Looked-after Children

The Silent Crisis

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ACKNOWLEDGEMENTS

This research has been made possible by the generous support (and patience) of The Hadley Trust.

We would like to thank all of those who engaged with us throughout this research and whose insights were extremely helpful. Thanks also go to colleagues at the SMF for their intellectual input and support.

ABOUT THIS REPORT

Throughout the report we refer to all children currently in foster care, adoption, secure institutions, and special placements as being “in care”. LAC refers to looked-after children within this category. Where we need to refer to specific types of children in care, we do so. A brief exposition of the different types of care, and the process for children to be referred are provided in chapters 1 and 2.

A Local Authority is deemed to mean either a county council in England, a district council, a London borough council, the common council of the city of London, the council of the isles of Scilly, a combined authority established under section 103 of the local democracy, economic development and construction act 2009.

Unless otherwise stated, all analysis in this report is based on three key datasets:

- 2017 Ofsted inspections of Local Authorities;
- Department of Education publications on LAC; and
- Department of Education data on outcomes.

Where each of these have been used, the source has been indicated in the appropriate page.

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EXECUTIVE SUMMARY:

The care system

Children in care are some of the most vulnerable members of society. They have often suffered traumatic events which have led to them being placed in care and lack the family support networks that others might take for granted. On 31st March 2017, across England around 72,700 children were in care. This is equivalent to approximately 62 for every 10,000 under 18s in England and, on top of this, many more are classified as ‘in need’ or ‘at risk’ and may flow in and out of the care system; around 100,000 children flow through the care system each year.

The responsibility of caring for looked-after children (LAC) ultimately falls on Local Authorities, who provide a variety of different placements for LAC. For example, a child in care could be placed in a range of situations from permanent adoption with a family, through to living in a children’s home or secure unit, depending on their circumstances and needs. Local Authorities must, insofar as is reasonably and practically achievable, ensure that the placement fulfils criteria such as being near the child’s home, not disrupting their education, and allowing siblings to live together. They are also responsible as the “corporate parent”, with a commitment to act in the child’s best interests and provide safety and stability for them in their home lives.

The work of Local Authorities in relation to LAC is overseen by the Department for Education (DfE), the primary body responsible for child protection in the UK. The main method used for this oversight is inspections by Ofsted. In this capacity Ofsted assesses the effectiveness of Local Authorities in delivering and providing their statutory services, conducting reviews of each Local Authority at least once every three years. This includes an evaluation of third-party providers such as external providers of foster care.

The silent crisis

At first glance, the care system is effective at achieving its goals. It is widely acknowledged both that the majority of children in care experience more positive outcomes than they would have if there were not taken into care and that children in care often experience better outcomes than those in the wider group of “children in need”.

However, it is also an inescapable fact that children in care and those leaving care face a variety of lower outcomes compared to their peers. In education, only 14% achieved 5 A*-C GCSEs (including maths and English) in 2015, a figure dwarfed by the 55% rate nationally, and LAC are five times more likely to face exclusion than their peers. Children who are looked after are also hugely overrepresented in the youth justice system, and in 2015-2016 it was estimated that approximately 39% of the children in secure training centres had been in care, despite children in care accounting for around 1% of all children.

Figure 1: Challenges facing looked-after children


These outcomes follow children to adult life as well; almost 25% of the adult prison population has previously been in care, and children who have been in care reoffend at roughly twice the rate of children who have never been
looked after. It is estimated that nearly half of all children in care had a diagnosable mental health issue in 2015, and the proportion of NEET care leavers between the ages of 19 and 21 was approximately 40% in 2017. Clearly, children in care are more likely to experience a subsequent lifetime of disadvantage.

Understanding the routes to and causes of these worse outcomes is challenging. In particular, it is an area of contention as to whether these outcomes are a necessary result of the circumstances that children in the care system have experienced, or whether the care system could and should do more to alleviate and mitigate these impacts. The arguments on both sides are compelling. For example:

- To some extent, these poor outcomes can be expected; children in care are there because they are in a position of need and / or face a real risk of harm. As such, it is no surprise that these situations have an impact on their lives. It is also the case that, for many children, the experience of being in care is a positive one, leading to improved outcomes compared to the alternative of not being taken into care. This suggests both that, overall, poor outcomes come from a child’s pre-care experience, and that it is unrealistic to think that these issues can be resolved.

