

Children’s social care inquiry: written submission (January 2024)

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1. The state of children’s social care in England

1.1 Early intervention

1.1.1 The children’s social care system in England frequently struggles to deliver the right support, at the right time, for children.

1.1.2 This is borne out by researchⁱ analysing children’s journeys into, through and out of social care. Many of those referred don’t initially receive help, only to be re-referred later – often with higher or more complex needs. Many of those who do have assessed needs, but don’t meet the criteria for statutory support, don’t receive an onward referral to early help.

1.1.3 A lack of capacity in early help services means that the system is often failing to effectively address children and families’ issues before the need for more acute interventions (such as child protection and care entry) arise.

1.1.4 Spending on early intervention services fell by 46% in England between 2010-11 and 2021-22 (while expenditure on ‘late’ interventions - including child protection, children in care, and youth justice - rose by 47%).ⁱⁱ

1.1.5 A system that’s so frequently unable to deliver timely, high-quality interventions cannot achieve good outcomes for children. Researchers have

explored this relationship – analysing the impact that ‘missed opportunities to help’ can have on children’s short and longer-term outcomes (such as health, wellbeing, and education).

1.1.6 In 2022, we commissioned an analysis of Children in Need Census data, cross-matched to GCSE results, to track the attainment of children with a social care referral. We found that children referred to social care at any point in their childhood are twice as likely to fail an English or maths GCSE than their peers.ⁱⁱⁱ

1.1.7 Furthermore, research published this year by the University of Kingston and National Children’s Bureau shows that attainment (as well as rates of disciplinary exclusion from school) become progressively worse for children receiving services at each threshold of intervention (Child in Need, Child Protection Plan, Looked-after Child). So, for example, average Key Stage 4 scores for children in care in the sample were two and a half times lower than children never referred to children’s social care.^{iv}

1.1.8 While there are of course other important factors at play here, the system’s inability to deliver sufficient early support is letting many children and families down, with the effects felt long into adulthood. Significant investment in children’s services is needed to ensure that local authorities can better-meet current need, and deliver the necessary ‘rebalancing’ of the system towards early intervention. To aid and ensure that process, we’ve also called for a stronger legal framework on early help delivery - which could be through a statutory duty, or the mandating of multi-agency family help teams.

1.2 Children in care

1.2.1 Insufficient early help support is a key contributory factor to the high and rising number of children in care. The drivers of that rise are complex - including multiple and overlapping factors – however, in many cases care entry could have been avoided if the right intervention (of the right intensity) had been offered at the right time.

1.2.2 It’s well-established that children in care are at greater risk of experiencing poor outcomes – in childhood and later life – than their peers. A care period is essential in many cases. However, where it’s not – where support could be provided to the child’s immediate family or broader network, to ensure their safety and wellbeing outside of the care system – care should be avoided. It’s a fundamental principle of international and domestic law on children’s rights that they should live with their families wherever possible and, if a need for care arises, the separation should only last for as long as strictly necessary.

1.2.3 Children entering care, when early support could have prevented that outcome, is also bad for local authorities. High care numbers carry major financial implications for them. The spiralling cost of providing children in care services has driven growth in broader children's services spending in recent years (which has, in turn, consumed ever-greater proportions of councils' overall budgets). Since 2010-11, real terms expenditure on the care system has increased by more than £2 billion (61%).^v

1.2.4 A 25% increase in the number of children in care in the last 12 years has contributed to that rise, however, a change in the kind of care they receive has played a significant role. Since 2010-11, the number of children entering residential care has increased by 79%, and spending on that type of care (by far the most cost-intensive care intervention) has increased by 63%. At the same time, the number of adoptions has fallen, and the numbers of foster and other types of placements have started to reduce or flatline.^{vi}

1.2.5 Again, the drivers of this are complex, including a mix of: the changing needs of children entering the system; factors affecting the supply of placements (such as a shrinking supply of foster placements); and, broadly, the state of public services. Those have, in turn, led to a change in the age profile of children entering care (along with a rise in the number of unaccompanied asylum-seeking children). Between 2012-13 and 2018-19, the number of teenagers entering care increased by 26%. Many among that cohort have complex needs (for example, experience of exploitation or substance misuse), meaning that more specialist residential care is often required.^{vii}

1.3 Placements

1.3.1 There aren't enough of the right types of homes, in the right parts of the country, for children in care. Many children experience long waits for a suitable placement to become available – one that meets their needs; and some never have a suitable placement, often meaning that they struggle to settle in care.

