

Housing, Communities and Local Government Committee

Oral evidence: Funding of Local Authorities' Children's Services, HC 1638

Monday 25 February 2019

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Members present: Mr Clive Betts (Chair); Lucy Allan; Bob Blackman; Mr Tanmanjeet Singh Dhesi; Helen Hayes; Andrew Lewer; Teresa Pearce; Mr Mark Prisk; Mary Robinson; Liz Twist; Matt Western.

Questions 60 - 150

Witnesses

I: Yvette Stanley, National Director for Children's Social Care, Ofsted; Anne Longfield, Children's Commissioner for England; Sharon Chappell, Assistant Ombudsman, Local Government and Social Care Ombudsman.

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

Examination of witnesses

Witnesses: Yvette Stanley, Anne Longfield and Sharon Chappell.

Chair: We can start a little early, if that is okay. Some members of the Committee have to leave to go to Delegated Legislation Committees at some point, so the earlier we start, the better, in that case. Thank you very much for coming to give evidence to us. This is our second session on the funding of local authorities' children's services. To begin with, I will ask members of the Committee to put on record any particular interests they have that may be relevant to this inquiry. I am a vice-president of the Local Government Association.

Helen Hayes: I am also a vice-president of the Local Government



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Association and I employ a councillor in my staff team.

Mr Dhesi: I am a councillor, as per the Register of Members' Interests.

Bob Blackman: I am a vice-president of the LGA.

Lucy Allan: I have no interests to declare.

Andrew Lewer: I am a vice-president of the LGA.

Mary Robinson: I employ a councillor.

Q60 **Chair:** To begin with, could you say who you are and the organisation you are representing today? If you could go down the table, that would be really helpful.

Anne Longfield: I am Anne Longfield; I am the Children's Commissioner for England.

Yvette Stanley: I am Yvette Stanley, national director, children's social care for Ofsted.

Sharon Chappell: I am Sharon Chappell, assistant ombudsman for the Local Government and Social Care Ombudsman.

Q61 **Chair:** We are looking at this issue because of the very obvious pressures on children's services. There are financial pressures on councils in general, but there is a particular problem with regard to children's services. Particularly, there has been a significant increase in child protection investigations, which have more than doubled over 10 years. Why is that the case?

Anne Longfield: You are going to hear from a few of us about some of the universal aspects of that, the things that most councils will be facing. Those will be about growing demand and more complex issues, including some issues that were not taken up earlier like CSE and child exploitation, but within that there are also increasing costs and reducing budgets, all of which gets to a point where the sums do not add up. Those are the kinds of things I am going to talk about.

The IFS did some work for me that helped me understand where that pressure came from. We are also talking to a number of local authorities in depth about that spending and where it is. I have found this pyramid here extremely helpful in explaining what is going on, and I can let people have some of these. Essentially, most of the money now goes up here: 50% goes on children in care; if you add on those on child protection plans, it is almost 90%. There are some very high-cost individuals, and a very small number of children with very complex needs here. There is a drop-off of about 60% of funding going into early help down here.

That does not necessarily mean that every child down here is going to need help and is going to come up here, but every director of children's services tells me that there is a crisis waiting to happen. Most say that they believe the crisis has not hit yet, but if they had their choice they



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would look at the support for families so they could continue with the Troubled Families programme, because we know at the moment that is due to end next year, and they would double or treble it to rebalance the whole system, to help families earlier and help children at an earlier stage.

Yvette Stanley: Would it be helpful for me to add my perspective in terms of inspection?

Chair: Yes.

Yvette Stanley: In the last year, we have visited or inspected 120 local authorities. We are seeing the impact of that demand and their response to it. One of the significant things over the last 10 years is all the agencies coming together. We now have multiagency safeguarding hubs. You have health, education and the police in there. When they receive referrals from the same agencies, their intelligence gathering and their response is much more collective. We would say quite strongly that, when we are inspecting, we are not seeing children or families taken through investigation that should not be. In the main, local authorities are pitching their threshold decision-making correctly. They are not fishing trips; they are purposeful investigations. Even when there is no further action, perhaps that first investigation provides a picture over time.

Where we find poorer practice, our concern is about repeat referrals, where those referrals are not dealt with purposefully through a robust assessment and then, if necessary, conference and a plan. From an Ofsted perspective, our picture is of local authorities working hard with their partners to manage and deal with that demand, and re-engineering money from preventive services into the higher end of social care to deal with that demand safely.

Sharon Chappell: From our perspective, we are seeing an increasing number of complaints about the discretionary decisions councils have to make, those very difficult decisions about where resources go, which reflects very much what Anne has said. Councils are entitled to make those difficult decisions, but they need to do so fairly and transparently and ensure that assessed needs are adequately met. We see examples of provision being slashed and respite being withdrawn or reduced significantly without the necessary assessments of need to support such a decision. They are the sorts of cases we are seeing that we are concerned about.

Q62 **Chair:** Two issues seem to come up very clearly. First, you have not yet told me why it is happening. You have told me how local authorities are responding, but why is this increased pressure coming on authorities? We were told in our previous evidence session that there is no evidence of more abuse of children, but more children are being put into the system. Why?



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Yvette Stanley: I could start with that, and then I am sure Anne will want to add to it. There is a growing child population. There have been various policy changes. We all understand the impact of those features of abuse and neglect on children. For example, 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. Expectations around what is safe in terms of local authorities not intervening have shifted over time.

Anne Longfield: There have been growing demands on the work that needs to be done, including on asylum-seeking children, children who have been exploited sexually, and now we are looking at children who have been exploited with gangs. Against that, local authorities have not necessarily had extra funds for that, but as they try to make their budgets balance they have to look at their top-end statutory responsibilities, which mean they have to reduce the support earlier on. That may mean that problems continue to develop and move into crisis. It may also mean there are not as many options for those families in terms of statutory intervention or, indeed, stepping down after that intervention.

Q63 **Chair:** I have two points there. First, are you saying that there is not more abuse of children or more child sexual exploitation going on, but it is simply that local authorities are now responding more appropriately to what was happening before?

Anne Longfield: They were ignored before, and now there is an expectation that they will be supported.

Yvette Stanley: It is a combination of features. We also know that there will be increases in activity when families are in crisis and under pressure, so it is no surprise that local authorities with very high levels of mental ill health are also local authorities with high levels of children on a child protection plan. The 1989 Act asks local authorities to work purposely with families to try to keep children with the family wherever possible. That impacts in terms of child in need and child protection plans, but we also have a point where we say, "It is no longer safe for that child to remain within that family", and that impacts on looked-after children coming in. Remember that there was also a policy change in terms of care leavers quite rightly staying put, so you will have more children in care in the system into adulthood. The combination across those policy changes, expectations of how you respond to those things and growing needs in some communities are having an accumulated effect.

People always try to look for the one key issue that explains it all. As Anne and I have indicated, and in terms of SEN the same situation will apply, the needs are different and more complex. There is a growing issue around autistic spectrum disorder. Some of those children will also come into the social care domain. We are experiencing more self-harm



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and mental ill health among adolescents. Again, that is an issue the Children's Commissioner has featured hugely. All of those issues individually and collectively are impacting on demand.

Sharon Chappell: They are quite costly at the adolescent stage.

Q64 **Chair:** You referred to the lack of intervention early down the line, if you like. The local authorities are trying to find the money to do their statutory stuff and therefore may not be doing as much early prevention. But the National Audit Office said that it cannot clearly link up evidence to show that authorities that have spent more on early intervention get fewer cases of children later on in the system. Instinctively, you might think that is the case, but is there evidence to show that?

Anne Longfield: Your question earlier was why there is more activity. There is more activity in the statutory sense because that is measured, but there are a lot more children who need help and are getting bits and bobs of help, some help, but little is known about that. A central message for me is that we need to be looking at long-term outcomes rather than just immediate risk, but we also need to be looking at children throughout the whole scale and spectrum of need, to see how we can prevent them falling into crisis.

I am aware of the argument that there is no evidence to say, if children get help here, they will not go up here. I understand that argument. However, the directors of children's services I speak to will tell you that they are after a sweet spot where they can provide enough early help to support families. Most of the children who are deemed to be in need are there because of their family situation and problems at home, not inherently because of themselves. Most of them will say, "We are looking for a sweet spot where we can spend enough money here to provide good, relationship-based help over time that will stop children escalating into the higher level of need".

Some of it is preventive, so it will not show through necessarily because it is preventing something happening. Much more broadly than that, we know that children who come on to the children in need list will often go off it quite quickly and re-present again. If you have long-term family help, you are looking at the causes of those issues, which will help children improve their outcomes overall.

Q65 **Lucy Allan:** I want to follow up on what you were saying, Yvette. Is there an element of a knee jerk reaction to potential risk where social workers may think, "I do not want to let this slip just in case something is wrong"? Is a more risk-averse approach leading to an increase in children being taken into the system, when it could potentially be about risk of future emotional harm, not actual abuse?

Yvette Stanley: Over my time, I have sat in many MASHs where those decisions have been made, and they are the judgment of Solomon. I have rarely seen social workers overreact. They tend to hold a fairly firm



line, because they know they have the resources to intervene and they believe in proportionality, which is in Children Act. Intervention in family life is a big step, is it not? Partners are generally anxious about the high thresholds for social care. They may understand the social care thresholds; they understand the rationale and they are making the right referrals, but schools and health visitors will all be saying, "There are another 10 children I want you to look at". 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.

That is when you see local authorities destabilised, going into special measures, spending more money on agency and not working with the right children. It is absolutely important that we say, "We want the right children intervened with at the right time", but it is about safety and the safeguarding of those children. Reducing the numbers safely gets back to Anne's point that you must have an offer that holds them safe beneath that statutory threshold.

Q66 Lucy Allan: So we are not seeing referrals being made just in case, and then suddenly the child is in the system and it is very difficult to get out of the system once they have been passed on for referral.

Yvette Stanley: There will be some local authorities that have had changes in staff where the thresholds wobble a bit, but I can say, in all honesty, from 120 inspections last year, our concerns were about the local authorities that were not taking the action. We were worried about local authorities where there were repeat referrals, children coming into the referral system three or four times without a dynamic assessment or purposeful intervention. Of course, we rely on human beings to run this, but, overall, from 30 years of doing this work, I would say social workers in MASHs hold a very firm line.

Anne Longfield: I have heard you say that before, and it is completely right. But we have quite an anxiety-laden system, because it is looking at immediate risk. I would like us to move to a point where we focus on outcomes for children in the long term. Yes, there is immediate risk. Of course, absolutely everything you have said is right within there. But everything within the Children Act is about long-term outcomes. That is the bit that is stifled and strangled when councils fall into a place where there just is not enough money to allow them to step out. That is where we end up, in really basic terms, potentially falling into the land where we have a really efficient mop-up system. That is absolutely essential, but we want the broader, longer-term view as well. That will require a big change and some help for councils to get there.

Q67 Mr Prisk: We have heard quite interestingly wide variations in the estimates of spend per child. The NAO cites £299 versus £805, so that is a big factor. Is this something we should be concerned about, or are there good reasons for it?



