

# Education Committee

## Oral evidence: [Children's Homes](#), HC 83

Tuesday 16 November 2021

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Members present: Robert Halfon (Chair); Miriam Cates; Kate Osborne; Nicola Richards.

Questions 145 –195

### Witnesses

I: Andrew Isaac, Independent Chair, Children's Services Development Group; Charlotte Ramsden OBE, President, Association of Directors of Children's Services; Jonathan Whalley, Chief Executive, St Christopher's Fellowship; Michelle Lee-Izu, Interim Co-CEO, Barnardo's.

Written evidence from witnesses:



## Examination of Witnesses

Witnesses: Andrew Isaac, Charlotte Ramsden, Jonathan Whalley and Michelle Lee-Izu.

Q145 **Chair:** Good morning, and thank you very much for coming today. For the benefit of the recording and those watching on Parliament TV, could I ask you to introduce yourselves and give us your title and your organisation?

**Michelle Lee-Izu:** I am Michelle Lee-Izu, interim co-chief executive for Barnardo's.

**Jonathan Whalley:** I am Jonathan Whalley, chief executive at St Christopher's Fellowship.

**Charlotte Ramsden:** I am Charlotte Ramsden. I am the strategic director for people in Salford and the president of the Association of Directors of Children's Services.

**Andrew Isaac:** I am Andrew Isaac, the independent chair for the Children's Services Development Group.

Q146 **Chair:** The number of children in care has gone up by just under 25% in the past decade. Why has that happened? Why is it that so many children in care have special educational needs? Michelle, I will start with you.

**Michelle Lee-Izu:** The number of children in care has gone up for a range of reasons. During the pandemic, we saw a further increase in children entering care, partly because of family breakdown and other issues that children and young people have been facing, in particular issues with mental health and SEND, but also due to families just not coping and children entering into care, including late entrants into care.

**Jonathan Whalley:** To add to that, the complexity of needs of young people coming into care is rising as well. As Michelle said, issues around identified mental health difficulties and disruption in education are very prevalent. There are also issues around county lines; the exposure of our young people to the effects of that is quite prevalent as well. Certainly, the referrals that we receive indicate all those factors.

**Charlotte Ramsden:** We have become better at identifying children who are vulnerable, recognising their needs and bringing them into care appropriately. As has been said, we have seen a significant increase around risk factors for young people outside of the home, so complex safeguarding et cetera, which has increased the number of adolescents coming into care. We have also had a significant increase in unaccompanied asylum-seeking children, which has increased our numbers. Significantly at the moment, due to court pressures, we are seeing a reduction in children exiting care, which is increasing the actual numbers. So it is for a number of different reasons that those numbers



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have gone up, but we are keen to make sure that, where possible, we keep children safely in their family home.

**Andrew Isaac:** I agree with my colleagues. I would like to flag up that, eight or nine years ago, there was a reduction in early years services and a reduction in spending of about £1.6 billion. Eight or nine years later, there is an increase of 15 and 16 year-olds coming into the care system who are a lot more complex and a lot more difficult to deal with. That is part of the problem as well.

Q147 **Chair:** Last week, the BBC published an investigation showing that councils were struggling to meet the demands of the new system in which under 16s are not allowed to be placed in unregistered accommodation. What has been the impact of the new rules that were introduced in September? Have they been effective at reducing the number of children in unregistered provision? To follow up on my own question, should there be such a thing as unregistered provision?

**Andrew Isaac:** The Children's Services Development Group, and particularly our members, do not agree with any unregulated children's accommodation. In fact, a number of our members have actually had to move into that field to sure that the children leaving us are safe. The difficulty is planning for the future on the data that we have. We had a discussion outside about how the data comes from various areas. There is not a joined-up and dotted system that will put the data together. If something comes out of your inquiry, hopefully it will be that DfE and Ofsted join up their data. Sufficiency planning is really important. It has not been in line with the growth of children coming into care.

**Charlotte Ramsden:** Nobody wants to be using unregulated provision for under-16s. This is really a case of desperation. There is a serious lack of appropriate provision to meet the needs of these really complex young people. A lot of those situations are developed in crisis when there is literally nowhere else for a young person to go. Within that, local authorities are doing their best to manage them and keep them safe, but it is not something we want to be doing. It is about creating alternatives that make this unnecessary.

The ban is just acting as a pressure cooker, really. Alternative solutions to making use of unregulated provision have not been provided. It is a pretty challenging situation at the moment.

Q148 **Chair:** The BBC said that councils were going to the courts to get deprivation of liberty orders, which enables them to place children in unregistered homes. How common is this?

**Charlotte Ramsden:** It is becoming increasingly common and the courts are also concerned about it. To be clear, when deprivation of liberty is sought it is in the context of a multiagency plan for a child. The court is not giving authorisation for the use of an unregulated placement, but it is recognising that there is a plan that in theory will meet that child's needs.



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That is the basis on which the deprivation of liberty is given. It is causing a significant concern. Again, it is about pressures in relation to secure welfare placements, pressures in relation to tier 4 for mental health and an absence of suitable alternatives.

**Jonathan Whalley:** I agree with what has been said. There has been an evolution of the standard of care and the type of care available, with solo placements being provided now to reduce the risks associated with matching children with complex needs together. That comes with a high level of regulation around it, justifiably, and there is a cost associated with it as well.

**Michelle Lee-Izu:** I support what colleagues have said. We really need the quality standards to enable the semi-independent sector to be regulated in that way. They need to be clear on what the standards are. For over-16s, it is really important to have that 24-hour wraparound provision. I know it is not care; it is support, but there are some examples of really good practice out there as well. It is important to learn from that good practice and ensure that is available across the sector.

