



# HOUSE OF LORDS

## PUBLIC SERVICES COMMITTEE

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**To:**

Rt Hon Gavin Williamson CBE MP, Secretary of State for Education  
Rt Hon Robert Jenrick MP, Secretary of State for Housing, Communities and Local Government  
Rt Hon Sajid Javid MP, Secretary of State for Health and Social Care  
Rt Hon Steve Barclay MP, Chief Secretary to the Treasury

**Copied to:**

Rt Hon Michael Gove MP, Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office  
Rt Hon Priti Patel MP, Secretary of State for the Home Department  
Rt Hon Thérèse Coffey MP, Secretary of State for Work and Pensions

10 August 2021

Dear colleagues,

**The case for a trial joint bid from DfE, MHCLG and DHSC on vulnerable children for the 2021 Spending Review**

Summary

In February 2021 the House of Lords Public Services Committee, which I chair, launched an inquiry into '[The role of public services in addressing child vulnerability](#)', building on the conclusions of our first report into the public service response to the COVID-19 pandemic.

We have received extensive evidence from a diverse range of witnesses, including Ministers, Government officials, advisers to Government, local government and NHS leaders, the police, regulators, representative bodies, think tanks, academics, national and local charities and parents and children with lived experience of domestic violence, addiction, mental ill-health and criminal exploitation.

The Committee will publish its report, including our final conclusions and recommendations for Government, later in the year – and possibly after the conclusion of the current public Spending Review. However, a number of key themes have emerged from the evidence that we have heard so far. These include:



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- A lack of a joined-up national strategy on vulnerable children and their families is undermining the effectiveness of various departments' policies on child vulnerability, leading to duplication and diminished effect as different departments work towards their own policy ends rather than a shared goal.
- This lack of integration at the national level is inhibiting the ability of services and agencies to address the overlapping needs of vulnerable children.
- The decision by successive governments not to prioritise early intervention has led to poorer outcomes for many children, increased pressures on statutory services and higher costs due to late intervention and a loss of tax revenue. Since 2012, spending on early intervention support has decreased by 35%, while spending on statutory services has risen by 26%. The London School of Economics (LSE) estimated that the cost to the state of late intervention was £16.13 billion in 2018/19.
- Family Hubs are the best available model to deliver the integration of agencies around the needs of vulnerable children and to support early intervention services. Family Hubs should be expanded by using existing community infrastructure such as children's centres.

Rt Hon Steve Barclay MP, Chief Secretary to the Treasury, told us that joint bids with a focus on early intervention would be a priority in the forthcoming Spending Review. Cat Little, Director General of Public Spending, HM Treasury, committed to proactively working with departments to support a joint bid.

**Based on the clear and compelling evidence that we have heard so far, we recommend that the Department for Education (DfE), the Ministry for Housing, Communities and Local Government (MHCLG) and the Department of Health and Social Care (DHSC) work closely with the Treasury to put forward a trial joint bid for a multi-year funding allocation to address the underlying causes of child vulnerability. Time is tight before the forthcoming Spending Review, and it is imperative that departments act urgently to submit a bid. Their proposals should include a data-sharing arrangement as well as an outcomes and evaluation framework which are shared between the three departments.**

**A strategy for the national roll-out of the Government's Family Hub programme should be the prime focus of such a joint bid. While responsibility for Family Hubs currently sits with DfE, the success of the programme will be dependent on its ability to integrate health care and public health priorities – such as health visiting and maternity services – with social services and the Supporting Families programme. The expansion of Family Hubs will only be effective if it is co-delivered by the three departments responsible for these agencies – DfE, DHSC and MHCLG. A joint bid is the best available mechanism to facilitate integrated working and shared outcomes between the three departments.**

**The Department for Work and Pensions (DWP) and Home Office should be closely consulted on the content of the joint bid to ensure that it aligns with their work on child poverty and child criminal exploitation.**



## A lack of coordination of children's policy at the national and local levels

Many witnesses have told us that a lack of a joined-up national strategy on vulnerable children and families – with shared data, funding and outcomes frameworks – has undermined the effectiveness of individual programmes, local integration and the Government's ability to evaluate its policy decisions adequately. This has resulted in duplication, as different departments work towards their own policy ends rather than a shared goal.