Yvette Stanley: Data anomalies like that cause you to ask lots of questions. Before I had this job, I was the director in a small London authority, so my average costs were significantly out of kilter with those average costs. If you have 130 looked-after children, and three with highly complex special educational needs who cost between £350,000 and £1 million each, you have one average. If you compare that with a shire county, there might be only 200 schools and 200,000 children. There are lots of inbuilt differences that need to be explored. There is a direct link between deprivation and activity.

Then there will be variance in spend. Some local authorities are smarter commissioners and purchasers of services. We are seeing more working together to do that, to get the right costs. We may come on to this later, but the supply of places, particularly for children with high-end, complex needs, is very tight. That is probably forcing an increase of costs in the market, which is affecting the average. It is complicated. I know it is an unhelpful answer, but the local authorities that are working with the right children and taking the best decisions in a timely way are generally the ones that are working children through the system and addressing their cost profiles.

I saw Phil Harding's evidence to you, which showed that, even in the good authorities that have that workflow down to an art form, costs are still rising. That is partly to do with the demographics. It is about these very high-tariff children with complex mental ill health issues, perhaps with a disability as well. Perhaps they have been repeatedly abused by gangs, and have had to be moved to another part of the country and put into an intensive £9,000-a-week placement for children with those sorts of needs. Those sorts of things are skewing the figures hugely, particularly for smaller local authorities.

Anne Longfield: This is a really important point. Even the really well-performing people, the poster children for how local authorities are running children's services, are still overspending. There are lots of differentials in how much other agencies in an area put in as well. You will know more than I about the detail, but if the health service in an area is putting in more money for particular children, or if adult services are putting in more for domestic violence, there may be differentials there. In some areas, children's services are the ones that need to fund quite a lot of that, which will put costs up.

Sharon Chappell: From our perspective, we have not looked at the correlation between spend and upheld complaints about children's services. However, we share all of our upheld complaints with Ofsted, and we have recently started to provide that statistical information to Ofsted as well, which we will continue to do on a yearly basis. Our starting point is what the law says, what statute says and what the local policies say about provision for this child. Regardless of what the cost is, that is our starting point. Otherwise, if we lower the threshold and we accept that



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resources are an excuse for not providing, we become part of the problem. That is our starting point.

Q68 **Mr Prisk:** For you, it is about outcomes rather than inputs.

Sharon Chappell: Yes.

Q69 **Mr Prisk:** Coming back to Ms Stanley from Ofsted, you feel the spending per child is not necessarily a helpful benchmark. One of the other interesting things from some of the written evidence and some of the oral evidence so far is quite a wide variance in practice, particularly around being proactive on broader family issues. Does that variance concern you as an inspector or do you welcome a wide variety of approaches?

Yvette Stanley: Dealing with the finance bit, as with my local government ombudsman colleague, we are not tasked with looking at spend. We look at the progress and experience of outcomes. It is absolutely right: we want to see who is working as effectively as possible with these very complex children. Aside from our inspections, we produce blogs and commentaries to try to indicate to people where things are working well. We have to be really careful not to endorse a particular methodology. There are all sorts of practice models out there.

But we would look for local authorities that have robust and stable leadership, a stable front line, and a child-focused practice model for social work that staff understand, have been trained in and are delivering consistently. In those places, the flow of children through the system is timely and proportionate. The challenge is that that is hard won and easily lost. It is really good to see 60% of local authorities that were inadequate coming out; it is good to see the improving profile of good and outstanding local authorities. There is still some way to go, but we are also hugely saddened when we see changes in leadership, changes at the front line and staff not understanding the practice model, maybe because of that turbulence. It could be the turbulence of the local CCG changing its arrangements or the police service reconfiguring. All of those things can impact on a local authority.

As I said, good performance is hard won. Within three months you can see a serious deterioration. This goes back to Lucy's comments. Sometimes you can see practice fragmenting at the front line, because everybody needs to be holding their nerve consistently all the time.

Q70 **Mr Prisk:** So the variance between the authorities that perhaps tend to be more proactive and those that are not so proactive is not of concern to you.

Yvette Stanley: In order to do the innovation, you need to get your basics right. We 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.



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Q71 **Chair:** Following up on that, some authorities are moving on from just getting it right to being examples of really good practice. Can you find any examples where that is enabling those local authorities to reduce costs with regard to protection orders or children in care?

Anne Longfield: It might enable them to help more children.

Q72 **Chair:** Are there examples where this is happening?

Anne Longfield: Yes, there are. I am happy to talk about some of the places.

Chair: It might be helpful, yes.

Anne Longfield: Everyone talks about Essex. They have had a long-term plan, where they have looked at investing in prevention and getting to the sweet spot I talk about, where you have enough help early on and you can keep the numbers moving into care down. We need to look at this in a bit more detail, but they have kept costs down and are on the side of the lower-spending authorities around there, because they have hit the point where they can manage it. What Yvette said earlier is really important: even the ones that are doing really well will still have overspend, because high-cost individuals with complex needs will come and you cannot predict that. That is going to be the case.

I know the NAO will say you cannot correlate costs and outcomes. The thing is, you can correlate a system that is functioning well, keeping children safe, but also looking to long-term outcomes and still investing early. It is a bit more of a complex approach to looking at what the system is for. It is not just about safeguarding against the immediate risks today. It is about having a system that can work for all children in the long run.

Q73 **Chair:** You are saying that even those authorities are seeing costs rise, yet you will always have these high-tariff children.

Anne Longfield: You will.

Q74 **Chair:** So why are we suddenly getting more of them?

Anne Longfield: There has been a real increase in the number of children with autistic spectrum disorders. We have more children going to specialist schools. There is a question there about why some of those children might not be in mainstream schools, which needs to be looked at. Residential care costs are escalating enormously.

Q75 **Chair:** Why?

Anne Longfield: Partly, there is a shortage of places. There is increasing demand and a shortage of places, so you have a provider's market.

Chair: We might come on to ask a few questions about that in due course.



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Anne Longfield: A director of children's services told me that they are now quite used to paying £4,000 a week for a place. One thing I have been shocked by in these conversations is that that does not always bring enormous outcomes with it. Sometimes those escalate; sometimes they are asked for a month ahead.

Chair: We will come on to the costs of commissioning in a minute, so we might follow that up.

Q76 **Mr Dhesi:** Councils are becoming increasingly reliant on private providers, particularly for residential care, where 65% of all spending is on private providers. Various concerns have been raised with this Committee about the quality of some of this care and how the market is currently working, or not working, as the case may be. What do you think, Ms Longfield?

Anne Longfield: As I started to say there, this is something that directors of children's services have been telling us for some time. Clearly, there is a gap in the market, or else the providers would not have been able to move into that degree of grip on it. But there is certainly a shortage of places. When there is a shortage of places and an increase in demand, there is an escalation of costs. 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. I find the notion of a non-profit clause really appealing, but if it was introduced I know there would be gaps in the market. In a sense, we are where we are, but some of the national charities should look at reconsidering their role in that.

Q77 **Mr Dhesi:** I take on board your points. Indeed, 40 local authorities do not have any in-house provision whatsoever. Professor Jones said to us that the market is now escalating the price because it has local authorities over a barrel.

Anne Longfield: Yes, because it can.

Q78 **Mr Dhesi:** What do you think, Ms Stanley?

Yvette Stanley: I have a few points. Some local authorities would not have enough children to generate their own provision, which is why you have seen this being consolidated, over decades now. I suppose there is an anxiety about the small number of providers that have a big share of the market, particularly, as Anne says, in terms of the supply issues.



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As the inspector and regulator, remember that we register all of these providers as well as inspecting them. 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. But overall the quality is not materially different.

We are hearing from local authorities, in terms of our regulatory work, that the continuum of that need is not being met through the current supply, and there needs to be market stimulation, particularly for complex needs. Remember that many of these homes will have four beds. If you have three really complex children, you may not be able to put a fourth child in for safety reasons. Putting the providers' hat on, how do they fund that provision on three children? Costs go up. The right mix of children is really important.

On Anne's last point, the CQC has a role of market oversight and stimulation for the adult sector that Ofsted does not currently have for the children's sector. We would be interested in exploring that. We have been exploring with the DfE where that role sits, and we will need to carefully consider this in the future because of these issues with the supply, particularly for the more complex end.

Q79 **Mr Dhesi:** Ms Chappell, as the assistant ombudsman, what do you think about quality?

Sharon Chappell: From our perspective, the chain of accountability sits firmly with the council. Although it may commission care elsewhere, we hold the council to account. We say to councils, "When you are setting up these arrangements, make sure you have in your terms and conditions appropriate service level agreements to get redress. If we find fault and make financial recommendations, it is for you to sort that out. We are not going to get involved in the discussions. We are interested in remedying the injustice to the individual. It is for you to make sure you have robust procedures in place".

Q80 **Mr Dhesi:** As the national director for children's social care for Ofsted, what sort of work are you doing at Ofsted to get the assurance that children's homes are of an acceptable standard? Is there a difference in quality between private and local authority providers?

Yvette Stanley: They will all be registered with us. Their registered manager has to be registered with us, along with a responsible individual. There is a whole infrastructure to support their registration. We receive notifications when serious incidents happen. I suppose we have a case-holding role, in that we know what is going on in that chain and the particular children's home, because we are the regulator and the inspector. Those that are less than good will be inspected twice a year. Those that are good will be inspected once a year. We might recalibrate that, though. If we had concerns or if there had been significant



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complaints, we would inspect early. We have quite a robust assurance process there.

As for the profile for the private ones, the local authority ones and the voluntary sector, as I have said, the percentage of good and outstanding is not materially different. The big challenge we would identify in Ofsted is supply, particularly for the more complex children, and the challenge of the costs for children who need very intensive, therapeutic long-term intervention.

Q81 Mr Dhesi: Earlier you touched on the Ofsted annual report for 2017-18, wherein certain concerns were highlighted, in particular with regard to staff qualification levels. It was pointed out that more than a third were not qualified to or were working towards their required level 3. The volume of enforcement action has increased significantly; suspensions have increased 10-fold and cancellations have more than doubled. There was also this point about the cancellation of a registration for one whole chain of children's homes. What sorts of problems had you discovered? Was the chain still receiving business when it was suspended?

Yvette Stanley: No. We can prevent them having children. We can ask for children to be removed or we can suspend them from having more children. It depends on our level of concern.

Q82 Mr Dhesi: So it was not providing any services when it was closed.

Yvette Stanley: I would have to check that particular one, but that would normally be the case. As an example, there was a home involving 50 children that we suspended, and all the children had to be moved. We take proportionate enforcement action depending on the problems. 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. I know providers are working really hard to get their staff qualified, and we all aspire to those qualifications. However—the same would be the case with adult social care—work in the care end of the industry is not the best paid or the best qualified. In response to all the questions about how you up quality, this would impact immediately on the local authority's costs. Social care is like dancing on the head of a pin in all sorts of ways. 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.

Q83 Mr Dhesi: Ms Longfield, academy schools are not allowed to be profit-making, whereas children's homes and foster care providers are. What is the reason for that?