Q149 **Chair:** I am going to ask a couple of questions on SEND children in care and local authorities before I pass over to Kate, my colleague. Clearly, there is high pressure placed on local authorities to find suitable placements for children. Is it your view that some children are being moved from local authority to local authority as a means for the local council to avoid paying the bill for the EHCP, because the burden then falls on the council even though the original council is the so-called corporate parent?

**Charlotte Ramsden:** I am happy to come in on that. The responsibility for the child remains with the authority that—

Q150 **Chair:** The funding for the SEND provision goes to the council where the child is. Is that not correct?

**Charlotte Ramsden:** It goes to the school that the child is placed in.

**Chair:** Yes, but that is then paid by the local council.

**Charlotte Ramsden:** Yes.

Q151 **Chair:** In other words, is there not an incentive for children to be placed in other areas because it would mean that other councils are picking up the bill.

**Charlotte Ramsden:** No, it does not work that way. The school where the child is gets the funding, but the high-needs block, if it is a specialist placement, is still paid by the authority from which the child came.

Q152 **Chair:** Does that include the EHCP?

**Charlotte Ramsden:** Yes.

Q153 **Chair:** Should there be a checks and balances system whereby the local



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authority should prove that there is no provision in its area before a decision is made to move a child to another area?

**Charlotte Ramsden:** In fact, most local authorities are desperate to keep children close to home and keep them in their own authority, ideally in mainstream school, with specialist provision being used where that is absolutely the right thing according to the education, health and care plan. Most authorities do not want to be placing children out of area and do so only when that is the only alternative they can find.

Q154 **Chair:** It is still fairly widespread, is it not?

**Charlotte Ramsden:** A lot of that of that comes down to parental choice. Some of those placements are made through decisions at tribunal. Often those are opposed by local authorities, because it is believed that there is a local solution for a child, but it is a parent's wish for a specialist placement.

Q155 **Chair:** Going back to my question, should there be a checks and balances system where local authorities should prove there is no provision in their area before a decision to move a child is taken?

**Jonathan Whalley:** Something like that would implement a series of other stepping stones and harmful delays in the process to making placements. I have never worked with a local authority that has not tried everything within its power to keep a child locally. That is not an experience that I have ever come across throughout my career. There are a number of good reasons why you keep people locally in terms of continuity of care, relationships, education and, for the local authority, reduction of cost. We estimate that there is an additional cost of 20% when you place a child further afield, with time to visit and all the rest of it that is associated with maintaining a placement at distance. It is not a common experience.

**Michelle Lee-Izu:** Some of the children and young people who are getting placed out of authority have really complex needs that their local provision cannot meet. We are seeing those complexities grow for a small cohort of children, where local authorities are working hard to support both the residential needs and the educational needs of those children. There are examples where, sadly, despite the local authority trying, it has not been able to meet the needs of those children.

We have one young person who is with us in a single young person placement, which the local authority is supporting. Because of violence towards herself and others, she has been out of school for three years. That is because the right type of educational provision has not been able to be found for her despite trying, which leaves a massive gap in that child's education. There are some really complex situations where local authorities are trying to find solutions, but it is not always possible.

Q156 **Chair:** As I understand it, the belonging rule is legislation that states that when a child moves from one local authority to another the obligation to



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maintaining an EHCP transfers to the SEND team in the new local authority, but the child's home local authority remains the corporate parent. Is that correct?

**Charlotte Ramsden:** That is if the child moves as opposed to just attending a school.

Q157 **Chair:** So that I understand the funding, is the original local authority responsible for all the funding?

**Charlotte Ramsden:** If the child moves on a permanent basis, the responsibility transfers to the new authority.

Q158 **Chair:** That goes back to my question. Is there an incentive for local authorities to move children to other local authorities because they then are no longer responsible for that funding?

**Jonathan Whalley:** I would assume that the other related costs would increase to overcompensate for any savings they would incur by that. I have not come across that as a motivation.

Q159 **Chair:** What costs would increase? If they move the child to another area and the local authority is then responsible for that cost, what cost does the original local authority have?

**Jonathan Whalley:** In my experience, local authorities would take a very extreme view of moving young people out of county or out of borough to another authority, because you would tend to be purchasing a placement. Usually, you move people from placement to placement because their needs are so complex. The reason for moving is not to defer education costs; it is to try to meet that young person's needs. They can then be compounded or those needs can expand because of multiple moves. It could be because of changes in education.

Q160 **Chair:** If the cost is with a different local authority, they have no cost.

**Jonathan Whalley:** No, but the cost of increasingly stepping up a young person into the next level of care provision would inflate the cost of that care package for that young person. Then you would factor in, as we talked about, the mental health difficulties that then become increasingly prevalent.

Q161 **Chair:** You have just said that, according to the belonging rule, when a child moves from one local authority to another, that local authority becomes responsible for their SEND provision.

**Charlotte Ramsden:** It is if the child and their family move. It is not just where a local authority is placing a child somewhere else. If the family moves to a different area, the responsibility for the child moves.

Q162 **Chair:** What I have here—I will listen to you; you are the experts—is that it is the child. When the child moves from one local authority to another, the obligation of maintaining the EHCP transfer to the SEND team in the new local authority.



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**Jonathan Whalley:** I am not sure that is correct.