- On the other hand, for a minority of children, experiences within care can serve to exacerbate their issues or cause new ones. For the majority of children in the care system, there is the broader argument that, even if the care system does improve outcomes compared to the alternative, we should expect the system to achieve more in terms of improving their outcomes. This argument would suggest that, while it is already improving outcomes, the system is not functioning as well as it could and, as such, is letting down the children within it.

Whilst this makes it hard to assess the performance of the system, there are objective assessments of Local Authority performance in fulfilling their duties. Unfortunately, the picture of performance in England is bleak, and SMF analysis of the most recent Ofsted inspections suggests that some 63% of Local Authorities are providing services for the children in need of help and protection, children looked after and care leavers, which either require improvement or are simply inadequate.

This means that, whilst 36% of Local Authorities are classed as ‘Good’, only 2% are rated as ‘Outstanding’, with the remainder falling into the categories of ‘Requiring Improvement’ (47%), and ‘Inadequate’ (15%). This suggests that some 47,085 children (65% of all LAC) are looked after in Local Authorities that are deemed to be falling short of what is currently expected.

It is remarkable that the fact that nearly two thirds of Local Authorities being judged in need of improvement or inadequate is not headline news. This would not be the case were it to be found in our school system, where 78% (secondary) and 90% (primary) are judged to be either good or outstanding. This issue clearly needs to receive more attention from politicians and policymakers.

One of the key problems is that, whilst in the public domain, this information is not clearly accessible without a pre-existing understanding of the policy area. To rectify this and improve understanding and accountability, the SMF has developed a public tool to combine data from the DfE, Ofsted, and others to give an easily accessible picture of how Local Authorities are performing. We will continue to develop and improve this as more data becomes available and hope the we (and others, including MPs, policymakers and those working in the sector) can use it to hold Local Authorities and central government to account in providing the care and support that some of the most vulnerable children in society desperately need.

**Aiming higher**

When holding Local Authorities to account and trying to improve the outcomes of care-experienced children, the first question is about “what good looks like”. This report outlines that services to help looked-after children need to do two things:

1. Provide a service to ensure none of the children under their care have their issues further exacerbated, and have a support network to prevent their situations worsening; and
2. Provide proactive services to help children overcome their initial disadvantages and catch up with their peers who have never been in need or looked after.

While the existing system appears to be functioning relatively well on the first of these goals, for a vast number of children, it is not performing well on the second objective. As such, our ambition should be nothing less than a system which helps looked-after children catch up with their peers and achieve the same outcomes, and have access to the same opportunities, as any other children.

What more can be done?

It is clear that this will be a difficult task. The challenges facing those entering the care system are often complex and multifaceted. It is also clear that the vast majority of people working within and involved with the care system for children have one task in mind; improving the lives of the people that they are caring for. This means both that this is not a problem of motivation or intent, and that there are also areas of good performance. For example, the 2017 ‘Bright Spots’ research conducted by Coram Voice shows that some 83% of children emphasised that their lives had been improved by being placed in care.

There are also numerous examples of where there is already specific action, both locally and nationally, to directly tackle particular issues, with the introduction of positions such as virtual school heads and the creation of a social worker accreditation scheme.

This means that improving the lives of looked-after children is not a case of simply trying to completely overhaul the system. Instead, what is needed is a more considered approach; first ensuring that the reasons for failure are properly understood and then taking action to ensure improvement.

A new national mission

Improved performance in this area will require that the profile of the issue is raised and that a clear vision of improvement is set out. This should be set out in a new Charter for Looked-after Children, that commits central government to closer monitoring of the overall system and ensuring that outcomes improve. This would include a commitment to close the gap in outcomes between those in (and close to) the care system and their peers who do not experience the care system, and a clear statement that it is not acceptable that 65% of all LAC are receiving support within Local Authorities whose services for them are deemed to fall short of what is expected.