Anne Longfield: As I said earlier, it is a very enticing thought to have a non-profit-making clause in here. 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. In Wales, a non-profit-making clause has been discussed. You were talking about the quality of provision between the private sector and the maintained sector.



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Coming back to the spending pressures and the cost, if you have 50 or 60 children who are costing £200,000 or £250,000 a year, you are talking about a spend in excess of £10 million or £11 million. That is going to make a big impact on your ability to spend funding on families at the earlier end, at the lower end of need.

Those children clearly need a place and we need to ensure they have something that meets their needs. If we can find a better place or a better way of delivering residential care that is not only high-quality, available and in the right cost space, it frees up a whole load of money to be able to start helping families earlier. For instance, that same authority might have £5 million or £6 million from its Troubled Families programme for family intervention, which is where most councils say they would prefer to be able to spend the money if they could do both.

Q84 Mr Dhesi: Ms Chappell, should children's homes and foster providers be profit-making?

Sharon Chappell: It is not really for us to say. I echo what Anne has said, really. When there is a shortage of places, it is a really difficult one in terms of what happens if those places are not available.

Q85 Mary Robinson: The availability of places is obviously relevant. Yvette, I understand that you said you have a robust assurance process in place. However, we heard in evidence at our last meeting—I think it was from Professor Ray Jones—about an area of concern around local authorities choosing where to send a young person based on looking at a brochure. Is this something you would recognise? Could it be that the supervision is that lax in many places?

Yvette Stanley: I broadly see local authorities that take those decisions very seriously, because they have big consequences for children and families and huge consequences financially. He may be thinking of the framework contracts. I am hoping it is not in the scope of this thing, but there are huge procurement regulations in local authorities. If you are going to spend £1 million on a child, there will be frameworks you have to follow. But my experience as a DCS, and the experience of my staff looking at looked-after children's services, is that late on a Friday night commissioners and social workers might be working together to find the best-fit placement for a challenging and quite complex child, with only one place up in Northamptonshire available.

It is probably a misunderstanding of commissioning. If I see Ray, I will explain it to him. It is absolutely appropriate that people utilise the framework contracts, which give them the quality standards and the price that local authorities have negotiated through London Councils, the LGA, et cetera. 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.



Anne Longfield: People always talk about Fridays, when there is added pressure. A local authority will purchase something, and when it agrees that contract there will be add-ons. There will be additional risks, which will mean there needs to be additional support. People tell me that that starts to escalate. There is certainly a huge paucity in supply.

Yvette Stanley: We started off talking about multiagency safeguarding hubs, which are hosted by social care but have those important partners within them. In the commissioning for looked-after children, health is a really important partner. This is about what is in the package provided by the provider or by local CAMHS. The variability and accessibility of CAMHS is an issue for commissioners. Certainly we can see it in cases we review and in inspections. There is a challenge around getting the right support for the child. If they get the right support, hopefully you will be de-escalating them and they will be in lower-intervention and lower-tariff provision. If you cannot get that right support, they are going to be in that children's home. At worst—as Anne says, it often happens on a Friday—it is disrupted and then you have to find them another placement. That is a lack of continuity in their lives and more trauma.

Sharon Chappell: Our starting point is always what the needs say. Does this placement meet those needs? If there is a mismatch, why is that the case?

Q86 **Chair:** How much monitoring goes on to find out whether a placement has been successful?

Yvette Stanley: As part of our inspection of a local authority, we look at the experience and progress of children in care and care leavers. We will look at a proportion of cases and talk to people. We spend about 80% of the time in an inspection talking to frontline social workers, checking exactly those "judgment of Solomon" decisions they have made about the right placement, checking that the child's views, wherever possible, have been taken on board. We are forensic within the boundaries of a one or two-week inspection, but we look at a good proportion of cases while we are there.

Sharon Chappell: We look at individual complaints. We look at whether the looked-after reviews have been conducted in accordance with policy and procedure. If we find fault, we pass those decisions on to Ofsted, which all helps to inform the intelligence basis for future inspections.

Q87 **Chair:** At the last evidence session we had, last week, the complaint was not merely about the cost but that often it was a lot of money for what were basically "bed and breakfast" placements.

Anne Longfield: Do you mean in terms of what was being purchased?

Chair: Yes.

Anne Longfield: That is what I have been told. When you purchase something, it is not clear whether therapeutic support is in there, and



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then sometimes it is not. If a child goes missing, they need additional support to ensure it does not happen again, so it starts to escalate again. It is very variable, but, if you look at what the high quality is, there are not enough high-quality places to meet the demand of the market. That is destabilising the finances of even the best-run children's services, from what I can see.

Q88 Chair: I have one brief follow-up to Sharon Chappell. You made a very interesting point about commissioning. When you get complaints, do you find examples of local authorities that literally think that commissioning services means abandoning responsibility for them and pushing them off to somebody else?

Sharon Chappell: Yes, and we are very clear that that is absolutely not the case and that they are still the responsible body. Yes, we have occasions where the council will say—

Q89 Chair: Do you publish that information? Presumably you do that.

Sharon Chappell: Yes, we publish all of our decisions anyway. They are all on the website. If we have a particular issue with a local authority, we will issue a public interest report.

Q90 Chair: Would you be able to provide one or two examples to us of that happening, when it goes wrong?

Sharon Chappell: Yes, certainly. I can give examples. There is not a huge amount of them in children's services, but I can give related examples that demonstrate the point quite clearly, if that is okay.

Q91 Teresa Pearce: I was interested when Sharon said earlier that the local authority had the responsibility, but I wondered about your point of view. You mentioned the lack of available resources. If you are frontline staff and you have to place somebody, and you think, "It is not that great a resource but it is all I have", surely there should be somebody else who is not part of the financial decision-making looking at quality. Is that part of your role? Do you see what I mean?

Anne Longfield: Yes. I guess you will be looking at that in your inspection.

Yvette Stanley: It would form the backbone of our inspections for looked-after children's services. I would also point colleagues towards the independent reviewing officers in local authorities and the child protection conference chairs. They both have that—

Q92 Teresa Pearce: It is a worry. If your choice is a provision or no provision, you might think the provision is not good but it is better than nothing.

Yvette Stanley: It is right that local authorities have to balance fiduciary and individual child responsibilities very carefully but, if they think they are taking a decision that is not in the best interests of a child, they have



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an internal escalation process up to the DCS and even the chief executive. We get to see those when we are inspecting a local authority. So there are checks and balances in the system.

Q93 Teresa Pearce: Those daily choices must be impossible. Anyway, that was not my question.

Anne Longfield: I will be contacted. I have a help and representation service, so kids or their representatives can call me. Often they have been overlooked or decisions have been made that they do not feel they would support. I can then intervene with the director of children's services and ask them to look again, and usually that comes out quite positively. Having advocates within the system is another thing that will support children to express their views and have a voice. In some areas they are very thinly spread.

Q94 Teresa Pearce: In our first evidence session, we were told that some children and families get stuck in a risk-averse and defensive system that is too bureaucratic. Would you agree with that analysis?

Anne Longfield: First, I have said that it is an anxious system. It focuses on immediate risk, and I would prefer it to look at outcomes. I know that is what you do as well, but we need to move to a stage where we are really looking at fulfilling the Children Act in terms of outcomes for children, and not just those who meet the statutory threshold, which may be different in different places. That is a starting point. There will be some children who are in various places where there might have been alternatives earlier on. They might have not had help earlier on and their problems may have escalated to the point that they now need support at statutory level. That is not to say they should not get it. You have been very clear that you think people take those decisions very seriously and there are the right children there. But, if they had had more support on an ongoing basis earlier, they might not have reached that point.

With children in need there is a tendency to look at short-term interventions. There are a lot of re-referrals for children in need: 60% go off after six months. Just because they have left that particular set or grouping of children within the authority, it does not mean their problems have gone away. Many will come back: 100,000 came back within a 12-month period last year. Some children are not getting that continuous support that I would like to see more of, but they are slightly lower down in their level of immediate risk as children in need. For anyone who falls beneath that, at the lower levels of risk, what is on offer is very sporadic.

Q95 Teresa Pearce: Yvette, is it a bureaucratic and risk-averse system?

Yvette Stanley: That was certainly a concern in 2011, which Eileen Munro voiced. As an inspectorate, we considered our inspection regime very carefully. We are less process focused and more focused on the experience and progress of children. But social care is a delicate balance between values and discipline. We visit children, because it is right that we have a relationship with them as their social worker and we see they



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are safe, but we need to record that we are doing that as well. When a child leaves care, they need to be able to look at their file and assure themselves that all the decisions made for them were appropriate and timely.

We have done our best, as have local authorities, to make the systems, processes and procedures less bureaucratic over the last decade. There is more that we could do collectively for social workers at the front line in terms of their tools. For example, most of them are working with information systems that are very time intense. Every minute we can release them from inputting on a computer they can spend doing purposeful work with children.

Q96 Teresa Pearce: That is what some social workers have reported: they spend too much time inputting data and not focusing on children.

Yvette Stanley: The challenge is that there is not yet a system out there that really meets the needs of the child protection and looked-after system as it works now, with that child-centred and strength-based approach. We all need the providers to step up.

Q97 Teresa Pearce: Are Ofsted inspections partly why we have the data-driven, form-filling culture? You have mentioned that you are trying to change that, but is that because you recognise it is a problem? Teachers would tell you it was.

Yvette Stanley: 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.

Anne Longfield: The people I talk to support that, but essentially you are saying that this needs to be the day job and not in addition. The reason I keep talking about the outcomes and the need to look beyond the statutory limit is that, at the moment, the national data is all focused on the children who are deemed to be in need of statutory support. Actually, there is a whole world of children who potentially are not reaching that point because they are getting very good help or, indeed, could be getting help and are being kept out of there. We only see half the children within the system, if we just look at that. I would like to see a more expansive look at children in need, in order to help children early, work with others and bring other agencies together to provide that support.

Sharon Chappell: From that perspective, for families who do get caught up in the system, we regularly see some really basic errors. A failure to



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inform families of the outcomes of assessments or a delay in reaching an assessment might mean families are separated for prolonged periods. There was a tragic case very recently where a family were unable to visit a baby in hospital. Quite rightly, child protection proceedings had commenced, but the supervision arrangements were not kept under review even when it became quickly very clear that the parents did not pose a significant risk. The baby died, and the parents were not able to have regular contact with the baby before it died. We see those sorts of fundamental basic errors, rather than questioning professional judgment.

Yvette Stanley: This is my point. If a place is not getting the basics and the housekeeping right, not to feed my bureaucracy but because it is in the best interests of children, gaps and errors can arise. That poor social worker has on their conscience the fact that they did not have a supervision, so a decision was not taken in a timely way. Things will happen; we work with human beings. That is why it is really important to get those basics right and to make sure, if there is a gap, that it is filled quickly. Be careful about taking bureaucracy away from social care as well as making sure it is checking out the right things.

Q98 **Teresa Pearce:** You need the data. You need the paper trail to show good practice as well as bad but, if it becomes just about the data and not about the children, that is a problem, is it not?

Anne Longfield: It is a means to an end.