**Charlotte Ramsden:** I do not understand that, no. Children may just go on a day basis; they may go on a week basis; they may go for term-time only; or they may go 52 weeks of the year. If the family remains in the local authority, that responsibility remains with the local authority where the family lives. That is my understanding of that rule.

Q163 **Chair:** Just to be very clear, I will ask this again. Should there be a checks and balances system whereby a local authority area must prove there is no provision in an area before a decision is taken to move a child? In my experience, there are loads of kids put in care in my constituency who are not from the local areas. They have nothing whatsoever to do with my constituency—no relatives or anything. They are separated from their families. Should there be a checks and balances system so that local authorities have to prove there is no provision in their area before a decision is taken to move a child to a completely different area with no roots or whatever?

**Andrew Isaac:** I would have thought the needs of the child would take precedence, in particular those with very challenging needs. I can give you a specific example. I know of a young person of 14 or 15 who requires two to three persons 24/7.

Q164 **Chair:** Why can that not be done in one local authority when it can be done in another?

**Andrew Isaac:** The education provision is probably three or four local authorities away. The specialist needs at the top end are in certain locations. If you look at the local offer for a local authority, it will determine what is available to a parent in that particular area.

Q165 **Chair:** You talked about resources earlier in terms of early years. I cannot believe there are not resource questions when children are moved, if the burden is passed on to another local authority. I have seen it in my own constituency. It takes away a lot of the financial burden from the original local authority, particularly if there is a child in care with special educational needs. Clearly, resources must be some part of the motivation for moving children.

**Andrew Isaac:** If the child is attending a mainstream school and then they move, I could probably understand checks and balances being in place for that. If the child has very specialist needs, that needs to be consistent and those needs have to be met on an individual basis. Cost is irrelevant; it is what that child needs. A lot of those facilities are not necessarily available with a local authority's demesne, particularly in the metropolitan areas.

Q166 **Chair:** The Children's Commissioner says that 41% of children in care are out of area. That has gone up by 13%. Clearly, something is going on. I cannot understand why one local authority can have provision and one cannot. In my area, children have been put in unregistered homes that



have been set up in suburbs—or not quite suburbs—of my constituency. To me, it seems it is based on finance more than anything else.

**Charlotte Ramsden:** There are two things here. We were talking about children with special educational needs. Children in care is a much wider cohort. For children in care who get placed in other authorities, it is the responsibility of the local authority to place the child local to home where that is in their best interest and at all possible. We already get scrutinised on placements of children who are 20 miles or more from home. We challenge each other when children are placed at significant distance. The costs of the care placement are borne by the authority from which the child comes, but the wraparound costs, if that is a need for police or mental health intervention —

Q167 **Chair:** Why not have a checks and balances system, about which I keep asking, whereby a local authority would have to genuinely demonstrate that it does not have the provision in its area before, in essence, sometimes, in my view, dumping a child in another area? Why not have that system?

**Michelle Lee-Izu:** Barnardo's does not have that information. I do not have that information here with me today. I would like to go away and understand what is happening across the cohort of young people we are serving. We would be happy to submit something afterwards in writing to you on that specific question.

What has been really important in the work we have done is that there is advocacy for those children and young people. For instance, we had a child for whom the school placement found was 90 minutes away in a taxi and did not actually meet their needs. We were able to find a more local school that did meet their needs, and the local authority and the school agreed to that placement. To the other point that you were raising around why there are more children being looked after in some areas than others, there is not an equal amount of residential provision across the country.

Q168 **Chair:** Why not have a checks and balances system, as I say, before they are moved miles away from where they live or where their family or friends live? Why not have a checks and balances system to make sure they do not have the provision and they are not just passing the burden on to another authority?

**Michelle Lee-Izu:** If there is a checks and balances system, it is still about measuring what best meets that child's needs and understanding, as you say, what the issues are and therefore how those issues could be bridged in terms of the quality and amount of residential provision that is available.

Q169 **Kate Osborne:** My first question is directed towards Andrew, but please indicate if any of you wants to come in. Ofsted data shows that, nationally, 7% of all children in special education attended an independent special school, but 60% of children in residential care in



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special education attended an independent special school. Can you tell us why this is so high? What accountability is there in terms of ensuring value for taxpayers' money?

**Andrew Isaac:** There are several elements to the answer for this. The level of need for the children who are attending those particular schools is very high. If you need two or three adults per child 24/7, that is a cohort for one child of maybe 18 to 22 members of staff. I did some checks. There are 115 special schools in our membership, of which 60% also have residential provision. That is because of the specialism of the school. It may be autism, for example. There are 101 different reasons why it is there. Investment goes into the support services that make the difference for that particular child. That is one of the reasons why they could be moved from their home environment.

In terms of value for money, if you look at the investment that goes into the therapeutic support and the needs of individual child, the cost can soon rack up in terms of man hours and what goes on. My view is that there are specialist schools available to parents and local authorities that meet the needs of specific cohorts of children. In terms of any day schools, the objective of the day schools is to get them back into mainstream education as soon as possible. I agree with Charlotte: that is the right place for them to be. They do not necessarily need the full-on support. Many local authorities work with our members specifically to make sure that the provision works for the needs of their children.

**Charlotte Ramsden:** Statistically, a far higher proportion of children in care have additional needs. Some come into care because of those additional needs, and some are in care for other reasons but they still have those needs. Statistically it is inevitable that where they are placed often includes a requirement for specialist education, and they have an education, health and care plan or they have additional support.