1.3.2 This 'sufficiency crisis' is affecting children's outcomes in multiple ways. The number of children separated from their siblings in care, or moved far away from their homes and communities, are, alone, clear indicators of a dysfunctional placement market - unable to supply the placements that children need. But the effects extend across all areas of their lives – including health, wellbeing, relationships, and education.

1.3.3 The placement crisis is also having a major impact on children's services budgets. A survey of English local authorities by the Local Government Association in 2023 found that they spent approximately £4.7 billion on placements in 2022/23, compared to a budgeted figure of £4.1 billion – an

overspend of almost 16%. Survey responses suggested that councils paid for approximately 1,500 'high-cost' placements – costing £10,000 per week or more – in 2022/23, compared to 120 placements in 2018/19.^{viii}

1.3.4 The Government has responded to these concerns in SHBL, with a plan to test a new regional model for the planning, commissioning and delivery of placements. While we support the trialling of alternative arrangements for the provision of placements (and pilots for the recruitment of foster carers), it's critical that the Government also invests in the creation of new (additional) placements – at a level that matches current and forecast demand. It's also vital that the Government meets its commitment to deliver national support with forecasting, procurement and market shaping to local authorities. Without those measures, sufficiency issues will persist.

1.3.5 However, addressing sufficiency issues isn't enough. Measures to tackle mismatched supply and demand must be coupled with a greater focus on the quality of placements. Assessments of placement quality – by providers, commissioners, and regulators - should encompass both the child's outcomes (while in placement, in any further placements, and on leaving care), and their subjective experience of the accommodation and care provided. Outcomes data is vital, and should look to identify any key trends in children's characteristics and circumstances. However, emphasis must also be placed on seeking children's own feelings about, and experiences of, their placement.

1.4 Leaving care

1.4.1 The transition to adulthood, and independent living, is challenging for many young people leaving care.

1.4.2 Many do not feel ready to make the step, only doing so because they're required to exit the system ('ageing out' of care). Research by Ofsted in 2022 found that over a third of care leavers felt they'd left care too early.^{ix}

1.4.3 Of those who do feel ready to make the transition, many struggle to navigate their new responsibilities, and the expectations placed upon them.

1.4.4 Often, it's unclear to care leavers what support and advice they're entitled to. Added to that, support for care leavers from local authorities varies across the country, adding inconsistency to an already-complex picture of support. The Ofsted research found that, while local authorities are required to prepare young people for leaving care, care leavers' experience of that preparation varies.^x

1.4.5 Poor financial preparation is a particularly common problem. Many care leavers worry about money, and Ofsted's work identified a link between

financial concerns and care leavers' sense of safety. Some young people involved in the research attributed their money-related problems in later life to a lack of financial preparation on leaving care.^{xi}

1.4.6 We're currently scoping research work on these issues. Later this year, we'll commission polling of care-experienced young people, to understand their experiences of leaving care to transition to independence. The work will aim to identify the most pervasive barriers to independent living, and what can be done to address them. Our questions to young people will span key 'life domains', including: health, wellbeing and relationships; housing; finance; education, employment and training; and practical living skills. Polling will be coupled with in-depth interviews with Action for Children 'Transition Workers', who support care leavers with the practical tasks associated with their move into adulthood, such as finding housing. Their first-hand experience of these issues will add qualitative insight to our polling data. Finally, it'll draw on findings from user research conducted last year by Action for Children, completed in preparation for the launch of a new care leaver employability service.

1.4.7 The work will consider policy options for improving care leavers' outcomes, such as: a care leaver exemption from the under-25s rate in Universal Credit, to reflect that they're living independently in the community, as adults; and measures to speed up DBS checks for care leavers (who often have many previous addresses from their time in care) to ensure that there's no delay to securing employment.

2. Stable Homes, Built on Love

2.1 Pace of implementation, and level of investment

2.1.2 The Government's approach is to test major reforms for two years in a small number of local authorities, before rolling them out nationally. This means that the majority of the country won't see reform and investment until the testing phase ends, at the earliest.

2.1.3 While we recognise the need to take a test-and-learn approach to delivering such significant change, interim measures are needed to shore-up the children's social care system, and ready it for reform. Investment is needed to give local authorities the financial capacity to deliver the transformation set out in SHBL. They need to be able to simultaneously service growing demand in the short-term, and invest in long-term reform.

2.1.4 We've called for immediate investment - in particular, for family help services - to provide early intervention to children and families and prevent their issues from escalating.