Once the Government has set out this Charter to improve the system and outcomes for children within it, there needs to be a better way of monitoring performance and holding central and local government to account in delivering it. The SMF dashboard acts as a starting point for doing this. However, if outcomes for LAC are to improve, more needs to be done to ensure that data is effectively joined up and shared between departments and Local Authorities. Doing so should be a priority for the Government, so that a better understanding of the outcomes for LAC across their adult lives can be formed.

Combined with raising the profile of this silent crisis and improving monitoring and accountability, it is also clear that the right reforms in the right places could make a world of difference to the most vulnerable children in our society. From increasing professionalisation and support for foster carers, to a review of commissioning frameworks and ensuring stability for children in foster care, there are numerous reforms that must become national priorities if we are to make a meaningful difference to the lives of vulnerable children.

None of these are new issues. Neither are they uncontroversial. Many other reports have highlighted the challenges they represent, and a range of different views exist over the right way forward. However, it is also clear that in each area, improvements could radically change the quality of care provided to LAC and, as such, each warrants a full investigation and action to be taken once a strategy is developed. We should not be satisfied until children in care perform as well as their peers. Anything less is setting our sights too low. More can, and must, be done to help the most vulnerable in our society.
CHAPTER 1: THE LANDSCAPE OF CARE

Children in care are some of the most vulnerable members of society. They have often suffered traumatic events which have led to them being placed in care and lack the family support networks that others might take for granted. Around 100,000 children flow through the care system each year. On 31st March 2017, across England around 72,700 children were in care. This is equivalent to approximately 62 for every 10,000 under 18s in England, and, as demonstrated by Figure 2, the number of looked-after children has been steadily rising over time.

Figure 2: Number of looked-after children at 31st March

![Number of looked-after children at 31st March](image)


The spectrum of care

The Government cares for a wide variety of children in some way, and estimates from the Children’s Commissioner suggest that approximately 580,000 vulnerable children are directly supported or have previously been supported by the state at a given time. Looked-after children comprise only a small part of this population, with a child only becoming looked after when they are deemed to be sufficiently at risk that it is in their best interests to be placed in care.

Before this stage, if there were concerns about the safety of a child or their living circumstances, then a child will have been deemed to be ‘at risk’ and may have been subject to a child protection plan. Additionally, there is a larger category of ‘children in need’ who require support from the state, ranging from those who are unlikely to achieve a reasonable standard of health and development, through to those who have a disability, or whose health is likely to be impaired without the assistance of the Local Authority.

Being designated as ‘in need’ is a necessary but not sufficient standard for further involvement of the authorities. Within this category children and their families may well be able to cope without more intense help, or with lighter-touch support. If this is not the case, then the child may be designated as ‘at risk’, or later taken into care. By the time a child enters care it will be because other options have been exhausted, and often it represents a positive

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1 This refers to the total number of children who have been in care at some point in a given year.
2 This can occur either through a voluntary arrangement between the family and Local Authority (“being accommodated”), or by the child being taken into care through a care order. The distinction is that under the voluntary Section 20 arrangement, the family can remove the child from care whenever they desire, whereas this is not the case if they are subject to a section 31 care order.
step in their life compared to the alternatives, as well as a commitment by the Government that they will improve the situation the child finds themselves in. The definitions of these groups are demonstrated in Figure 3:

**Figure 3: Spectrum of Child Protection**

![Figure 3: Spectrum of Child Protection](image)

*Source: Child Law Advice, Department for Education, Characteristics of Children in need: 2016 to 2017*

In this wider context, the rise in the number of children in care reflects the move by Local Authorities to become more proactive in safeguarding children under their care. This trend began with a sharp increase in 2009, when the death of ‘Baby P’ was followed by a notable rise in care applications. It has continued into 2017 and is likely to do so beyond that. What matters is not necessarily the raw number, but rather ensuring that the safeguarding system is taking the right children into care, and that they receive the support they require while in it.

**Who cares?**

In principle, the DfE is the primary body responsible for child protection in the UK. In practice, children are looked after, and services for them are delivered, by Local Authorities, who have a duty to provide services to children in need in their local area under the 1989 Children Act. The DfE oversees this provision, issuing guidance for Local Authorities, as well as scrutinising the services they are providing.