Again, as has been said, where appropriate and possible, the aim would be for them to attend a mainstream school or a mainstream day special school as opposed to being in a very independent non-maintained special school or in an education provision that is very distinct to the residential placement. That is fine for a while, but the risk is that those children can become institutionalised if that goes on for a long time.

In terms of value for the taxpayer, ADCS has talked extensively—it is in the interim report from the Competition and Markets Authority—about the profit-making that is going on in those organisations. It is really helpful that people are starting to understand that and that independent evidence around that is being drawn together. The concern is about whether that profit-making is of an appropriate level. Clearly, the only ones paying for those placements are local authorities, with public money. Therefore, that is taxpayers' money. Being able to manage that in an appropriate way and reduce the levels of profits would be very welcome and would be a relief for taxpayers.



**Jonathan Whalley:** I would support what has been said. For every young person who comes into our care, across the referrals we receive, every effort is made to maintain them in mainstream education, so that where young people are placed with SEN specialism it will be because that is appropriate with their level of need.

There are alternatives as well. We have a good track record of providing additional educational support to young people in residential care, which is tailor made, and built around them and with them, with their participation. We have very good evidence of good outcomes for that: 56% of our young people last year achieved the equivalent grades of their peers not in residential care. The national average is down to 13%. Young people in residential care only achieved 13% of those same grades. We have good evidence that with tailor-made packages of educational support you can achieve very good outcomes for young people.

Q170 **Kate Osborne:** Charlotte, ADCS's written evidence raised concerns about the growth in the numbers of children's homes with a linked education offer. Are you able to expand on these concerns for us, please?

**Charlotte Ramsden:** Our concern is really whether the growth in the arrangements for children's provision meet the needs of the children who need provision. There are times when that is very definitely the case. There are excellent examples of children's homes with education provision, as has just been cited, where children's needs are well met. There is concern that at times that becomes an offer that is an enticement for a child to have a level of over-intervention. It is seen as attractive, but it is creating isolation from the mainstream.

Our passion is, where possible, for children to live within their community, attend mainstream provision with support and not move into an isolated situation. Arguably, that does not meet their long-term needs as well. It has to be on a child-by-child basis; it is about a child's individual needs. We do not want to see a growth in a certain type of market provision that is seen as very enticing for families but is above what that child needs and does not serve their long-term future. Those are the sorts of cases where we often end up having tribunal conversations, because it is felt that a child's needs could be better met in a different circumstance. The ability to manage the opening of those new types of provision is outside of what we have been able to do. There has been a growth in those kinds of offers, and in our view not all the children accessing them need them.

**Jonathan Whalley:** There are other benefits of mainstream education that young people in care could miss out on. Those are the positive early life experiences, like school trips, work experience, going to prom, the kind of things that their peers experience, which are really important in narrowing the gap between people in care and their peers.

Q171 **Miriam Cates:** To move on to the quality of education being received by



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children in care with SEND, Ofsted research shows that 16% of children in children's homes attend independent special schools that require improvement or are inadequate, and 12% attend state-funded special schools with the same ratings. It is a cohort that desperately needs to attend the best education provision possible. What changes are needed to ensure that these particularly vulnerable children are attending the best possible schools? I will start with you, Michelle.

**Michelle Lee-Izu:** It is really important that the teachers and the support staff in the schools have had the right training. We know that many of the children who are in our care system are very vulnerable. We think they need to be trained in terms of trauma-informed approaches and in how to work with these children. It is important that the children have time to deal with the softer skills, things like being able to concentrate and not disrupt others at school.

It is not just one element. It is really important that there is both the good-quality education in the school but also that all the services that wrap around that child enable them to learn. When that happens, we therefore see for some children a big improvement in their educational outcomes.

Q172 **Miriam Cates:** Are you saying that a special school might be rated "requires improvement" for some reason that does not have a negative impact? It might still be the best placement for that child even if, on the face of it, the Ofsted grading is not good. Is that what you are saying or are you saying the opposite?

**Michelle Lee-Izu:** I am not saying that. It is important that children are attending good and outstanding schools, if possible. I am also saying that it is not as simple as saying that a school is achieving good educational attainment for its pupils. Within that, there needs to be a very specific approach to all children in terms of managing trauma and early life experiences. That is particularly important for looked-after children.

**Jonathan Whalley:** I agree with all that. In addition, one of the critical things is placement stability. When a pupil experiences frequent moves and changes, that is accompanied with changes in education. They might develop good relationships and positive experiences that are then torn apart when they are moved on to somewhere else, because their needs cannot be met.

The thing that sits underneath that, which we have not mentioned yet, is the crisis in the sector around staffing, and trying to recruit and retain quality staff who you can train and develop in trauma-informed ways of practice. Developing relationships that are meaningful and enduring for young people is at the heart of it as well. When you can retain staff, our evidence is that you can develop them and develop their skills. They can impact on those young people's lives not just now but in the long term.



For example, we are running a pilot called Staying Close, which is about developing relationships that endure far beyond the residential placement. We are seeing startlingly good results from that in terms of the impact and improvement in young people's ability to have a positive education and to have sustainable education, sustainable housing and other things that often get reported negatively for young people in care.

**Q173 Miriam Cates:** Charlotte, just from a local authority point of view, a simplistic way of looking at it would be to ask why you would ever place a vulnerable child with special needs in a special school that is graded "inadequate", but from what the first two have said sometimes it is just impossible to find another placement. Is that a good reading of the situation?