Q99 **Teresa Pearce:** It is about overworked staff as well. We have to make sure they fill the forms in, but—

Yvette Stanley: We might want to look at cases where children have been on a child protection plan for less than six months, if such a thing happens, or more than two years. We are checking that children are not stepped down too quickly or too slowly. If you have been working with a family for two years, one would expect progress or a different pathway from there on. We ask for those things because there are good practice reasons; it is not because we like looking at datasheets with those two particular issues on them. In a good authority that gets the basics right, when we talk to the social workers, they will have a narrative about each and every case, so they can have a really defensible position for why they did step a family down after nine months, because they were making good progress. Numbers should not be targets for social care.

Q100 **Teresa Pearce:** That is the worry, is it not?

Yvette Stanley: They always provide bandwidth around which to ask questions.

Sharon Chappell: We are always looking for the decision-making to be centred on the child, not the adults involved. It sounds like I am stating the obvious. Unfortunately, it is not always what we see.

Q101 **Mary Robinson:** There seems to be unanimity around the importance of



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working at an early stage and with families as well. Anne, you have referenced on a couple of occasions the Troubled Families programme. In terms of how that should proceed, would you see an expansion of the Troubled Families programme or would something different be more helpful in terms of how we work in the future?

Anne Longfield: 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. It is the one thing that every council I have spoken to has said: without it, they would fall over. Most councils are putting their own money alongside the Troubled Families programme. Possibly in some areas schools are as well. That allows them to deliver that whole band of early help to the extent they are doing it, which means they can help support the voluntary sector and volunteers to do that as well. They are very clear that, if you do not have that, there is a huge hole and they would fall over within that.

When I ask what it would take to rebalance this situation from statutory intervention increasingly taking the lion's share of the money to the point where you can intervene early, most say that two or three times the amount going in at the moment for Troubled Families would be enough to start moving in that direction. They see the support for families being the most important thing within there. If that could be maintained, reshaped, strengthened and expanded, that would be a really important step to rebalance the support that is given to children across the range of needs.

Q102 **Matt Western:** I have a question for Ms Chappell. In your written evidence, you stated that the number of complaints is increasing. Many of them have actually been upheld. Just out of interest, what does this say about the culture and the performance of children's services across the board?

Sharon Chappell: It is difficult. We try to ensure we draw out any emerging themes in specific local authorities, but also the wider themes where we feel there is learning for other authorities. There is such variation in upheld rates against different councils that it is very difficult to conclude that it is some fundamental or systemic failing across the whole country. That is not the case. Some councils are doing very well. We generally do not see cases where people are getting it right. We do not uphold all the complaints we see in this area. We are currently upholding about 69% of complaints against an average of 57%. There is cause for concern. That is why we work closely with Ofsted to ensure we are sharing those cases where we have the most concerns with the regulator and inspector.

Q103 **Matt Western:** I have a question for all of you. Are there other ways that it should be possible for families to provide feedback and input on children's services in addition to the complaints procedure?

Anne Longfield: My starting point is that I would want parents and children to be able to work in partnership with those services, alongside



them. I talked about advocates before. They are there to help give a voice to children. Those are important people within the system. In a lot of areas, they are down to single figures, if not barely there at all. There is a close correlation between the areas that Ofsted find to be inadequate in social care and the areas where children ring my helpline with concerns about the decisions that are being made. That is following through, and we will also feed that back to Ofsted. Building children into the system of decision-making and recognising advocacy as a really important part of the system to give voice to the users does not seem to be a priority in too many local authorities. Going back to the wider work I am talking about, in terms of working with families early on, it would be very much a partnership between the council and those families.

Q104 **Matt Western:** Ms Stanley, do you have a view?

Yvette Stanley: When we look at casework, we expect to see the voices of the child and the parents. In local authorities that are using strength-based approaches, we increasingly see the use of language that enables parents to engage more effectively in those discussions. Historically, we may have over-professionalised some of those processes. We are seeing much richer views from children and parents. We expect leaders and managers in local authorities to analyse their complaints, to look at what is coming through their advocacy services, to look at what their child and care council is telling them and to look at what is coming out of the casework in a systematic way, to inform their self-evaluation of how well they are doing and what they need to improve. We pick it up in a range of ways.

Anne Longfield: They see those as quality improvement tools rather than tick boxes.

Sharon Chappell: In terms of the complaints, there are cases where an authority has got something wrong, but has recognised and acknowledged that, and has put it right before it comes to us. We are careful to differentiate between those complaints where there is a lack of defensiveness and there is a willingness to accept that things have gone wrong, and those cases that have gone all the way through the statutory complaints procedure where the council has still said, "Things have not gone wrong". That is a far greater concern for us than those councils that have acknowledged that things have not gone right on a particular occasion and have tried their best to put things right.

Q105 **Bob Blackman:** Turning to issues of staffing, one thing that is stark is that some local authorities have a really serious problem with attracting staff and, indeed, keeping them, and therefore are dependent on agency staff. What is the impact on the service as a result?

Yvette Stanley: There are local authorities that have geographical challenges. There are bits of the country that are not well served in terms of where social workers live and want to work. The coastal areas have featured. There are large conurbations where house prices are high.



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London is an example where it is relatively easy to attract a newly qualified social worker, who will rent in the suburbs and commute, but as soon as they get three or four years into practice and they want to have a family they will move out. When people have an adverse inspection, the agency rate can get worse after that. More often than not, high levels of agency are part of the systemic difficulties the local authority is experiencing. They can be very local, but they can also be regional. If you are in a region with three or four local authorities that are all in that challenging situation—

Q106 **Bob Blackman:** They bid for it.

Yvette Stanley: Yes, absolutely. You can see pockets where the agency rate goes up around clusters of local authorities. Supply of social workers is still an issue and retention is still an issue. Social workers tell us and they tell their employers that the money is not the first thing. 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. They want to be somewhere where they have ongoing professional development and that has a values-based, child-centred approach. In local authorities that get those things in place, you see stability feeding through in terms of the workforce.

Anne Longfield: There is the potential to look at a national recruitment campaign. We know recruitment is an issue overall.

Q107 **Bob Blackman:** Sorry, could I just interrupt? Obviously, local authorities recruit directly. Are you suggesting this would be a national campaign with allocated staff out? Could you expand a bit on that?

Anne Longfield: There could be national marketing and advertising for a campaign. A campaign could be led to bring people into the profession. Clearly, where there is turnover of staff you are not only going to get disruption in the system in terms of relationships, but also high costs. We want people that are there and we want stability within there. There is a national recruitment potential there.

We should also look at what the NHS is doing in terms of their 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.

Q108 **Bob Blackman:** Taking that, whose responsibility should it be to actually take that task on?

Anne Longfield: I would like the DfE to consider the national 10-year look at recruitment and retention and consider its role within it. I would also say, within this system of supporting families, especially if we look beyond the statutory limits, there are actually an awful lot of workers in there that are not social workers. They are family workers. They are working with children around schools. They are offering mental health



support. All of those things need to be taken into consideration as a whole.

Q109 Bob Blackman: There is clearly a range of services within children's services. We have spoken about children under threat of physical or sexual abuse, but there are also children who are born with learning disabilities, who have mental problems and so on. There is a range of things there. Is there any particular area where there are staffing shortages, or is it generalised?

Yvette Stanley: Social workers, generically. Team managers can be a challenge, with people three, four or five years in. There are child and adolescent mental health services and health visitors. Social care, in all its work, has to work with all of those partners. You have the multiple challenges across the children's workforce in its widest sense. A look at the children's workforce specifically, as well as social workers in particular, would be really helpful.

Anne Longfield: Yes, and you would add in foster care there, and specialist workers for some of the residential care.

Yvette Stanley: Going back to the children's homes question, we need more foster carers and people who are equipped to do intensive foster care, or perhaps foster care with a bought in therapeutic support. All that would take pressure off the system. What we have is the pressure at the very high end creating a trickle down pressure across the rest of the provision map.

Anne Longfield: If those foster carers or the residential care cannot offer that complex support needed, the placement will break down and they will ping off somewhere else. If we can get enough skilled individuals who can offer that long-term support, the relationships can build and there can be more stability.

Q110 Bob Blackman: Obviously, most people in any profession—and I think social workers are no different to this—will want to work for a well-run local authority that is being successful and doing well. How do the local authorities that have a problem—they may be in special measures; they may have challenges—recruit staff, given that staff are naturally going to say, "That is a risky area for me to go and work in"?

Anne Longfield: I would say if you have really strong leadership, you have a clear plan, if you are on an improvement programme that you are quite explicit about but also is clearly developing at various stages, and you are actually very explicit about changing the trajectory in terms of outcomes for children in an area, that can be very inspiring for people to be part of that development programme. Of course, there are a lot of things that need to be in place to make that the case. If it is a case where the bad news keeps coming, it is going to be less appealing for people.

Q111 Bob Blackman: I can speak personally. I came into politics on the back of the Jasmine Beckford affair, lived through the Victoria Climbié case at



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first hand, and of course have seen the Baby Peter case go on. This is not something that has been suddenly changing in five or 10 years. This has gone on for 30 years or more. It is very hard for people of any qualification to spot people who are evil, quite frankly, and just want to do damage to children, compared to people who just need some help. There is a massive difference between these. What extra training is now being given to social workers to identify these particular challenges? It is a tough exercise for young people coming into the profession to try to spot the differences between those that are just, frankly, evil people, compared to those that just need some support and back-up.

Yvette Stanley: The answer to both those questions is about creating an environment where social workers feel valued, where they are supported in terms of their learning, where leaders and managers are willing to invest in their training around good and emerging practice. In response to each of those, the learning had to be systemic. Individuals may have made errors. This is a system delivered by humans. We need to make sure that social workers do not feel they are on their own, that they are supported in effectual decision-making and that they have that support, development and training.

In some of the local authorities that are in extremely challenging situations, they are creating an environment where social workers feel that they are child centred, are family focused and are being invested in. If they can get that right, that gives them that critical mass.

In terms of lots of the debate today, we started with whether more people should be being turned away from social care front end because it is costing us a lot of money. If we recalibrate social care to move that risk out there, it will be harder to recruit social workers to work in your front end. You have to get those balances very carefully. You have to not lose confidence in the system and keep swinging pendulums. Otherwise, we will have more local authorities going down the inadequacy route. It is really challenging out there, in terms of the demographics and the volumes, but colleagues are working really hard everywhere, including in those places that have a really big journey to make, to do the right thing.

Anne Longfield: It is also about not expecting children's services social workers to work in isolation. They should be working alongside schools. People in schools need to be able to be trained to spot when children are having a tough time. We need to have much closer links between education and social care, with that understanding that actually there are some terrible outcomes for kids who do not get to statutory thresholds that could be improved by a much greater emphasis on outcomes and joined-up working.

Q112 **Bob Blackman:** Ms Chappell, could I just ask you about the evidence about the number of work-based challenges in children's social services, the recruitment, retention, very high caseloads and difficult working conditions. What has been the impact on the complaints you have been receiving?



Sharon Chappell: We see regularly that, 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.