Local Authorities provide a variety of placements for looked-after children and rely on different providers to assist in sharing this responsibility. Generally, Local Authorities either place children in Local Authority administered placements and other placements provided by the public sphere, or in placements with private agencies or voluntary organisations. Approximately 40,230⁴ looked-after children (just over 55% of all LAC) are in placements provided by Local Authority or public provision, the most common form of care. The full range of support includes:

- Public sector placements administered by the Local Authority such as fostering, adoption, children’s homes, secure institutions, and other such residential placements;

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³ As of May 31st, 2017.
• Privately administered placements including fostering agencies, children’s homes, secure units, and young offenders’ institutions amongst others; and
• Placements administered by voluntary organisations, which tend to involve foster care, residential schools, and adoption services.

Figure 4: Provision by type and sector, as of 31 March 2017

![Provision Provider](image)

- **Fostering**
  - Public: 67%
  - Voluntary: 4%
  - Private: 29%
- **Adoption**
  - Public: 83%
  - Voluntary: 17%
  - Private: X
- **Other placement in the community & residential settings**
  - Public: 23%
  - Voluntary: 8%
  - Private: 69%
- **Secure units, children’s homes and semi-independent living accommodation**
  - Public: 20%
  - Voluntary: 10%
  - Private: 70%

*Source: Department for Education, Children Looked After in England – National Tables, 2017*

The needs of an individual child will mean that some forms of care will be more suitable than others. Combined with availability, this helps Local Authorities assign children to different forms of provision. When deciding the most appropriate placement for a child in question, Local Authorities must, insofar as is reasonably and practically achievable, ensure that the placement fulfils criteria such as being near the child’s home, not disrupting their education, allowing siblings to live together, meeting disability needs, and being within the Local Authority. Which of these criteria apply and how they are balanced varies with each child. For example, the NAO has noted that “…in some cases, there may be good reasons for placing a child at a distance, for example to break links with undesirable peer groups.”

In the vast majority of cases, elements such as proximity and continuity will be prioritised, and in 2013 the Department introduced a series of reforms to reduce the number of children placed at a significant distance from their home. In practice, each service will have a variable level of success, cost and effectiveness. In particular, placements will vary in both their general quality, as well as their suitability for a given child. The result is a wide diversity of different placement types. How these are distributed has been fairly consistent over the past five years and can be seen in Figure 5.

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4 x refers to a <0.5% figure
Local Authorities vary substantially in how they choose to approach the question of provision, and in particular, large regional variations exist in terms of the split between public and private provision in a given area. This is demonstrated by Figure 6.

5 “Other placement in community” includes: LAC living independently, in residential care homes, in NHS trusts, family centres, young offenders’ institutions, residential schools.
Figure 6: Proportion of placements provided by the Public Sector, by region in 2016


Accountability

Local Authorities take on the responsibility to be a “corporate parent” for children in care, and those leaving care. This means that when caring for children they adhere to seven key principles which outline a commitment to:5

• Act in the best interests, and promote the physical and mental health and wellbeing, of those children and young people;
• Encourage those children and young people to express their views, wishes and feelings;
• Take into account of the views, wishes and feelings of those children and young people;
• Help those children and young people gain access to, and make the best use of, services provided by the Local Authority and its relevant partners;
• Promote high aspirations, and seek to secure the best outcomes, for those children and young people;
• Provide for those children and young people to be safe, and for stability in their home lives, relationships and education or work; and
• Prepare those children and young people for adulthood and independent living.

How then, is performance against these metrics measured? First, this statutory duty is overseen by local level accountability mechanisms, as well as most Local Authorities having a Corporate Parenting Board with the role of “…oversee[ing] arrangement for the effective delivery of corporate parenting responsibilities to looked-after children and young people and to its care leavers.” In situations of severe failure, accountability is ensured by Serious Case Reviews. Such reviews, conducted when a child is seriously harmed or dies, seek to identify what went wrong, and how local organisations can work together to improve methods of safeguarding children so that mistakes are not repeated.