We heard that children were falling between departmental programmes, and that their needs were often invisible due to the gaps between local agencies. These failures had a detrimental effect on the following groups' ability to access the support that they need from services:

- children who are vulnerable due to circumstances within the home, such as living in families with a parent in prison or where serious parental mental illness, addiction problems or domestic violence are present
- children with mental health issues, disabilities or special educational needs
- teenagers at risk of criminal exploitation or involvement in violent crime

Robert Arnott, then Director of Strategy at DfE, acknowledged at an evidence session that the Government did not have a “single strategy” to address the overlapping needs of these groups of children:

*“We have had a whole series of programmes of work [on] children who need social care or those with special educational needs, or children being drawn towards the criminal justice system. What we have not had is a unifying single strategy.”*

The Early Intervention Foundation warned that the lack of a shared departmental outcomes framework meant that the Government was unable to assess the effectiveness of multiple interventions aimed at the same groups of children and families:

*“Currently, DfE leads on schools and children's social care, and shares responsibility for early years and mental health with DHSC. MHCLG runs the Troubled Families programme [now the Supporting Families programme], while the Home Office [leads] on youth violence and domestic abuse, and DWP ... on reducing parental conflict. This fragmented policy landscape works against the application of evidence in forming policy and initiatives.”*

We heard how this lack of integration leads to poor data-sharing at the local level. For example, while witnesses welcomed the initial results of the Supporting Families programme, they warned that poor coordination with other agencies inhibited its effectiveness.

Dr Joy Shacklock, Safeguarding Clinical Champion at the Royal College of General Practitioners, told us: “On the Supporting Families programme, we often do not know in health that a family may be having that sort of intervention. We often do not know when social care is involved with a family.” She added: “GPs across the country tell me that they do not always know that a child protection process is going on for a family, never mind any of the lower [intervention] strategies.”

The Children's Commissioner's Office said that the Treasury cannot “evaluate wider economic and social benefits where one programme is funded within one service area but delivers benefits across a range of other services owned by other departments”. It underlined



how “at-home alcohol consumption” had “increased considerably during [the COVID-19] lockdown”. Therefore, the resourcing of support for adults with addiction issues will have “significant consequences on the demand for children’s services in the coming years”. Shared evaluation and funding frameworks for different programmes working with the same families would improve outcomes and ensure that taxpayers’ money was better spent.

We therefore agree with Rt Hon Dame Andrea Leadsom DBE MP, Chair of the Early Years Healthy Development Review, who told us that it was “essential” for DHSC to make a joint bid with other departments to improve support for vulnerable families.

*“The DfE might have information on school readiness, whereas the DWP might have information on poverty, and the Home Office might have information on domestic violence ... a shared spending review bid that ... provides evidence of why [integrating this information] will transform outcomes and costs to the Exchequer is a huge challenge on which we are really focused.”*

**Joint funding models should be the Government’s default approach to complex social issues such as child vulnerability which require a multi-agency response. Moreover, there is an urgent need for better data-sharing at the national level to aid policy development and evaluation, and at the local level to ensure that agencies have all the information that they need to provide support to vulnerable children in their area.**

**A trial joint bid for a multi-year child vulnerability strategy including a data-sharing arrangement and a shared outcomes and evaluation framework would enable DfE, DHSC and MHCLG to test and evaluate new approaches to overcoming barriers to integration.**

## The cost of late intervention

We heard that the lack of a joined-up approach to the evaluation of spending decisions had led successive Governments to fail to prioritise investment in early intervention. For many vulnerable children this meant poorer education, health and employment outcomes and an increased risk of contact with the criminal justice system. These outcomes have, in turn, put substantial financial pressures on statutory services. Crisis services cost the taxpayer more and reduce the funding available for preventative support.

Josh MacAlister told us that his Independent Review of Children’s Social Care had found a “shift from spending on non-statutory family ... services ... towards crisis intervention”. He said that early intervention funding for family ... services had “decreased by about 35% since 2012-13”, while “at the same time” there had been “increasing spend on statutory, high-need crisis intervention, about 26% over the same period”. This shift in funding priorities can lead to a “demand spiral”:

*“Once a local authority is in that ... spiral, it becomes increasingly difficult to get out of it, because the more that money is spent on crisis intervention, the harder it is for a local authority to put resources into the help that might mean families can stay together safely and that children can get the support they need in their family network.”*



The LSE has estimated that the economic cost to the state of failing to invest in the early years in 2018/19 was £16.13 billion. This estimate covered child injuries and mental health problems; children's social care; crime and antisocial behaviour; school absence and exclusions and youth economic activity. The figure included long-term costs relating to mental and physical health, social consequences (such as homelessness) and expenditure likely to be causally attributable to adverse childhood experiences.

