, Kingston University and St George's, University of London, and **Dr Miriam Silver**, Consultant Clinical Psychologist

[Q1–37](#)

Kathy Evans, Chief Executive Officer, Children England, **Adam Pemberton**, Corporate Director for Strategy and Performance, Barnardo's, and **Cathy Ashley**, Chief Executive, Family Rights Group

[Q38–59](#)

Monday 25 February 2019

Yvette Stanley, National Director for Children's Social Care, OFSTED, **Anne Longfield**, Children's Commissioner for England, and **Sharon Chappell**, Assistant Ombudsman, Local Government and Social Care Ombudsman

[Q60–115](#)

Ruth Allen, Chief Executive Officer, British Association of Social Workers, **Stuart Gallimore**, President, Association of Directors of Children's Services, and Director of Children's Services, East Sussex County Council, **Allan Madeley**, Commissioning Co-ordinator, Liverpool City Region Local Authorities, and **Councillor Roy Perry**, Deputy Chair, Children and Young People Board, Local Government Association

[Q116–150](#)

Monday 11 March 2019

Jonathan Stanley, Chief Executive Officer, Independent Children's Homes Association, **Andrew Isaac**, Chair, Children's Services Development Group

[Q151–160](#)

Rishi Sunak MP, Minister for Local Government, Ministry of Housing, Communities and Local Government, **Nadhim Zahawi MP**, Parliamentary Under Secretary of State for Children and Families, Department for Education

[Q161–241](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

ACS numbers are generated by the evidence processing system and so may not be complete.

- 1 Action for Children ([ACS0054](#))
- 2 Alcohol and Families Alliance ([ACS0024](#))
- 3 Anonymous ([ACS0015](#))
- 4 Association of Directors of Children's Services ([ACS0038](#))
- 5 Association of Directors of Children's Services ([ACS0072](#))
- 6 Association of Educational Psychologists ([ACS0063](#))
- 7 Barnardo's ([ACS0032](#))
- 8 Barnsley MBC ([ACS0061](#))
- 9 Bath Spa University ([ACS0012](#))
- 10 Bi-borough educational psychology and consultation service ([ACS0017](#))
- 11 Bolton Council ([ACS0019](#))
- 12 British Association of Social Workers ([ACS0026](#))
- 13 British Psychological Society ([ACS0064](#))
- 14 Bywaters, Professor Paul ([ACS0069](#))
- 15 Cambridgeshire County & Peterborough City Councils ([ACS0007](#))
- 16 Centre for Outcomes of Care ([ACS0070](#))
- 17 Child Welfare Inequalities Project ([ACS0006](#))
- 18 Children England ([ACS0013](#))
- 19 Children's Commissioner ([ACS0076](#))
- 20 Children's Commissioner for England ([ACS0058](#))
- 21 The Children's Services Development Group (CSDG) ([ACS0023](#))
- 22 The Children's Society ([ACS0068](#))
- 23 Children, Families and Education, Essex County Council ([ACS0042](#))
- 24 Children's Services Development Group ([ACS0077](#))
- 25 County Councils Network ([ACS0035](#))
- 26 Coventry City Council ([ACS0050](#))
- 27 Devon County Council ([ACS0003](#))
- 28 Disabled Children's Partnership ([ACS0025](#))
- 29 Durham County Council ([ACS0041](#))
- 30 ECPAT UK (Every Child Protected Against Trafficking) ([ACS0027](#))
- 31 Education Policy Institute ([ACS0060](#))
- 32 Flinn, Mr Mike ([ACS0002](#))
- 33 Hampshire County Council ([ACS0033](#))

- 34 Harding, Phil ([ACS0062](#))
- 35 Harding, Phil ([ACS0066](#))
- 36 Hertfordshire County Council ([ACS0046](#))
- 37 Independent Children's Homes Association ([ACS0073](#))
- 38 Jones, Professor Ray ([ACS0005](#))
- 39 Just for Kids Law ([ACS0016](#))
- 40 Kent County Council ([ACS0011](#))
- 41 Lambert, Dr Michael ([ACS0008](#))
- 42 Liverpool City Region (LCR) Local Authorities ([ACS0043](#))
- 43 Local Government and Social Care Ombudsman ([ACS0052](#))
- 44 Local Government and Social Care Ombudsman ([ACS0075](#))
- 45 Local Government Association ([ACS0037](#))
- 46 London Councils ([ACS0047](#))
- 47 Manchester City Council ([ACS0040](#))
- 48 MHCLG and DfE ([ACS0065](#))
- 49 National Children's Bureau ([ACS0055](#))
- 50 National Youth Agency ([ACS0031](#))
- 51 Nationwide Association of Fostering Providers ([ACS0036](#))
- 52 Newcastle City Council ([ACS0045](#))
- 53 North Yorkshire County Council ([ACS0021](#))
- 54 NRPF Network, Islington Council ([ACS0009](#))
- 55 NSPCC ([ACS0053](#))
- 56 Ofsted ([ACS0074](#))
- 57 Oxfordshire County Council ([ACS0039](#))
- 58 Project 17 ([ACS0014](#))
- 59 Rainbow Trust Children's Charity ([ACS0018](#))
- 60 Revolution Consulting ([ACS0010](#))
- 61 Royal Borough of Greenwich ([ACS0059](#))
- 62 Royal College of Nursing ([ACS0056](#))
- 63 Sefton Metropolitan Borough Council ([ACS0049](#))
- 64 SIGOMA ([ACS0051](#))
- 65 Silver, Dr Miriam ([ACS0067](#))
- 66 The Social Justice Research Group, University of the West of England, Bristol ([ACS0028](#))
- 67 Sport and Recreation Alliance ([ACS0048](#))
- 68 St Helens Council ([ACS0057](#))
- 69 Staffordshire County Council ([ACS0030](#))
- 70 Suffolk County Council ([ACS0029](#))

- 71 Together for Short Lives ([ACS0034](#))
- 72 West Sussex County Council ([ACS0022](#))
- 73 Wigan Council ([ACS0044](#))
- 74 Wilson, Henry ([ACS0004](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2017–19

First Report	Effectiveness of local authority overview and scrutiny committees	HC 369 (Cm 9569)
Second Report	Housing for older people	HC 370 (Cm 9692)
Third Report	Pre-legislative scrutiny of the draft Tenant Fees Bill version	HC 583 (Cm 9610)
Fourth Report	Private rented sector	HC 440 (Cm 9639)
Fifth Report	Business rates retention	HC 552 (Cm 9686)
Sixth Report	Pre-legislative scrutiny of the draft Non-Domestic Rating (Property in Common Occupation) Bill	HC 583 (Cm 9633)
Seventh Report	Long-term funding of adult social care: First Joint Report of the Hleath and Social Care and Housing, Communities and Local Government Committees	HC 768
Eighth Report	Planning guidance on fracking	HC 767
Ninth Report	Independent review of building regulations and fire safety: next steps	HC 555 (Cm 9706)
Tenth Report	Land Value Capture	HC 766 (Cm 9734)
Eleventh Report	High streets and town centres in 2030	HC 1010
Twelfth Report	Leasehold Reform	HC 1468
Thirteenth Report	Brexit and local government	HC 493