In addition, as the primary body responsible for child protection in the UK, the DfE uses safeguarding information received from Local Authorities to inform the development of policy on child protection, to evaluate the performance of Local Authorities, and in extreme circumstances, to intervene. The primary body that oversees this provision is Ofsted, which inspects placements and institutions within the UK dedicated to dealing with childcare, secure establishments, social care, school and educational establishments.

In this capacity Ofsted assesses the effectiveness of Local Authorities in delivering and providing their statutory services, conducting reviews of each Local Authority at least once every three years. This includes an evaluation of third-party providers such as external providers of foster care. Additionally, Ofsted and the DfE have also established working practices to cooperate on sensitive issues such as safeguarding data, allowing them to share information regarding serious incidents at a Local Authority level, and the publication of serious case reviews.

Despite the nominal strength of this approach, the data collected and presented to the DfE is not always the most relevant or most refined. Much of the data on linkages between being in care and other outcomes relies on other bodies separately identifying if someone has been in care, and the level of insight into issues such as homelessness still relies on old and one-time studies. Illustrating this, each year the DfE collects and releases more statistics on childcare providers than foster providers.

Ultimately this limits how far we can measure and understand the factors really impacting a child’s life. To gain some insight with currently available data, our interactive tool has combined Ofsted and DfE data, and we are exploring using other sources such as the stability index from the Children’s Commissioner in future versions.

6 Local Safeguarding Children Boards (LCSBs) were established by the 2004 Children Act but have been replaced in the 2017 Children and Social Work Act with a team of local safeguarding partners.
CHAPTER 2: OUTCOMES FOR CARE-EXPERIENCED CHILDREN

It is widely acknowledged both that the majority of children in care experience more positive outcomes than they would have if they were not taken into care and that children in care often experience better outcomes than those in the wider group of “children in need”.

However, it is also an inescapable fact that children in care and those leaving care face a variety of poorer outcomes compared to their peers. This matters both as a basic principle of fairness, and also because worse outcomes experienced by those in care reduce the opportunities and independence that care leavers have in the future. In short, as outlined below, it is not enough to simply mitigate the worst impacts of disadvantage; our ambitions need to be higher. Equally, the fact that the outcomes of children in need can be worse signals that we need to be doing more for this group, not that the system is successful in achieving the right outcomes for children in care.

Gauging the overall level of disadvantage is challenging. While DfE data provides information on educational and employment outcomes, there is currently little concrete (and easily updatable) information on a wide range of wider outcomes (e.g. justice or health systems). In addition, to the extent that it does exist it is often kept separately, and/or uses different measurement criteria (for example, different age bands within NEET statistics).

There are a number of reasons for this, including the lack of a robust framework to monitor outcomes, a lack of joining up of government datasets (although, this has improved in recent years) and issues with identifying care leavers in different areas (e.g. care leavers are not always easily identifiable in administrative data held by other departments). This chapter outlines the existing state of knowledge on outcomes for those with an experience of care, based on government datasets, wider academic research and grey literature.

Education

One of the most widely-acknowledged areas where children in care underperform is education. In 2015, only 14% achieved 5 A*-C GCSEs (including maths and English), a figure dwarfed by the 55% rate nationally.12 Children with overlapping needs may be especially let down, and research from the Rees Centre depicts that LAC in special schools score on average 14 grades lower in GCSEs compared to those in mainstream schools.13 Similarly under the new GCSE marking system, there is evidence that the average ‘attainment 8’ score of looked-after children is less than half of the average for non-looked-after children,14 and recent results suggest that proportionately fewer looked-after children are achieving five A*-C grades (including maths and English) than previous years as demonstrated in Figure 7.

Although children in some forms of care perform better,157 the central point is clear; children in need, and in care, perform significantly lower than their peers in a way that is materially damaging to their prospects. Looked-after children are also five times more likely to face exclusion from school than their peers, and 1.5 times more likely than children in need,16 suggesting that the issues are not just educational attainment, but LAC’s experience within the education system.