2.1.5 We've also called for further capital funding for the creation of additional placements for children in care, without which existing sufficiency issues in the market will worsen.

2.1.6 We've also warned that the two-year 'delay' to full national implementation of the reforms will have major implications for overall children's services (and wider public service) spending in the coming years. In 2023, we, together with Barnardo's, The Children's Society, NSPCC, and National Children's Bureau, commissioned Alma Economics to assess the impact of the two-year 'delay' decision on the taxpayer.^{xii}

2.1.7 The study found that the Government could spend an additional £1 billion on children's social care over 10 years. The increased costs will largely stem from greater numbers of children entering care, due to insufficient early help support during the reform testing period (10,500 additional children by 2027/28).^{xiii}

2.1.8 The research also estimated an additional 'social cost' of £500 million per year over thirty years (stemming from the additional children in care experiencing lower wellbeing, and lower productivity in later life - as many looked-after children do).^{xiv}

2.1.9 The research indicates the financial and social costs associated with the choice to pursue a two-year testing period. We've argued that it's crucial, both principally and pragmatically, to invest in family help support now - in all parts of the country - rather than waiting until the testing phase ends.

2.2. General election

2.2.1 It's currently unclear what impact the anticipated general election will have on the SHBL reform programme.

2.2.2 We're urging all political parties to commit to taking forward the work begun by the current government, and to wholesale system reform.

2.2.3 We're concerned that any attempt to address discrete issues in children's social care (such as profiteering in the placement market), without work to tackle broader systemic issues, will fail to deliver the changes that children and families (and local authorities) need.

2.2.4 We're also mindful of the risk of so-called 'consultation fatigue', particularly among care-experienced young people. The Independent Review of Children's Social Care followed a number of prior reviews and consultations, and we believe that engaging in further such activities could risk losing the

support and buy-in of the care-experienced community – vital to any children’s social care reform programme.

2.2.5 In our view, the Review provided an evidence-based roadmap for reform, and should be implemented as soon as possible, while leaving open the possibility of developing and refining systems and services over time, based on feedback loops established by the SHBL reform programme. SHBL, while imperfect, broadly reflects the Review’s recommendations, and offers something by way of improvement for all key aspects of the system – early help, child protection, children in care, and care leavers. We’d like to see the strategy retained – its scopes and aims, at the very least – with steps taken to boost the pace of implementation, and level of investment.

2.3 Reunification – a vital but overlooked area of children’s social care

2.3.1 The Independent Review of Children’s Social Care, and SHBL, propose a rebalancing of the system towards earlier, preventative support. The Government’s strategy sets out a new ‘family-first’ model for England, prioritising family-led solutions and maximising the potential of ‘family networks’.

2.3.2 The children’s sector has welcomed that approach, and it chimes with what councils say is needed. Yet policy recommendations on returning children in care to their families (‘reunification’) – a vital aspect of any family-led social care model – have been absent from discussions so far.

2.3.3 We believe that’s a significant oversight, because the case for giving greater focus to reunification practice is clear. Reunification is the most common route out of care (27% of those leaving care in England returned home last year).^{xv} However, it’s also common for reunified children to later re-enter care. The number of children returning to the system is far too high, and higher than for other permanency routes, such as adoption and special guardianship.^{xvi} National rates of re-entry to care following reunification are 12% at three months, 20% at one year, and 35% at six years.^{xvii}

2.3.4 Re-entering care carries personal costs for children and their families, as well as a financial cost for local authorities.

2.3.5 While good practice certainly does exist, and some children do remain at home, re-entry rates suggest that, in a lot of cases, reunifications aren’t working.

2.3.6 In 2023/24, we worked with NSPCC to survey and interview local authorities, to understand their approaches to reunification, and explore the challenges they face in delivering effective practice. 75 local authorities

responded to our survey – around half of those with children’s services responsibilities. And we conducted in-depth interviews with six. Our sample, while not fully nationally representative, broadly reflects the national mix of local authorities by both geography and Ofsted inspection rating.

2.3.7 Our research shows that while there’s growing interest in reunification across the country, it’s not yet matched by a growing awareness of how best to do it. The majority of councils surveyed were unsure how to approach practice development and improvement. Over half (56%) didn’t have a reunification policy or strategy; under a fifth (19%) had a standalone reunification team; and only a minority were monitoring any key reunification data (for example, only 39% were analysing data on reunification stability – whether or not a child remains at home or re-enters care).^{xviii}

2.3.8 National government hasn’t proactively supported councils to prioritise this area. There’s a lack of national direction, and little applicable evidence on which local authorities can base their thinking, when seeking to develop and refine practice approaches.