Q113 **Bob Blackman:** High turnover is a big issue.

Sharon Chappell: Yes.

Q114 **Bob Blackman:** Just in terms of qualifications and pay, how do staff in children's homes compare to staff in schools? Do we have a flavour for that?

Yvette Stanley: I can provide a written response.

Bob Blackman: It would be very helpful. As you have seen from the tenor of the questions, we are looking at what the impact is on various different types of facilities and whether people are being paid commensurate with their qualifications.

Q115 **Chair:** I understand there is a national graduate scheme for social workers called Frontline. Does it work?

Anne Longfield: I am quite a fan of Frontline, so I would say it is an innovative scheme. It is a positive model and I can see great strength in it. It works and it fulfils a really important role. It has been applied in other areas as well, such as teachers going into alternative provision and pupil referral units. There is a real role for something like this and I am keen to see how much more it can do.

Yvette Stanley: It is a contributor. It is a very intensive programme. It attracts very able and bright graduates, who often then want to go into management. They might not necessarily want to stay, so we need to look at all routes into social work, and those coming out of the universities, and making sure we are reflecting our diverse communities as well. For those relationships with families to work, and those connections, we need the workforce that represents the communities we serve as best we can.

It is Frontline plus a whole range of other things. Overall, we have not quite got the supply right, and even more so the retention of practitioners who have that life experience, who have learnt about disguised compliance and the families who will look like they are complying but actually, behind the scenes, the child is experiencing significant harm.

Anne Longfield: Part of the idea of having a national campaign is that you are able to reaffirm those values and the responsibilities, and the



huge gains to be had by being involved in this profession, in terms of outcomes for children. There are lots of ways of underpinning that value. Certainly, it is a bigger ask than Frontline is delivering at the moment, but it is an important part for the whole.

Chair: Thank you all very much for coming to give evidence to the Committee this afternoon.

Examination of witnesses

Witnesses: Ruth Allen, Stuart Gallimore, Allan Madeley and Councillor Roy Perry.

Q116 **Chair:** Good afternoon and thank you very much for coming to give evidence to the Committee this afternoon. Could I just ask you to go down the table and say who you are and the organisation you are representing today?

Stuart Gallimore: Good afternoon. My name is Stuart Gallimore. I am the president of the Association of Directors of Children's Services.

Allan Madeley: Good afternoon. I am Allan Madeley. I am an independent consultant, specialising in the commissioning of children in care services and the market that sits with that.

Ruth Allen: Hello. I am Ruth Allen. I am the chief executive of the British Association of Social Workers.

Cllr Perry: I am Roy Perry. I am the vice-chairman of the LGA's children and young people board and leader of Hampshire County Council.

Q117 **Chair:** Thank you all for coming this afternoon. You probably heard a bit of the evidence we had before. The reason we are having this inquiry is about the rising cost of children's services for local authorities. It seems to be driven by the fact that the number of child protection investigations has doubled in the last 10 years. Is there really a need for that increase? What is actually driving the doubling of those investigations?

Stuart Gallimore: I am happy to make a start on that. You look back over that 10-year period and the world has changed considerably. I have been operating as a director for most of that period, in two different local authorities. Certainly, we are now working more efficiently and actually more effectively with some groups of young people that we should have always been working with, but for a whole variety of reasons we were not. It has become known as contextual social work.

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



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want our intervention, but we should always have been intervening. We are seeing that and we are seeing that with some success, but that comes with a cost.

Similarly, we have seen continued interventions as there is that growth around our young people in terms of substance misuse. We have seen it in terms of better targeting around emotional ill health, and mental health as well. At the same time, we have seen parents struggling to respond to the needs of their children. You look at that growth in child protection. You look at the growth of referrals. Domestic violence is now a significant contributory factor within that. Substance abuse of parents is a significant contributory factor within that. We have got better as a profession, in terms of its identification and the realisation that this stuff is really harmful for children who are growing up in those households. As a result, we have responded accordingly.

We have also done that at a time when, as your Committee has seen, funds for services have been reduced. It is not always possible to provide that level of service at as early a stage as we would want to. That, in turn, can lead to an escalation, as we become involved with children sometimes at a later stage than we would have wanted to, had those early help services been there and been in a position to be used.

I guess the last area I would pick on, in terms of that contextual piece, is in terms of me operating from a south coast shire, in East Sussex. Like a number of those shires operating around London boroughs, we have seen a growth in terms of county line trafficking of drugs and money down into those areas. Again, that requires a response. Thankfully, in my own authority knife crime is not a significant factor, but if I was a director from a city or a London borough I would be talking about an increased response of protection in those areas as well. For those 10 years, we are not comparing like with like, in terms of the services we are needing to provide and the situations we are needing to respond to. As the Secretary of State for Work and Pensions said recently, the impact of the rollout of universal credit, on top of 10 years of austerity, has had a real impact on the communities that we operate in and the local authorities that have seen a subsequent fall of over 50% in their funding.

Allan Madeley: The only point I would add to that is that there is a resource imbalance within children's services expenditure. I work at the children in care end, on the placement side. For the authorities I am supporting across Merseyside currently, it can be anywhere up to two-thirds—slightly higher in one instance—of the proportion of spend in children in care going on placements. Of course, that leads to a level of disinvestment in intervention and family support. We have heard that in the previous panels that we have had constituted here as well. There has to be something to redress the balance. The drain of expenditure at the more acute end has to be fixed first.



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Ruth Allen: Clearly, social workers and children's services are dealing with the problems of today and the awareness of many of these additional risks and threats that children face, and seeing safeguarding in a contextual way and the recognition of child sexual exploitation and awareness of the need to protect teenagers as well as younger children. All of that is adding, positively in some ways, to the perspective that we have of children at risk in our society, and we need to respond to it.

I would support what Stuart was saying in terms of the lack of early help. We have seen a big reduction in some places in access to early help, and reductions in access to more universal services. Those services come not just from children's social care but the capacity of police, the voluntary sector and the NHS and GPs—you were hearing about health visitors—to actually pick up early signs. I think the Committee has heard the idea that there is an escalation through the system if there is not that early support. That is a point that has been made many times by a number of people providing evidence. We have certainly said that.

What I would just add is about the experience of social workers and what we hear. I guess that is, in particular, what we can bring. We know from the work we have done and studies we have done—you have seen the research we have done—that 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.

I would also point out that access to adult social care can affect parents who are also suffering, people with learning disabilities, people with mental health problems and people experiencing domestic violence. 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.

Cllr Perry: I would not disagree with anything that has been said. Particularly, Stuart made the point that, as a society as a whole, we are setting higher standards. What perhaps in the past might have been thought acceptable is not. What has not come out yet and really has been important is the significance of publicity and press attention. This will produce spikes in the number of cases that are referred to councils. Once you get those spikes, although it is a spike and it will go down, it never quite goes back to the level it was at before. The number of high-profile cases has alerted general members of the public, as well as people involved in the profession certainly having to react to that demand. That demand is simply putting a huge financial pressure on local authorities. Local authorities are finding huge pressures coming at them from every angle.

Q118 **Chair:** I have one very specific point that probably affects some



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authorities in particular. It is about children who have themselves, or are in families with, no recourse to public funds. Often in those families the children are there for some time, due to Home Office delays. Should the Government then specifically be giving extra money to those authorities in that situation?

Stuart Gallimore: Yes, absolutely. As an association, we have long argued in terms of the impact those delays have, in terms of local authorities. They fall disproportionately on some, but there will be experiences of it in very many local authorities. On a very similar point, we have argued long with the Home Office in terms of local authorities wanting to step up and play their role, in terms of responding to unaccompanied asylum-seeking children and in terms of the child migrant programme. We only receive 50% of what it costs us from the Home Office in terms of meeting those costs. Some 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.

Chair: Is there any disagreement with that point? No. We will move on.

Q119 **Mr Dhesi:** The Local Government Association has forecast that there is an increasing need for children's services, resulting in a significant funding gap. Is there any reason that more cannot be done to reduce the number of looked-after children and the demands on the service?

Stuart Gallimore: We just need to be really careful when we start talking about reducing numbers of looked-after children. The really important question is whether local authorities are looking after the right children and whether they are looking after the right number. I have rarely, if ever, read an Ofsted report that has spoken about a local authority bringing too many children in. I have read Ofsted reports that have spoken about there being children that should have been looked after that who were not and were being left at unacceptable levels of risk. It is really important we focus in terms of having the right children.

Once we are satisfied we have the right children, it takes us into some of the debates you were hearing earlier about how those places are commissioned, what the costs are, where the profit motive lies and so on and so forth. Fundamentally, directors of children's services need to put their hand on their heart and be able to say that they are looking after the right children, that there are not children stuck in the system who should not be there, and that there are not children who are not being looked after who should be.

What we know is that the outcomes for looked-after children who spend a lengthy time in care are better than children who might be deemed children in need from similar communities. We have staff within local authorities who do a remarkable job working with children in the looked-after system, who go on to achieve things that stagger people when they hear and understand their backgrounds.



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Allan Madeley: I agree that it is about having the right children in care. From a resource perspective, it is also important for local authorities to look at their placement mix. There are varying costs of different types of provision with local authorities. The Merseyside authorities I have been supporting recently have seen quite a significant growth in the use of independent residential care. In just over two years, they 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.

The question is why: why have they placed another 101 children in residential? The principal reason, I would argue, is because we have seen stagnation within the foster care market. We have seen local authority fostering services just about break even when it comes to retention of carers and growth. In the independent sector across the north-west, we have evidence collated to suggest there are 239 fewer independent fostering households in the north-west since 2016. 239 fewer IFA households could hold, say, 400 children in there.

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. It costs a lot more, and we know as well that the outcomes for those children generally are not going to be as good as if they had a longer period in a family-based placement. Fundamentally, that has to be tackled if we are going to sort out that resource imbalance.

Ruth Allen: We should be concerned that we have so many children coming into the care system, but not to take away from the absolute point that we need to know if we have the right children having the right care and the right outcomes. The inquiries that you are doing and that have been done by a number of other bodies are absolutely right. Potentially, behind that story is not only the needs of that child and the wellbeing of the child, but also a family and adults within a family who have been separated from a child.

That might be very right and very necessary, and there might be co-operation and partnership with those families, but in many cases there is not. We need to be thinking about, as a system as a whole, whether we are confident that we can protect the rights, support the wellbeing and draw on the strengths of families to enable families to stay together, family reunification and for parenting to improve.

At the moment, there is quite a lot of evidence from a number of reports that we are not confident about that. We are not confident that we are



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able to provide support in the way we should. We are not confident that families are not being put into additional positions of poverty through some of our welfare reforms. We are not confident both adults and children can access the mental health support they need, or the domestic violence interventions they might need.

Clearly, many children are very well looked after in the care system and achieve fantastic things. Many local authorities are doing a great deal to be incredibly child centred and to keep the outcomes for children at the fore. We have to 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.

Cllr Perry: 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 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.

My own authority makes a mixture of provision. About half of the children will go into local-authority-provided foster carers. The local authority will identify the foster-caring family. For some, we will make provision in independent residential homes, some in our own residential homes and some with private organisations that provide the foster carers. It is a question of finding the right fit for the right child. Local authorities have a degree of discretion in how they do that.