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7 For example, the same study by Sebba, J et. Al (2015) finds that LAC in residential care score approximately 6 grades less than those who are in foster care.
Furthermore, poor outcomes at school mean that the educational opportunities of care leavers are restricted later in life. For example, in 2015 only 6% of former care leavers were in higher education, meaning that they were much less able to access the career opportunities that higher education would offer. Some estimates placed this figure higher, but also found that care leavers were around 38% more likely to drop out of university than their peers. Clearly, more needs to be done to ensure not just that the education of children in care improves, but that it serves to materially improve the opportunities they have to pursue the education, or careers, that they want.

Justice

With the combination of instability, deprivation, and the lack of support structures, it is not surprising that children who are in, or who have experienced care, are overrepresented within the youth justice system. While children in care only account for around 1% of all children, they are hugely overrepresented in the youth justice system, with HM Inspectorate of Prisons estimating that in 2015-2016 approximately 39% of the children in secure training centres and 37% of the children in young offenders’ institutions had been in care.

The latest DfE release (2017) suggests that some 4% of children in care have been convicted or subject to a final warning or reprimand. For context – this suggests that those in care are approximately four times more likely to be involved with the justice system than the total population of all children. A 2016 report by the Prison Reform Trust reveals that up to 50% of children in custody have been in care at some point in their lives, and 61% of girls in the 15-18 age group who were in custody had experienced care at some point.

Demonstrating how this impacts care leavers into later life, almost 25% of the adult prison population has previously been in care, and in 2011 it was estimated that some 49% of young men in the criminal justice system had spent some time in care. This overrepresentation implies that not only do children in care have a greater likelihood of being involved in the youth justice system, but also that this carries over to their later life. The transition from care can exacerbate this – and discussions hosted by the Care Leavers’ Association and Community Links noted that a number of transition issues including institutionalisation, a sense of abandonment, and a lack of support networks.
could exacerbate this stress, reducing the faith of care leavers in the system, and increasing the chances of care leavers offending during this stage.\textsuperscript{27}

Given involvement with the criminal justice system at a young age, the prevalence of reoffending is also a concern. Young adults are the most likely group to reoffend, with a reoffending rate of approximately 75\% within two years of leaving prison,\textsuperscript{26} and the early experiences with the justice system suggest that care leavers who offend may be particularly likely to fit within this group. This explains the finding by the Youth Justice Board in 2015 that children from care reoffend at approximately twice the rate of children who have never been looked after.\textsuperscript{29}

In summary, the lack of support services, oversight and opportunity that care leavers face serve to create a situation where they are much likely to enter, and stay stuck in, the criminal justice system. This situation of care being a fast-track to custody is both untenable, and unjust, and to turn the lives of looked-after children and care leavers around, more needs to be done.

Social outcomes

Aside from metrics such as youth justice or education outcomes, the circumstances of looked-after children also influence a wide array of less tangible social outcomes. For many children in care, their mental, physical and social progression can speak volumes about the quality and effectiveness of the care system. Crucially, poor performance in some of these areas is something a child may be exposed to even if they are otherwise performing well in care.

Unsurprisingly, the life circumstances looked-after children face can test their emotional resilience and cause large amounts of anxiety. This frequently manifests itself in mental health issues, and in 2015, the Department for Education and Department of Health estimated that nearly half of children in care had a diagnosable mental health issue, and two thirds had special education needs.\textsuperscript{30}

Supporting these estimates, Barnardo’s surveyed care leavers within their remit and found that 46\% were identified as having mental health needs, and of that group 65\% were not receiving any form of statutory support.\textsuperscript{31} They also reported that an assessment of case files showed that around 25\% of care leavers had experienced a mental health crisis since they left care. More recent statistical releases show that 37.1\% of looked-after children have a social, emotional or mental health need.\textsuperscript{32} Similarly, further studies have suggested that nearly half of LAC meet the criteria for suffering from a psychiatric disorder, as opposed to a tenth of non-looked-after children.\textsuperscript{33} A 2010 publication stated that 60\% of LAC were reported to have emotional and mental health problems.\textsuperscript{34} The net result is as devastating as it is unsurprising; looked-after children are four times more likely to have a mental disorder than children in the general population.\textsuperscript{35}

Getting an exact understanding of the issues a given child is facing is challenging, and the House of Commons Education committee noted in 2016 that “current methods of assessing children and young people’s mental health and wellbeing as they enter care are inconsistent and too often fail to identify those in need of specialist care and support.”\textsuperscript{36} They noted that in particular, initial assessments did not fully capture the range and variety of complex issues, and that they were often not conducted by qualified mental health professionals.