2.3.9 Added to that, local authorities commonly told us that a lack of capacity and resources were limiting their ability to provide as much reunification support as they’d like to. 78% of respondents told us they weren’t providing enough support prior to a return home, and 63% following a return home.

2.3.10 However, in a small number of areas, children’s services are using financial pressures to their advantage in reunification practice, making invest-to-save arguments to boost prioritisation of the practice area. Those councils were directing investment to reunification support, in an effort to avoid some of the costs associated with placements – in particular, residential placements.

2.3.11 Teenagers were commonly mentioned in this context – a growing cohort in the children in care population. We heard about the difficulties in sourcing suitable placements for teenagers, and a sense of inevitability that (unsuitable) placements would break down. Consequently, some teams were focusing resources on intensive support for adolescents, to give reunifications the greatest chance of success, rather than continuing to fund costly (often unsuitable) placements.

2.3.12 By bucking the national trend, those councils were not only seeing children successfully return home, but major cost savings too. One area reported savings of £2 million a year, which evidences that investment in reunification practice is both the right thing to do for children, and fiscally responsible.

2.3.13 The Government's reform programme focuses on the need to deliver early help differently – in a way that more effectively prevents the need for more acute interventions, and reduces care entry. We now need a similar level of focus in the care system, to ensure that children who can return home, do, and avoid care re-entry. It's in the interests of children and families, local authorities, and the public, to do so.

2.3.14 We recommend that the Government, and all political parties, commit to: the development of national reunification guidance; and investment in reunification practice evaluations across England.

2.3.15 National guidance is needed to set out a national vision for the practice area, and recommend evidence-based approaches to reunification assessment, planning, support, and monitoring. It should include recommended assessment and planning tools, as well as case studies. Finally, it should establish new data reporting obligations for local authorities, to improve national policymakers' understanding of reunification practice across the country, and of reunified children's outcomes.

2.3.16 Practice evaluations are needed to rigorously test the effectiveness of existing practice approaches and interventions in England, to build an understand of 'what works' to support reunification and ensure return home stability.

2.3.17 Reunification is an overlooked area of social care policy and practice, but one of increasing interest and importance to local authorities. The need to delivery good return home practice grows as care numbers, and placement market sufficiency issues, grow. And it's central to any truly 'family-centred' model of children's social care.

2.3.18 We're submitting our report to the Committee alongside this submission.

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ⁱⁱChildren's Services Funding Alliance, Pro Bono Economics, 2023, 'The Well-worn Path', available at: [The well worn path | Action For Children](#)

ⁱⁱⁱAction for Children, 2022, 'The educational outcomes of children referred to children's social care', available at: [The Educational Outcomes of Children Referred to Children's Social Care | Action For Children](#)

^{iv}Kingston University, National Children's Bureau, Nuffield Foundation, 2024, 'Studying the outcomes of children's social care provision for different types of demand', available at: [Studying the outcomes of children's social care provision for different types of demand \(ncb.org.uk\)](#)

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^{vi}ibid

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^{viii}Local Government Association, 2023, 'High-cost children's social care placements survey', available at: [High-cost children's social care placements survey | Local Government Association](#)

^{ix}Ofsted, 2022, 'Ready or not: Care leavers' views of preparing to leave care', available at: [Care leavers feel they left care too early, Ofsted finds - GOV.UK \(www.gov.uk\)](#)

^xibid

^{xi}ibid

^{xii}Action for Children, Barnardo's, The Children's Society, NSPCC, National Children's Bureau, 2023, 'Government delay to reform children's social care will cost taxpayers £1 billion over 10 years, warns children's charities', available at: [Government delay to reform children's social care will cost taxpayers £1 billion over 10 years, warn children's charities | Action For Children](#)

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^{xiv}ibid

^{xv}Department for Education, 2023, 'Children looked after in England including adoptions', available at: [Children looked after in England including adoptions, Reporting year 2023 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](#)

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^{xvii}Goldacre et al., 2022, 'Reunification and re-entry to care: an analysis of the national datasets for children looked after in England', The British Journal of Social Work

^{xviii}Action for Children, NSPCC, 2024, 'Home again: understanding reunification practice in the children's social care system in England', available at:

[ACT0037 Home again Report Final digital.pdf \(actionforchildren.org.uk\)](#)