Q120 Mr Dhesi: Councillor Perry, in terms of the Institute for Government, and the National Audit Office report, *Pressures on children's social care*, they have stated that councils have consistently overspent their budgets on children's care in recent years. The problem is actually becoming progressively worse each year. Do you think that councils, including yours, are just being overly optimistic at the start of each year, or do you think the costs are increasing at a rate that they are not able to predict?

Cllr Perry: It is probably a mix of both, is it not? Undoubtedly, any council can be blown off course because they suddenly find themselves with particularly expensive placements. You can come across some really quite fantastic figures. I was talking of one earlier on that was £50,000 a week. I was amazed when my director told me a cost for one poor young lady was £8,000 per week, and I scratched my head to think, "How can we get at that figure?" You can even arrive at figures that are much higher than that. Sometimes, there can be those unforeseeable and unforeseen situations.

Undoubtedly, the pressure is getting worse; it is getting harder; it is not going away. I guess it is guys like me who put pressure on the directors of children's services and say, "We have to have a budget. Do your best". Clearly, what they all want to do is to contain as far as possible, but one



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cannot deny the figures we see. Local authorities are having to spend more on children's services. A couple of years ago, one would have said the pressure was very much on adult services, but I am quite clear now that the pressure is increasingly on children's services, where the figures are going up and local authorities all over the country are struggling to meet that situation.

Q121 Mr Dhesi: Mr Gallimore, do you think councils are being overly optimistic?

Stuart Gallimore: All directors accept a responsibility to try to live within the means and the budget that has been agreed with the council. We are an outstanding authority. We are projected to be £3 million overspent by the end of the year. That has been driven by a relatively small increase in our looked-after numbers, but in terms of high-cost placements. That is despite the fact that we have a 50/50 mix in terms of residential care. We have just over 40 young people in residential care. Half of them we look after; half are in the independent sector. 82% of our fostering placements are in house. By Ofsted's standard, we are well run, but we are seeing the impact of the things I identified earlier.

We are also seeing the cumulative impact of some of those unfunded or underfunded new burdens that Government have given us over time. Around special educational needs, rightly, there were aspirations around increasing our involvement from 19 to 25. None of that was funded. That is one of the highest growth areas for the increase in early help in education, health and care plans. That is a key driver.

We have seen a requirement placed upon us around personal advisers for care leavers. 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, but the regulations are very clear about what we should be doing and what we should be trying to do.

Again, there is that aggregation, in terms of greater need in our communities, in terms of those unfunded burdens and in terms of responding to complexity. It does not take very much to suddenly see a significant increase in cost in any local authority.

Q122 Mr Dhesi: Mr Madeley, in addition to that, what are your thoughts with regards to local authorities? If they are cutting back on this, what is the money being spent on? If more is being spent on children's services, what are they cutting back on?

Allan Madeley: We have talked and panels before have talked a lot about the disinvestment in early help and non-statutory services. Clearly,



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what we are seeing is a small minority of children in care costing the vast majority of expenditure on the placement side.

What I would say with regards to budgets is that increasingly there is almost a sense of survival year on year, with regards to trying desperately to get a budget that works and manage expenditure levels. Inevitably, that puts challenges with regards to ambition and aspiration for the young people we look after. On the placement side, things are a long-term fix. Not now but in the past I have certainly seen some more ambitious hope around things like recruitment of foster carers. We know recruitment is risky and costly, and it takes a long lead time to get good carers ready and available for your service. To try to balance the budget from a standing start with recruitment growth there is difficult.

The other thing that you see a lot of authorities desperately trying to do now is around step down and transition from children in residential care back into a family-based placement, or a return back home. Again, that is notoriously difficult. The efficacy is challenging on the provider side, I would say. I have certainly experienced what are probably perceived to be unnecessary delays in supporting a young person transitioning from residential care back into a family-based placement. You have to then question the motives of a provider on that basis.

Q123 **Mr Dhesi:** Ms Allen, what do you think?

Ruth Allen: we have seen local authorities disinvesting in all sorts of things that support communities, whether you are talking about libraries, environment or parks. All those kind of place things create better or worse living conditions for people, provide access points for families and for children, and provide resources that may disappear. Wherever we are living in the country, we know disinvestment has been greatest in local authorities with the highest levels of deprivation because of the funding formula changes.

I do not think you can see this without seeing it in the context of living circumstances, housing, quality of housing and rises in the number of children in bed and breakfast accommodation, for instance. All of those things can add to family stress, can reduce quality of life and can have some relationship to who comes through, who may get referred or who may need family support. There is no simple direct causation, but austerity has affected individual families and a wide range of municipal services that support people's quality of life, and universal services where people will be noticed and have access to social capital, if you like. It is important not to lose that, even though it is sometimes hard to quantify.

One thing I would say about costs and spend is of course it can be very expensive to run a service—whether it is a children's social care service, adult social care service or any service—without some of those key bits of the jigsaw in place to create stability and to deliver and meet requirements. I think it was said in the previous session. If you are not able to recruit and retain staff, if you have a high turnover, if you are not



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investing in your staff, if you are having a lot of perhaps newly qualified staff coming through, that in itself will cause different kinds of costs into the system. It could lead to an inspection failure. Then you are into turnaround and all the costs that might be required to go on a journey of recovery.

When we are looking at why local authority children's services are overspending, obviously there are multiple factors. How local authorities are managing the workforce and creating cultures and processes and the systems that actually work is also part of that picture.

Q124 Mr Dhesi: Lastly, Councillor Perry, as the LGA deputy chair, and indeed as the leader of Hampshire Council, what are you cutting back on in order to spend more on children's services?

Cllr Perry: All councils are having to be more efficient in the way they spend money. Sometimes it is finding more effective ways of maintaining and sustaining services. There has been a lot of back office reorganisation and huge sums of money have been taken up delivering a more efficient service. You do not always have to go for cuts in frontline services.

I quote the example of Hampshire with running museums, art galleries and cultural centres. We handed them over, lock, stock and barrel, to an independent cultural trust. That has cut some costs out of the provision. It has enabled them to get some private sector and grant contributions they would not otherwise have got, so there is certainly a lot of imagination.

However, I will not make any pretence that we have not had to address services. It will be no surprise to you that I reckon over the last year I have probably had two emails complaining about provision of children's services, and I probably have about 20 a week complaining about potholes and roads and highways maintenance. Certainly, if my colleague was here who is having to deal with that, they would say that is where we know we are not spending as much as we would very much like to spend, as councils are reduced to their core statutory services. Again, I will make no pretence that I think 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.

Q125 Mary Robinson: Mr Madeley, councils have to do their best for the child. They also have to the best within their budget. I am interested to hear that around 50% of your budget, in terms of children in need and care, was on the fostering side of it, so it is pretty evenly spread, and yet you are talking about fostering being in a state of stagnation and not being the first choice perhaps. Should it be more prevalent? Should we have more foster placements? What are the implications if we moved towards that?



Allan Madeley: First, when I talk about stagnation, I mean stagnation in terms of the carer numbers, the actual volume, the availability within the marketplace, whether that is in-house local authority foster carers or independent foster agency carers. In short, the answer is yes. Certainly, with the authorities I have worked with across the country, I cannot see a balanced solution unless there is growth within the fostering sector.

There are a few things at play there. One is that there is this fiercely competitive market between the range of independent providers and local authorities. Clearly, there is and has been for some time a mistrust or slight adversarial tone between local authority internal fostering services and the independent sector. I understand that. Certainly with the authorities I am supporting now, there is a value in there being a truce, that there is actually an environment created that says, "We value the incredible, truly amazing people who become foster carers, who give up their lives, who give up their homes, who invite some of our most vulnerable children into their houses". We want to retain as many of those as possible.

Also, we want to appeal to great, phenomenal individuals who would become carers in the future. Without any hesitation, we really need to create a joint, shared, national environment that supports the growth of carers and certainly the Fostering Network as well. The state-of-the-nation report they have done recently lamented some of the challenges on the foster care side there as well, so definitely.

Q126 **Mary Robinson:** Why is it not happening? Is it about funding? Is it about the time spent in getting a person or a family ready to foster?

Allan Madeley: Certainly the lead time is challenging. The assessment process can be challenging. 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. There are definitely things to do. It is a journey, is it not?

It is an individual who needs to trust somebody, who wants to become a carer and who wants to open their doors to a vulnerable young person. They need to be able to trust entirely the individual, the organisation, the service point or the contact point that is going to get them through that journey from first contact, clicking a Facebook ad or whatever it may be, right through to the point they are at a panel for approval.

One thing to note with the independent sector is we have evidence in the north-west of the impact on the carer population size by virtue of growth by acquisition. The largest fostering agencies in the country now, the national agencies, are all private equity owned and they have grown systematically through acquiring smaller providers. We have a number of case examples now where large provider A has bought small provider B. When you look at them in a year's time, there are fewer carers together.



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If I am large provider A and I have bought a service with 50 foster carers and I lose 10, the reality of me being able to organically, from a standing start, recruit 40 carers in the time it has taken me to acquire that company, is not achievable. I have lost 10. I do not want to lose 10 carers, but, ultimately, from a commercial perspective, that is fine. That is not fine for me as a local authority. That is not fine for the children we serve, because that is 10 fewer carers in the market. That is 20 children who could have been placed. Of course, as the IFA that is growing through the acquisition of smaller providers, if the market shrinks, your proportion of share of the market increases. That then leads to conversations around difficult price negotiations and around leveraging of "We have the carers and we will dictate which authorities we may work with".

Chair: I am going to have to interrupt, because we are starting to get a bit short of time now. Just to say to everyone now, I hope to finish around about quarter past, or 20 past at the latest, so if colleagues could focus their questions, and the answers, to make sure we get through the very important things we need to discuss in that time.

Q127 **Lucy Allan:** We have heard about the need for more central Government funding for children's services. I would like to ask Ruth and Stuart, if it does happen that we get more Government funding, how that should be distributed. Should it be ring-fenced for the very powerful case you made about universal services and family support, rather than allowing it to all be taken up in increased statutory interventions and more referrals? What would you say to that, Ruth?

Ruth Allen: You might have answered your own question there, to some extent. The case has been made very powerfully by directors of children's services, and the LGA and many others, that actually there is a need for more funding into the system. It needs to be tackling some of the systemic issues that we still have with quality. We have very good examples of local authorities that work to provide that sort of network of interlinked supports, right through from universal services, to early help, to the partnership with the voluntary sector, to ensuring that partnerships with other statutory partners are effective as well. It needs to be invested into models that are long-term oriented, that are orientated towards stability in provision and stability in workforce. Having a clear workforce element in there is absolutely crucial.

Q128 **Lucy Allan:** You would be in favour of ring-fencing additional funding, or do you think councils should make those decisions for themselves?

Ruth Allen: This is just an opinion, really. My opinion would be that local authorities need to be able to tailor to their local populations, but within a framework is probably the right way to see that. Precise ring-fenced funding on specific services would be too restrictive.