**Charlotte Ramsden:** It is complicated. We would love all children to attend good and outstanding schools, but we have to match the child's needs to the school. For a child with special educational needs, that is through the education, health and care plan. For a child in care, it is also the role of the personal education plan and the virtual school head. Making sure that a child gets the right education in a stable environment is done through those two processes.

Sometimes a child will come into care and stay in the same special school. It may not be good or outstanding, or it may have been downgraded since the child went there, but the relationships and the quality of education still make that right for the child. Where we are going to move a child, the quality of education is one of the things we will test. It will get weighed in the balance alongside whether that wider placement need is right. Sometimes we will say that the overall package is right for the child even if the quality of education is still not graded as "good". Obviously, gradings do change.

It can be challenging if a child is moving and they need to access a special school that is not part of the placement, as we are totally dependent on the quality of the special schools around where the child has been placed. You have to find a placement that will meet the needs of the child according to their education, health and care plan. If the local schools are not good or outstanding, we are at the mercy of their current gradings. Again, all of that will be overseen through those two processes.

It is not as easy as it sounds. As a final challenge on that, if those schools are academies, we are also very dependent on them being willing to take the child. If they are not willing to take the child, the local authority as corporate parent or the SEND arrangements cannot instruct a school to take a child. Therefore, it is a Secretary of State decision.

**Q174 Miriam Cates:** That is helpful. I might start the next question with you, Andrew, if that is all right. We have heard that children in residential care can often be waiting weeks or even months for a school place. In the meantime, either they do not receive education or it is unregulated. Is there sufficient accountability on DCSs to ensure that children in care are



not missing out? What can be done to remove some of the blockages?

**Andrew Isaac:** Sometimes children in care do miss out, unfortunately, in their educational achievements. From the evidence presented to you, you have all the statistics on their achievements. One route is to have a lot more uniformity in the initial assessment. It does vary up and down the country. If the initial assessment could identify the longer-term needs of that individual child, it would give the team in the local authority a better picture of what they are looking for in the first place. It is a matter of them providing local authorities and the DCSs with the support to do that.

It is terribly difficult for them. I am a governor of a local primary school, and we have children queuing up for their assessments. The school can afford only one member of staff to take them through that. In turn, our local authority, which is not poor, has a lack of resource. This is an area that could be fulfilled, which would then allow a local offer. The local offer for the local authority, expanded into a more regional offer, would give you a view of what facilities are where and what the history is of quality ratings. I am pleased to say that 94% of CSDG schools are good and outstanding, but you will always have a situation where for some reason there will be a temporary downgrade, and Charlotte has covered that quite well.

**Charlotte Ramsden:** I will just add something, because it very much relates to local authorities. We should absolutely be held to account for doing our absolute best for the children in our care. It does need to be recognised that there are things outside our gift. That is really important. Children not being out of education for long after they have come into care is a crucial issue that we pay a lot of attention to. We should be held to account for that. What are the flexible solutions to get children back into education quickly? How do we stabilise them enough to be able to do that? Those sorts of things are really important. Finding the school can absolutely depend on the willingness on the system.

Q175 **Miriam Cates:** Finally from me, 39% of care leavers aged 19 to 21 are not in education, employment or training compared to only 13% of young people in the wider population. What steps should Government take to improve those outcomes drastically? I am going to start with Jonathan.

**Jonathan Whalley:** I have touched on it before. We are running a pilot called Staying Close, which is about developing and sustaining positive relationships between young people and their carers to give them a sense of identity and belonging and a bit of a crutch in life, which we all need at times. We have some very good evidence of the powerful impact of the positivity of that. I have seen it many times over. The statistics are well quoted. People write off young people because they are in care. The aspirations of young people in care are limited. Professionals around them can hold low expectations. We would like to see a reframing of that. There are many positive things that could be recorded about positive outcomes for young people.



We need to provide support for the sector to recruit. As I said before, there is a crisis in terms of the recruitment of people at entry level. They are the people who can have a great, positive impact on young people. We need to address that as a sector, because we are entering into a crisis. There is also a bit of a gap there in terms of the people with the qualifications and experience required to open more homes and have the managers in place. There is a shortage there. We would love to open more homes that could do more of the great stuff, but there is a bit of an issue around how you staff and resource it.

We have evidence of the positive impact of Staying Close. We would fully recommend for that to be applied.

Q176 **Chair:** On that point, my colleague Miriam just quoted a terrible statistic. Could more be done in the sense of proper careers advice in the care homes themselves? Should Ofsted measure what kind of careers support is being given to younger children in care homes in order to prepare them for the world of work? Has the £1,000 bursary for care leavers starting an apprenticeship made any difference? What else could be done? I will start with you, Michelle, please.

**Michelle Lee-Izu:** If I can start with the first part of the question, your point on careers advice is absolutely essential, as are those soft skills around helping with interview techniques and helping children who are finding it really difficult to get into NEET provision that has wraparound support. Some people who are leaving care are finding it very difficult to enter the world of work without additional support. That includes additional support around English, maths and financial understanding.

I would also agree with Jonathan's point about Staying Close. It is also really essential for young people to have some stable accommodation at that age, as they are leaving care—supported accommodation and accommodation that is stable going forward.

Q177 **Chair:** Are you saying that providers should be compelled to have an independent careers mentor as part of the package that they offer young people in their care? That could be inspected by Ofsted to make sure it is quality careers mentoring and support.

**Michelle Lee-Izu:** Some work can be done by the provider, but it is important as well to link up with the wider system on what is available in terms of careers support and access to work, employment and training skills.