**A trial joint bid should draw on existing research evidence and the interim findings of Josh MacAlister's Review to demonstrate how investment in early support provided by schools, the voluntary sector, NHS mental health and addiction services, the police and council-funded family help could reduce the economic cost of late intervention, decrease demand for statutory services and improve children's life chances.**

### The role of Family Hubs in facilitating integration and early intervention

Many witnesses told us that Family Hubs should be at the centre of any Government strategy to facilitate local integration between the police, schools, the NHS, local authorities and the voluntary sector. Witnesses also pointed to the effectiveness of Family Hubs in supporting early intervention. We agree.

The Family Hubs Network underlined how the introduction of Family Hubs in Essex had allowed agencies to agree for the first time on "county-wide targets", "data-sharing agreements" and an "integrated budget".

Natalie Perera, Chief Executive of the Education Policy Institute, argued that Family Hubs were an effective model for bringing together different agencies to facilitate early intervention. She pointed to research from Professor Kirabo Jackson of Northwestern University who found that extra funding provided in the US to Head Start – a multi-agency hub model that provided the basis for Sure Start in the UK – for children of 0 to 5 years, combined with "additional funding in the school-age phase, particularly targeted on disadvantaged areas, leads not only to improved educational outcomes but to higher graduation rates, higher labour market earnings and lower incarceration rates."

The Family Hub Network suggested that a key principle for the expansion of Family Hubs should be to integrate health care and public health (which are the responsibility of DHSC and MHCLG) with social services (the responsibility of DfE and MHCLG) and the Supporting Families programme (for which MHCLG is the lead department). Such an approach would require close partnership working between departments and agencies.

Dame Andrea Leadsom agreed. She said that "open-access" and "multidisciplinary" Family Hubs where "professionals and volunteers work together to support families" and "share data" should be "absolutely integral" to any joint bid between departments on child vulnerability.

We also heard that existing children's and Sure Start centres could provide the necessary infrastructure for a national roll-out of Family Hubs. Mark Davies, a Director at the Department of Health and Social Care, told us: "The Government would not be starting from



a completely blank canvas; there are already services in place ... a number of local authorities maintain the Sure Start model.”

**A trial joint bid should set out how DfE, DHSC and MHCLG will support the national roll-out of Family Hubs and describe how the roll-out should use existing community infrastructure such as children’s centres. It should explain how departments will use Family Hubs to integrate service delivery, data-sharing and early intervention. The joint bid should draw on research evidence from existing Family Hubs and similar integrated early intervention models such as Sure Start, and Head Start in the US, to demonstrate the wider economic benefits of multi-agency hubs.**

### The Spending Review: an opportunity to rethink family services

Despite the strong case for joint bids on child vulnerability, we detected some scepticism about such bids. Robert Arnott reported that it was unlikely that the DfE would submit a joint bid on early intervention to reduce child vulnerability because joint bids were “unlikely to receive funding from the Treasury”.

However Rt Hon Steve Barclay MP, Chief Secretary to the Treasury, disagreed. At an evidence session the Minister said that this was “not a correct interpretation ... at the forthcoming [Spending Review] – the shared outcomes fund” will prioritise “cross-departmental bids” and “early intervention”.

Cat Little, Director General of Public Spending at HM Treasury, offered a similar perspective: “We are very ... supportive of early intervention work ... it leads to better outcomes over time, and ... is certainly better value for money whenever we are successful ... it is one reason why we started the shared outcomes fund.” She explained that the Treasury would therefore welcome a joint bid on child vulnerability: “we ... proactively encourage, support and incentivise joint bids.”

She suggested that any reluctance to countenance joint bids came from individual departments rather than the Treasury: “Quite often, departments can think that it is hard work ... to get multiple Ministers and ... senior officials to agree what a joint bid should include.”

The Treasury would therefore:

*“Commission departments ... on a thematic basis, and we will set out where we expect joint bids to offer better value for money and where we will ask departments to ... work together. Quite often, we will ask why they have not provided a joint bid, because we need to understand the barriers and whether there are any issues that we need to unlock.”*

**The Treasury should work proactively with DfE, DHSC and MCHLG to identify and address any barriers to a trial joint bid on child vulnerability by these departments.**

**The forthcoming Spending Review is a unique opportunity to make a significant shift towards a much greater emphasis on funding for prevention rather than**



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**crisis response. The DfE, DHSC and MHCLG must put forward a convincing case for a joint approach to early intervention across education, the NHS, children's social care, police and the voluntary sector, with Family Hubs at its heart.**

Yours sincerely,

A handwritten signature in black ink that reads "Hilary Armstrong". The signature is fluid and cursive.

Rt Hon Baroness Armstrong of Hill Top  
Chair, House of Lords Public Services Committee