Q129 **Lucy Allan:** Stuart, you have had some concerns about small pots of money being used rather than a longer-term approach—a sort of



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piecemeal approach. If we get extra funding for children's services from central Government, how should it be spent? Should it be ring-fenced?

Stuart Gallimore: Local authorities are in the best place to understand their local context. I am old enough in this game to remember the Quality Protects programme. To this day, I think that remains a really good model, 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.

Q130 **Lucy Allan:** Could you possibly comment just briefly on Troubled Families and the innovation fund and your view on how effective that is?

Stuart Gallimore: There is real concern in the sector that the Troubled Families programme will not continue in some way, shape or form. It is currently scheduled to wrap up this time next year. Increasingly, large numbers of local authorities are reliant on that, as its targeted early help approach to prevent the very things you are discussing. They are possibly over-reliant on it but reliant nevertheless, so its continuation in some form is important.

In terms of the innovation fund, I have to declare an interest as an authority that has not enjoyed any of that money. It has worked where it has worked. We know that 11 local authorities have had over half of those funds and have done some amazing things with it. At the moment, that is not in a place where it has helped 54 local authorities that have not enjoyed that money. Short-termism and pots of money that are bid for just takes us down a blind alley.

Q131 **Lucy Allan:** I just have a quick one about working together to safeguard children. We heard evidence at a previous Committee from Professor Lauren Devine about having a review of that statutory guidance and saying that would make the system leaner, more efficient and fit for purpose. Do you agree and do you think that guidance could be changed to streamline?

Stuart Gallimore: I watched that evidence that was given to this Committee. It was not something I recognised, in terms of certainly my local authority and talking to many other directors. It would be a distraction at this stage and I certainly do not think it will take us into a world of helping more families and saving money.

Q132 **Lucy Allan:** Roy, what is your view on that last point?

Clr Perry: As you were asking the question I was thinking, "New Homes Bonus, Better Care Fund, Troubled Families, Partners in Practice: who the hell understands all this?" Certainly, the general public do not have a clue. There is this bidding for money and short-term pots of money. 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.



Q133 Matt Western: Can you just describe what the barriers are to implementing more integrated multidisciplinary approaches to the delivery of care? You were alluding to a few just a moment ago, but do you have any thoughts on that?

Ruth Allen: I will pick up on particular areas that are my areas. That would be around mental health types of services as an example, really. In terms of health and social care working well together, there are many barriers. Unfortunately, with the cuts in health services as well as in local authorities, we have actually seen some retrenchment back into agencies' core business. We have certainly seen that between health and social care in both adult and child mental health. That undermines some well-established integrated ways of working in the past and has, for instance, withdrawn children's social care workers from many child and adolescent mental health services.

You are lacking some of the infrastructure of integration. It has been very much affected by the separation of commissioning where you do not have joint commissioning, and where you have providers that have retrenched back to their core business. That is just part of the picture. System integration is affected, as I said, both by the financial pressures and the instability in working relationships, if you have a lot of churn in local authorities and in the local NHS, and if you have voluntary sector organisations coming and going. Some change is always necessary and inevitable, and often beneficial. If you have a lot of it, you do not have those long-standing relationships with experienced staff, able to work across the system. I think that is having an effect as well.

Stuart Gallimore: I would certainly agree with Ruth's analysis about the churn that is in the system and what feels like regular reorganisation with health colleagues, in terms of being able to establish those relationships. We have seen success where health monies were routed through public health that was located in the local authority. We have certainly seen the advantages of that around health visiting and school nursing, about being able to integrate those services with our early help services around children's centres and so on. We have seen the benefits that brings.

It really concerns me that there appears a potential land grab from some of my health colleagues around public health. Public health within the local authority makes sense and has made a real difference. It would be a retrograde step to see public health returning solely into the world of health.

The other issue that makes things hard is if health tends to be very acute adult centric. I see that particularly around mental health, in terms of getting the voice of children heard in terms of that fair share of resource, and in terms of adolescent mental health as well. Just the sheer numbers of our older population and the impact on our hospitals is always going to mean there is a priority around that area of work. That means doing some of the work we need to do around children and young people, and supporting their families, can be difficult.



Q134 Helen Hayes: Some of the evidence we have received suggests that the current system of local authorities commissioning and buying care for children from the private sector is not always working well. What are your views on this and how could it be improved?

Allan Madeley: I do not think commissioning practice is broken. That is the first statement, but it is in need of modernisation. Generally, local authorities, it is fair to say, are largely still commissioning services, care placement services in particular, in practically the same identical fashion as they were a decade ago. The market, however, is undeniably different. The landscape is so different now to what it was before. I was recalling the other day that one of the early things I did working with Birmingham City Council was to produce a way for social workers to look through the myriad options we had for placement searches that went out.

Matching today is done on the provider side, not on the local authority side. As soon as you secure an option, you are happy, because very rarely these days are you able to find multiple choice options for child or young person. That is incredibly problematic. There has been a lot of discussion and some of the evidence given already, both written and oral, has had discussion points around national DPS for placement services. I am unconvinced by that, personally. If you look at the regional frameworks that exist, generally speaking they are identical right now. They are very similar. I have worked on the provider side. As a provider, your submission to a tender for one region is largely identical to one in another. If that is the same, we are kind of doing that work already.

What interests me right now is that partnerships and relationships with providers have to be done on a local footprint. They have to be done in your area. Professor Jones talked about popping in for a cup of tea with a provider in the first session. I have a provider right now whose placement team is centralised nationally. It is 150 miles away from the authorities I am working with. That is a long road trip for a cup of tea. 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. There has been an abdication of that responsibility. Commissioning has become procurement: "Get a framework in place, job done", and it cannot be that. It has to be more.

Stuart Gallimore: I certainly recognise some of what Allan has said. In my own authority, we have such a framework agreement, which has led to knowing a handful of providers really well. My head of looked-after children's services is in regular conversation with them. She knows what they will and will not provide when we are looking to match, and that works well. However, the problem is, and you heard it on the earlier talk, on those occasions when you cannot find a match and you have to go off that framework agreement. You are then finding yourself very much in the world that Allan described, trying to best meet the needs of that young person with a bunch of providers you might not know very well. You might not know the quality as well as you would for those that are on



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your framework. That brings difficulties, in terms of getting really great outcomes for the children you are placing there.

Ruth Allen: We are very concerned by the scale of private provision in children's services. Allan gave the example about acquisitions and the growth of much larger providers that do not have any local footprint, so they are not controllable, and it is hard to build even basic relationships and be sure about quality assurance at the local municipality level because of their level of centralisation.

Some would say that is the natural flow of things. When things become profitable, they get acquired and organisations grow, and they become more distant. They become less human scale. They become less knowable and less responsive. They feed into the difficulties we have, where children are placed way out of area, just like adults. You cannot necessarily have every provision for every eventuality in every locality, but to have a system that is almost driving physical distance, geographic distance and quality distance is something we should be very concerned about.

Clir Perry: In a local government provision situation, there is a case for a mixed economy. Some of it is going to be provided by the local authority. There is definitely a role for local authority provision. Equally, there is a role for independent specialist providers and doing your best not to lose flexibility in the system. That is key if you have to take a difficult decision with a child at one time. You have to be able to sort that child out almost there and then, so we would support flexibility and a mixed economy.

Q135 **Helen Hayes:** In the context of the difficulties you have described, why are local authorities tending to rely more on the private sector, rather than being able to provide services in house? I suppose that is the first part of my question. Mr Madeley, you talked about local authorities having a role to shape the economy of care locally. Do they really have any capacity or leverage to do that in the current funding environment?

Allan Madeley: I would like to think they can. It is a different approach to commissioning that perhaps has not been undertaken in recent years. One thing we are looking at across the Liverpool city region is how we incubate and grow a new, localised micro market of providers, particularly ethical-based providers. We are talking about community interest companies, social enterprises, trusts, mutuals and charitable incorporated organisations.

Within each and every independent private provider, whether it is the most commercial provider in the market or still a local limited company, there are really good people delivering services. There are care workers; there are residential workers working on pennies to deliver the most acute and direct care to the most vulnerable children and young people.



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Within Merseyside, we are trying to see whether we can attract and appeal to those individuals who may face entire barriers to entry into the market right now. Running a children's home is an expensive undertaking. Setting up a fostering business is an expensive undertaking. Can we create a new market? Why do we have to assume the market that exists is the only one that is ever possible? That is a radical approach on the commissioning side, but it is doable.

Quickly, to your first point on why local authorities still use private providers, 75% of the residential care market, full stop, is independent and a third of the fostering market is with independent fostering agencies. As an authority that has a responsibility to secure placements for children and young people on a quick turnaround, and often a panicked turnaround, you have no choice.

Ruth Allen: It is interesting. Some local authorities, for voluntary sector support, are moving back to a grant-giving arrangement on longer timescales, to try to get some stability back into their local preventive infrastructure. That will not work for some of the kinds of provision we are talking about, but it is interesting to think about what that might do, in terms of providing a foundation for really solid, long-term partnerships with not-for-profit providers.

Stuart Gallimore: As an association, we have not got too caught up in who is providing, but we think there is something to be explored about the profit margin and the profit motive. The Children's Commissioner was talking about the non-profit-making clause that we see in some other aspects of children's social care. There is something to be explored more fully in that arena, in the way we have seen in adoption, with adoption agencies not making that sort of profit.

Cllr Perry: I have nothing really to add. 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 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.

Allan Madeley: Can I emphasise the point made earlier with regard to Ofsted's role in regulation and market shaping? CQC has a function to do that. We have seen significant provider failure on the commercial side in the adult care sector. I would entirely endorse a greater level of accountability, visibility and regulation into the commercial aspects of providers in the children's sector.

Q136 **Helen Hayes:** We have touched on the issue of foster carers, and in particular some problems with the independent foster agency market. Briefly, what can be done and what does best practice look like, in terms of the recruitment of foster carers?



Stuart Gallimore: Best practice actually involves foster carers in that recruitment. The best advocates for your local authority fostering service will be your foster carers, in terms of how you use them both to promote the service and to be champions of the service, by talking about their lived experience of caring in that local authority. We know appropriate financial remuneration is part of that.

Foster carers constantly tell me, when I meet with them, that it is about the levels of support they receive, knowing they can turn to their social worker or other foster carers they are networked with, and being valued. That includes events to say thank you to them and their birth children, but also means involving them as trusted adults in the life of the child, in the decision-making, in their ongoing involvement with the child and in agreeing certain plans, around school or otherwise, in partnership with the birth parents. They are not just given a child and told to get on with it. They are involved at an early stage in preparing for the child, and then they have an ongoing relationship, during the placement and sometimes afterwards, with the child, who has become a really important part of their family.

Allan Madeley: Potentially looking to separate the recruitment-of-carer function in local authorities from the delivery, care and support of foster carers is something to be explored. We have experience within the north-west. There is a partnership within Cheshire of four local authorities that have looked at completely separating that front-end recruitment side, consolidating that together through a single hub. There are clearly economies of scale on the marketing side with regards to that. If you have that singular vision—"We want great carers and we want to work together on that"—it can be achieved.