**Jonathan Whalley:** These young people have been disengaged from education and might not be able to function in large groups. To expect them then to be able to thrive in an employment situation is perhaps setting them up to fail sometimes. As much work should be done with employers as with young people to prepare them to work effectively—

Q178 **Chair:** This will only work, surely, if there is a careers mentor coming to the care home, giving them the financial understanding and other support



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in terms of education, helping them to prepare themselves for the world of work, giving them advice, perhaps even contacting companies for placements and so on.

**Jonathan Whalley:** We are running a pilot to do just that. We have seen some incredibly positive results from that. It is on the Isle of Man. We are working alongside employers to identify people, to support them to engage with young people and to give young people opportunities to have a job that is not just a statistic that says, "You have a job. Well done", but gives them something that they want to do and gives them a career aspiration as well.

Q179 **Chair:** Should Ofsted have a role? If you did have such a system, to make sure it was done properly, should that be part of the Ofsted inspection?

**Jonathan Whalley:** Regulations always help. Minimum standards are great, but overregulation can clip your wings a little bit as well sometimes.

**Charlotte Ramsden:** Recognising the needs of those young people, with the right kind of wraparound support, is the crucial factor. Yes, further incentivisation of providers of work placements is really crucial. The wider support that keeps young people stable is also really crucial. Extending PA support to the age of 25 was a positive thing. Other forms of support could be extended as well. The role of the virtual school heads could be extended into adult age rather than up to 18. That could potentially help.

It is about understanding need and creating opportunities and incentives for providers to meet the need and then having the right wraparound support for those young people. They are care experienced for life.

Q180 **Chair:** What could be done in terms of the apprenticeships? I have had a passion for apprenticeships since I have been in Parliament, because I see it as a ladder of opportunity particularly for people from disadvantaged backgrounds. What more could be done? The £1,000 bursary does not seem to be making a huge difference. Is that correct, Andrew?

**Andrew Isaac:** If I may go back one point, we have to acknowledge that the transitions element for young people is more severely broken than we think. You have been circulated our *Destination Unknown* report. There are some shocking statistics in there: 33% of these young people experience homelessness and a quarter of them are sofa-surfing. They are seven times more likely to die than their peer group. We know the statistic that 24% of those in prison have been through the care system.

There are excellent pockets of good practice, many of which have been mentioned today, but they do not cover the whole system. At 18, they move into adulthood. Their corporate parent funds most things prior to 18. Post-18, they have to go to eight to a dozen agencies. If you include



those we have lost touch with, the statistic that you mentioned is 53%. That is even worse.

Q181 **Chair:** On apprenticeships and bursaries, how do you improve the take-up?

**Andrew Isaac:** It is about going back to basics and asking, "What can we do to make sure that we manage these youngsters as we would our own children from 18 to 25?" That will put more onus on to local authorities, and they must be given resources to do that. Take a little thing like learning to drive. Where does a youngster get the money for driving lessons? In our report, we have put that there should be some sort of transition support bank run centrally where a youngster can apply for such things as that. How do we sort them out with education? On top of that, if they do not want further education, how do we get them into work, in terms of your interest and areas like that?

Q182 **Chair:** In a nutshell, in terms of data, you have given us some statistics, but we know there are big gaps in data for children in residential care. What kind of data should be collected by the DfE and other agencies to publish? I will just take one of you. Who would like to come in?

**Charlotte Ramsden:** I am happy to. We need to be wary about asking for additional data specifically linked to residential care, because residential care is transient for young people. Some young people may only be there two or three weeks; some may be there a few months; some may be there a couple of years. Length of stay hopefully improves stability. Using the data we already have and analysing it better is more important than creating new data. Through our virtual school heads—

Q183 **Chair:** We have heard that there have been significant gaps in data, though.

**Charlotte Ramsden:** Yes. It is about understanding what people think those gaps are. The data we have can tell you how young people have progressed since they came into care, what setting they have been in and what their gaps are, linked to both individual information and the information we collect about their educational progress.

Q184 **Kate Osborne:** This was touched on earlier when, Charlotte, you mentioned getting the right school for the child. Andrew highlighted that 75% of children in children's homes have an SEN. Could you take us through the main barriers to getting the right support and the right school place for children in residential care who have SEN or an EHCP?

**Andrew Isaac:** It is on an individual case-by-case basis. If a child is in a residential home, the reasons that the youngster is there have to be clearly identified. What is the best way of dealing with that education? You may have a youngster who has not been going to school at all. To get that youngster to go to school one day a week is a massive achievement. It is down to the local staff to do that.



If they are then assessed as having a special educational need, how do you then approach that? We sometimes have to get out of the mindset of traditional academic thinking and what we would expect in a mainstream school. How do you then engage with that youngster to get them to a place where they can move forward into adulthood with a meaningful life? It is terribly difficult. They are very reliant on the people who are supporting them from their social worker to the team at the residential home.

**Charlotte Ramsden:** Where a child is placed on a plan basis, you should have had that sorted before the placement happens. The right school placement or educational placement will have been identified as part of the plan to move. It is much more difficult if the placement happens in crisis, because clearly you find a place to keep the child safe and then you are responding to their educational needs. That creates a huge challenge where a child has an education, health and care plan, because you may have placed a child somewhere in a crisis situation where it is then difficult to resolve the right education for them. It is much better to be able to do both at the same time, but it is not always possible.