Clr Perry: I would not dismiss the role of the person who has been in care. They often have a lot of insight that is really well worth listening to. As an anecdote, I remember going to a little conference with kids who were leaving care, and one girl regaled us with the story of how her foster carers were given a weekend away. They needed respite care; I can well believe that any parent needs a weekend off. That child used a phrase that has stayed with me; she said, "I felt like I was being put in kennels over the weekend", as she was sent to another carer. I thought, "You have to listen to these children and hear what experiences they have". They too have a voice and should have a voice.

Q137 **Chair:** I have one very brief point; I want literally a one-word or two-word answer. You said you needed increased regulation. Is that because you believe that some providers are charging a lot of money for a service that does not really deliver for the young people who are receiving it?

Allan Madeley: The short answer is yes.

Chair: I am seeing one or two other nods.



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Allan Madeley: This is an inquiry about funding for children's services, and we have talked about taxation contributions towards funding of children's services. Perhaps this is an important time to consider and investigate this, and be entirely confident that the independent sector, in delivering services that are entirely reliant on the public purse, is paying a fair share of tax that stacks up with what is delivered.

Q138 **Teresa Pearce:** In an earlier evidence session that we had, it was reported to us that a risk-averse, defensive culture results in problems such as cases being unnecessarily escalated because people did not want the responsibility and they moved them up. First, do you recognise that can happen, and, if so, how can the culture be changed? Along with that question, particularly to Ruth, social workers report to us that they are spending the majority of their time on paperwork, rather than with children. Do you get that reported to you?

Ruth Allen: I would say yes on both of those, based on what members tell us and what came out in the study that we have been doing. The ongoing work that we have been doing with Bath Spa University on working conditions feeds into that, because if people are unable to have the time that they need to spend making the decisions and building the right kinds of professional working relationships, it drives a risk-averse approach.

Q139 **Teresa Pearce:** You mentioned before that there is no thinking time.

Ruth Allen: Yes. Social workers and other staff lack thinking time, reflection time in supervision and time for their own individual CPD—continuous professional development. It is all about those elements needing to be in place, not just to ensure that you have safe practice—there has been a lot of emphasis on safe practice over recent decades—but increasingly it is about practice for outcomes, a good experience for the child and, ideally, a good experience for the family, with good support. That is a relational piece of work, and there is lots of evidence within social work that if you want to bring about change, particularly where you have a lot of complexity, a lot of trust to be gained and perhaps a long journey to go on with families and with children, you need to have a strong, effective working relationship. You need resilient, emotionally well-supported, well-trained and reflective practitioners. You cannot undercut the importance of all of that.

You need those things to be in place. The risk-averse culture is partly promoted by not having those things in place. Social workers become worried and anxious. They fall back into looking for people to tell them what to do, rather than being able to take decisions themselves. That is also the case if they are working in a managerialist, process-driven culture.

We know that there is lot more dialogue and discourse across the sector about how we need to move away from that, towards something strengths based and relationship based, enabling social workers to take



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decisions and ensuring that they are trained to do that. Systems are very variable across 152 local authorities. To some extent, the inspection regime throws that up and we see it through that, but we hear about it from social workers as well.

What was your second question?

Q140 Teresa Pearce: Do you think that cases are being unnecessarily escalated? Do you think that what social workers say about paperwork rather than time with children is reflective?

Ruth Allen: We do some systematic surveys as well as the research that we have done. In one of our surveys, we found that the 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.

Q141 Teresa Pearce: I have a question about your role as the union of social workers. You have a lot of social workers feeding into you. Do you get much feedback about why they leave? Is that one of the reasons for people leaving the profession?

Ruth Allen: Yes. I am speaking for the British Association of Social Workers, which is a professional association, but I am also here because our partner trade union, the Social Workers Union, also gave evidence, so I am slightly talking with both hats on, although I work for BASW. Yes, people leave because they do not have time to do the job that they felt they came in to do. They do not necessarily feel that they can develop their career. People go into social work in order to work with people, make a difference, make a change and improve people's lives. You need the right context to do that, particularly if you are working in complex child protection. The workload, working long hours, lack of supervision and support, lack of access to professional development and not being able to spend time on the professional practice of making a difference in children's and families' lives are all things that come through.

There are places where those things are not in place and there are places where those things are in place. It is really important that we understand the working conditions that give rise to great practice and to people wanting to stay in the profession.

Q142 Teresa Pearce: Does anybody disagree or have something else to add?

Stuart Gallimore: Where social workers and their managers feel confident and well supported, you are much less likely to get the risk-averse practice that you are alluding to. When people feel confident and they know they are going to be supported, you see great social work, imaginative approaches flourish and people do a really good job. Invariably those are the authorities that people want to go and work for, because they feel the conditions for them being a success in their career and getting those great outcomes for those children exist in those



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locations. That continued remorseless focus on creating that climate is where all directors need to and do put their time, effort and energy. We are only any good if we are allowing social workers to flourish and thrive in producing great outcomes for children.

Cllr Perry: 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.

Q143 **Mary Robinson:** Ruth, you have been talking about retention being really important for social workers, and they are leaving because of long hours, professional development, et cetera. How many of the people who leave go to agencies?

Ruth Allen: I could not put a figure on it. We know that many social workers work for agencies. Individual local authorities have figures on that. In some places it is as high as 30%; in other places, it is negligible. There is a great range.

Many social workers now will work for long periods as agency social workers. They will not have a permanent contract for many years. It is interesting as to why, perhaps, they do that. They may feel it gives them a bit more freedom to move on. It may be that they get paid a little more that way. There have been changes to the enforcement of tax regulation, which has meant that some people have moved into permanent roles, but that in itself will not be the thing that makes the difference. What will make the difference is when local authorities are providing the kinds of conditions that Stuart and I have been describing as so important.

Agencies, of course, promote agency working. That is quite a booming business in social work. There is a place for that flexibility, but some local authorities, often associated with poor inspection outcomes, seem to have a lot of instability and very high levels of agency working.

Cllr Perry: 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.

Q144 **Mary Robinson:** Are agency workers paid more as well? Is there a difference in salary?

Ruth Allen: They can be. As I said, changes to the enforcement of tax arrangements has meant that the excessive payments have been



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curtailed to some extent, because all sorts of additional expenses and stuff were being claimed and not being taxed properly. But they can be paid more.

Stuart Gallimore: They can be, but, interestingly, they 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. 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 in the situations that Ruth described, where authorities are desperate for social workers, the cost that they can be charged can be quite eye-watering. Authorities are banding together and saying, "This is the cap that any authority in this region will pay", to try to take back some control in terms of protecting the public purse while providing the workers that are needed.

Q145 **Bob Blackman:** This follows on from the questions that Mary has just been asking. Some local authorities experience very high levels of turnover and use agency staff to backfill. Why is this and what can be done to stop it? Could you answer first, Stuart?

Stuart Gallimore: My own authority has worked hard to be in the very fortunate position where we do not have agency workers. In the course of the last three years, we have had two agency social workers for a three-month period. That is a very fortunate position to be in. We have set our stall out, as many authorities do, to try to be the authority of choice for people wanting to do social work. That is about trying to create an environment where people feel confident, protected and safe, and are encouraged to do great work. Unfortunately, when authorities find themselves in difficulty, that will usually sit alongside the increased sense of risk that they are sitting on, not feeling confident. Social workers will then tend to move to authorities where those ingredients are there, and that puts increased stress and pressure on those who remain. As a result, you see the sorts of numbers that Ruth is talking about, where 40% of the workforce are agency workers.

It is then about that authority's journey back, if you like. We have seen some real success stories of local authorities that have had high levels of agency rate and have set about putting the ingredients of success in place. People have got enthusiastic about wanting to be part of that and wanting to be part of an authority that is on the rise, and over time you see them in a place where their agency numbers fall again.

You are in a really tricky situation if you are seeing your social workers leave and the caseloads of those that remain going through the roof. You have to do something, and at the moment that something immediately is agency staff, but in the longer term it is about a whole range of responses; it is about growing your own staff and moving staff through from non-qualified working to qualified working, through the front line and through arrangements that you have set up with your local university. We are part of a triad of local authorities—



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Q146 **Bob Blackman:** In your experience, has it been a requirement to reduce caseloads, for example, to spread the load across a range of people, or to recruit more people? What has got your authority into a position whereby you have not needed the agency staff?

Stuart Gallimore: My staff told Ofsted in our inspection last September that social work was really tough, but in East Sussex they felt supported; they had access to managers; managers knew them; right the way through the management hierarchy there was respect and understanding for the task; and we had produced a model of social work—in East Sussex we called it connected practice—that ensured that people were appropriately trained, they were appropriately supported, they received individual and group supervision and there was a career path for them that meant, if they wanted to stay in social work, they could. For those who were joining the authority, as with probably all local authorities, there was really good induction and a protected first year of practice, so that they could find their feet post qualifying and not feel that they were being thrown in at the deep end.

Q147 **Bob Blackman:** In your experience, in terms of the number of people coming on board, presumably there are a lot of newly qualified social workers. How can they be assisted to get the experience and mentorship that is required to become fully qualified?

Stuart Gallimore: Now there are very clear requirements, in terms of that protected first year in practice, placed on the local authority. It is about the local authority doing what it says it is going to do: that caseload will grow gradually; it will be protected; they will have additional training opportunities in terms of growing into their role and growing into that trade.

As a sector, we are doing much better on that recruitment and bringing people off courses very early. My concern is that we need to be doing more about retaining great social workers in the profession. One of the downsides of protecting that person is that there is still more work coming in, which could mean that your experienced staff are having to take more work on than is reasonable. There is something about how we keep people in the profession and how we reward them for staying, so that their only route to improve their income levels is not going into management but is in terms of being really good, top-quality practitioners.

Q148 **Bob Blackman:** Do you have any comments?

Allan Madeley: I have nothing more to add to that.

Ruth Allen: I would support all of that. We need to focus on career structures, and support and development to stay in practice, as well as supporting the development of great managers and supervisors.

Cllr Perry: You want the overwhelming majority to be professional workers permanently employed, but there will always be a case for some



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agency workers. You find that in other professions—locum doctors, health service agency nurses, supply teachers. We need to keep it in proportion and allow that flexibility, but any good authority will do its best to keep many permanently employed.

Q149 **Bob Blackman:** What is the balance in your local authority for agency staff?

Cllr Perry: It is quite a small amount that would be supply. It is probably something like 20%. I can check that figure for you. Then 80% would be fully employed by the authority, but there are peaks and troughs in demand and so on.

Q150 **Chair:** Finally, the LGA has said that by 2025 there will be a £3 billion deficit of funding for children's services. Councillor Perry, presumably you agree with that forecast, as its representative. Does everyone else agree with it?

Stuart Gallimore: We ran a safeguarding pressure survey that reported in November. At that stage, local authorities were reporting an overspend in year of £850 million. When you look at that, with the growth in additional children's pressures, it seems to be a perfectly reasonable sum to be shooting at.

Chair: Thank you very much, all of you, for coming to give evidence to the Committee today.