The other challenge comes when those needs are identified once the child is in placement and have not been identified before they come in to care. Then you have to identify what the needs are, who is going to assess them and how they get provided for, which creates a delay for the child. It depends on the circumstance of the placement as to where the challenges arise. If that placement is in a different authority, again you are negotiating across borders to have a child's needs met. It is much easier, in those circumstances, if a child is placed within one local authority boundary. As DCS, you can step in and say, "Right, we need to sort out this and this." It is harder to do when that child is placed at a distance, which is another reason why we much prefer and want children to be closer to home.

**Michelle Lee-Izu:** SEND is such a massive area. It is very different for every child, and their needs change constantly as well. It is about how we keep that under review and ensure the plan, the intervention and the education remain right for that individual child. It does change, sometimes quite rapidly. Once a child goes into school and settles down, it becomes clearer what the issues might be in terms of that child's learning.

Q185 **Nicola Richards:** I want to ask about SEND tribunal appeals for looked-after children. We have seen evidence from the Independent Provider of Special Education Advice that raises concerns that children in residential care who need to appeal their EHCP or school place at a SEND tribunal may be unable to do so because there is no parental figure to pursue an appeal. How common is this? I will start with Andrew, if that is okay.

**Andrew Isaac:** I am not overly qualified to answer that. Charlotte would probably be better.



**Charlotte Ramsden:** I do not have any data on that. Where a child is being looked after by us, we are the corporate parent. It is our job to listen to children, understand their concerns and then represent those concerns. It is also our duty to place a child where their education needs are going to be met. Once that child is placed, we will be working with them on whether they are comfortable with the situation and whether their needs are being met. We will be following that through using the virtual school head and the personal education plan.

If a child is not happy that their education needs are being met, the first thing to do would be to work that through outside a tribunal. I do not know of any circumstances, although there may well be some nationally, where we have refused to go forward, represent and support a child where they have not been happy. I do not know of any circumstances where that has ended up in a tribunal. I am sorry. Other people may have experience of that.

**Michelle Lee-Izu:** The important thing is the use of independent child advocates as well, because sometimes it is about helping that child understand what they want and what is going to work best for them. Where there is no parent and you cannot get to the position that Charlotte has just described, what role can the advocate play in working with the young person to assert their views and move that on to a tribunal, if that was needed? I do not have any examples of that, but throughout my career I have been aware of situations where we have worked in that way.

**Charlotte Ramsden:** Even if a child is in care and we are assuming a corporate parenting responsibility, we would still do our best to work with the parent as well as the child. It would be an unusual circumstance where we had no contact with the birth parents even if a child was in our care. We would take their views and considerations into account as well in that situation.

Q186 **Nicola Richards:** Just to clarify, there is not going to be, as the Independent Provider of Special Education Advice has suggested, any conflict between the local authority as the corporate parent and an education decision-maker. It does not arise.

**Charlotte Ramsden:** We would normally resolve that outside of a tribunal. I do not know of any circumstances where we have taken opposing sides to a tribunal in that circumstance. There may be some.

Q187 **Miriam Cates:** Moving on to the robustness of placements, if a private children's home went bankrupt or if a local authority declared bankruptcy, who would then be responsible for the children who are in care? Who would step in? I suppose that is for you again, Charlotte, to start with.

**Charlotte Ramsden:** From reading the CMA report and our submission, you will know that this is a really key anxiety for us currently. The increased use of private equity in the care homes market is making that



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risk an increased one. If a care home closes due to financial circumstances, the local authority is responsible for finding an alternative placement for the child. With one child, that can be very challenging. When you have a number of children or if you have a large cohort of children's homes run by the same provider, that could be an awful lot of children seeking placements. That is a very massive risk.

The local authority is totally responsible. If a care home gives 24 hours' notice on a placement, it is the local authority that is responsible for resolving that, which is why we sometimes end up in the difficulties that we were talking about earlier where there is simply nowhere else. If financial circumstances cause the closure of a home, it puts children at risk, makes them vulnerable and causes disruption. We aim for stability. That is the thing that really helps with children.

If a local authority goes bankrupt, there are safeguards in place to make sure funding is still available for essential provision. It would not be the case that we suddenly would not pay for a child to be cared for despite bankruptcy. That is not the same with the private market.

**Q188 Miriam Cates:** Andrew, what safeguards do private providers put in place to make sure this does not happen?

**Andrew Isaac:** There are two things. Economic viability is part of the registration of a children's home with Ofsted. There is absolutely no reason why that could not be featured more explicitly during the inspection process. To put it into perspective, private equity has been part of the children's services market for something like two decades. It is not new. As CSDG members, it is only 10% of the number of homes; it is 242 residential homes. It is not as significant as it sometimes might appear in public commentary.

As for the safeguards that need to be put in place, most of these homes will have two, three or four children or young people. If there were a situation developing, which I would find difficult to foresee, they would work with the local authority to identify that and make arrangements. The difficulty that I see is probably more on some of the independent homes, where they are single ownership. That is probably more difficult.

**Q189 Miriam Cates:** That is helpful. Michelle and Jonathan, the chief executive of the Competition and Markets Authority has suggested that the children's home market is a failing system, with children not being placed in the right homes while providers are allowed to charge high prices and make big profits. What changes need to happen to improve commissioning and ensure value for money? Is that a correct summary? Are most places appropriate or not?

**Jonathan Whalley:** I have said before that there are crises in the sector. The staffing crisis has had an impact. We supplied information for that report, and it is great to see our voice being reported back in that, so we would agree broadly with the comments and sentiment within it.



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There are challenges and, yes, financial challenges in the voluntary sector for the not-for-profit providers. We carry a lot of the risk for the sector in that regard. We have to have robust financial management, procedures and controls. We report into the Charity Commission, et cetera, and we are audited.

We have to carry the financial risk of running homes, which might have underoccupancy or might go through a period where we have not been able to recruit a manager. The cost that we have to charge for the quality of care has to take into account the ability to cover those risks. For us as a voluntary and not-for-profit provider, we aspire to make a staggering 2% surplus. We would love to do more of what we do, because we have evidence of good outcomes, but we are not making a profit. We struggle to make 2%, because there will be times when we are not able to match the young people with such high levels of complexity. Our financial modelling is based on 80% occupancy, but we are running at 60%, because the level of need is so high. It is our duty and responsibility as a voluntary provider to cover and manager that level of risk to a very high standard. I could talk all day on this.

**Michelle Lee-Izu:** The report found that the placement market was broken. That is what the report said. We would agree that there are real tensions, as Jonathan has said. There was some proposal within the CMA report around a national commissioning body. We would be really concerned if that resulted in local authorities coming together and there being more out-of-authority placements for those children.

As we have discussed here today, placement and education stability is absolutely essential. If that were to happen, we would really hope there would be that stability and it would be essential that children can stay in their education placements. I know there are some solutions being sought for that. Where this is working well is where there is more partnership with local authorities, the voluntary sector and others to look at what the solutions are. We have a programme that is running around an innovation partnership in Leicester. We started by looking at residential homes. We looked at efficiency, effectiveness, having high quality and how you meet those children and young people's needs and get the best outcomes for those children. We should be looking at those sorts of solutions in terms of the commissioning environment.

**Charlotte Ramsden:** The report recognises that we need greater understanding nationally around the forecasting of need, which is incredibly difficult to do. We do know that the complexity of children who need residential care has increased. We have got better at keeping some of those children at home and we are using fostering differently. We need to work collaboratively to create a children's homes system that meets the needs of the children who currently need residential care.

That means more, smaller placements that can take one or two children, not four, five or six. It means looking at joint models with our health



providers so we have an ability to meet different therapeutic needs within a relationship-based practice. It means that we need to stand things up very quickly to avoid getting into the unregulated situation that we are in now. We need to do that together, probably in regions rather than nationally. Nationally feels too big, but regionally we should be able to work in that way better than we currently do.

**Andrew Isaac:** I would agree on the sufficiency side. Around 30% of local authorities have no children's homes; around 30% have one or two. They vary up and down the country. If you look at metropolitan areas like London, the cost of property in London is almost prohibitive. There was some work done by the University of Kent that went into some detail on the cost and how they were built. It would be worth your while to have a good look at that.

We need to go back to look at the data. Where is that sufficiency needed? I totally agree with Charlotte: what is it that we need? Is it one, two or three; is it an interim situation? From our members' perspective, the average stay is 14 or 16 months. We need to plan for it.

Q190 **Chair:** Should there be a national commissioning strategy?

**Andrew Isaac:** There should be. Eight or nine years ago, the DfE ran a commissioning support programme that was culled as part of cost saving. That was making great inroads with local authorities and all providers on how that was going to work and how best to commission placements for young people, whether it be residential, SEND or fostering.

**Charlotte Ramsden:** We would be wary of a national commissioning strategy, but there should be a national overview of need and a level of influence around ensuring that need was met equitably across the—

Q191 **Chair:** In a genuine nutshell, why are you wary of a national commissioning strategy?

**Charlotte Ramsden:** In other national commissioning strategies, we have struggled to meet sufficiency. If you look at things like secure welfare placements, which is a nationally commissioned approach, we have a massive shortage of secure welfare, which has not been sufficiently maintained. We now have additional money released for new placements to be developed, but that is on a very small scale compared to what we need for residential care. We do not think the ability to manage that and commission that nationally would give the flexibility. We would favour a national understanding of need, some level of regulation to make sure we filled gaps where there were none and a regional approach to commissioning.

Q192 **Chair:** Ofsted suggests that 16% of children in children's homes attended an independent school that was judged "requires improvement" or "inadequate", while 10% attended a state-funded special school with these ratings. What is the difference in educational outcomes for children in care attending independent and state school settings?



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**Jonathan Whalley:** I cannot quote that data off the top of my head

**Charlotte Ramsden:** No, I do not know off the top of my head. I am sorry.

Q193 **Chair:** Is one better than the other? What is your feeling? Is it pretty much the same across the board?

**Andrew Isaac:** We said earlier on that you could have a school that is good or outstanding that, for a specific reason, could drop a grade. You need to look at the individual circumstances of that comment to give you a correct answer.

**Charlotte Ramsden:** It is more complicating than the gradings. It is about the ethos and leadership of the school and its ability to meet an individual child's needs, not just about the grading of the school.

Q194 **Chair:** I am more concerned about the outcomes. Is there any data that shows that either sector gets better outcomes for the children in care?

**Jonathan Whalley:** For me, it would be about what is right for that individual child. If the child is in the right placement, that meets their needs. If they are in the wrong placement—

Q195 **Chair:** We want to give them the chance to climb up the ladder of opportunities, like everybody else. Is there any data or information that you have on the outcomes?

**Michelle Lee-Izu:** I do not know of any data on the outcomes, but I would agree with Jonathan's point. There is no silver bullet for these children who are in residential care. I want to stress that they are extremely vulnerable. They have extremely complex needs. The starting place is about that individual child's needs and what is going to best meet them.

**Chair:** Thank you very much indeed for your time and for all the remarkable work that you do on this. We really appreciate you coming here today. I wish you well.