The combination of these issues means that mental health issues of looked-after children will often go undiagnosed, and the child will not receive the support they need. Unsurprisingly, this serves to compound the numerous issues that children in care already face, and this can manifest itself in a number of different ways, including increased risks of substance abuse, loneliness and isolation.\textsuperscript{37,38}

In addition, the situation of LAC can also mean that care leavers may not have the necessary skills to live independently, rendering them more vulnerable to future exploitation. For example, it is estimated that in many regions in England, up to half of women involved in sex work have spent time in the care system as a child,\textsuperscript{39} and 25\% of the homeless population experienced care at some point.\textsuperscript{40} Unlike education outcomes, these are less consistent across the population but demonstrate that when things go wrong for care leavers, there are much fewer support networks to help rectify the issues they face. Until this is resolved, smaller disruptions to their lives will continued to have outsized effects.
Economic inclusion

With the myriad of issues faced by children in care it is unsurprising that the lack of opportunities they face in early life translate to poorer life outcomes in the long-term. One way that this can be seen is labour market participation of care leavers, which lags behind the general population. Concerningly, the proportion of NEET care leavers between the ages of 19 and 21 has increased from 38% in 2014 to 40% in 2017.

The gap between the outcomes of care leavers and their peers is shockingly high, and a reduction in NEET-thood across the general population has not been followed by those in care, as demonstrated by the gap between the proportion of care leavers and all 18-24-year-olds who are NEET widening from 21 percentage points to 27 percentage points in 2017, as demonstrated by figure 9.

**Figure 9: NEET rates – care leavers and general population (18-24), 2014-2017**

Source: SMF analysis of ONS NEET Statistics and Department for Education Care Leavers Outcomes data, 2017.

One of the places where the gap in participation can be seen most starkly is in education, where only around 6% of care leavers participate in further education at age 19, compared to 38% of the general population. Combined with the general educational outcomes care leavers face, it appears that not only are they disadvantaged, but they have fewer tools to help them escape their situation.

What is clear is that the disadvantages that care leavers face follow them into later life, and deny them further opportunities that others have, despite the best efforts of existing government policy. This means that they are more likely to experience poverty, be dependent on welfare and have lower standards of living.

A full understanding of the scale of this problem has not yet been forthcoming due to data limitations, but this issue is a persistent one; a study in 2000 found that “a consistent finding from research studies completed since the 1970s has been that the vast majority of care leavers live at or near the poverty line. They struggle to survive and to make ends meet – and this affects their whole life.” This is not a result of malicious policy choices, but rather a confluence of a number of extremely unfortunate circumstances. It is, nonetheless, an indication that without more action, the effects of care may continue to scar leavers for the rest of their lives.

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8 SMF Analysis carried out using NEET by age figures from the Office for National Statistics, and Care Leaver outcomes statistics from the Department for Education.
CHAPTER 3: DAMAGED CHILDREN OR A BROKEN SYSTEM?

Chapter 2 demonstrated that, compared to those who never enter the care system, children with an experience of the care system experience worse outcomes both when they are in the care system, and throughout the rest of their lives. Understanding the routes to and causes of these worse outcomes is challenging. In particular, it is an area of contention as to whether these outcomes are an inevitable consequence of the circumstances that children in the care system have experienced, or whether the care system could and should do more to alleviate and mitigate these impacts. The arguments on both sides are compelling. For example:

- To some extent, these poor outcomes can be expected; children who are put into care are there because they are in a position of need and / or face a real risk of harm. Many have experienced significant trauma. As such, it is no surprise that these situations have an impact on their lives. It is also the case that, for many children, the experience of being in care is a positive one, leading to improved outcomes compared to the alternative of not being taken into care. This suggests both that, overall, poor outcomes come from a child’s pre-care experience and that it is unrealistic to think that these issues can be resolved. In this case, any assessment of performance of the care system should be benchmarked against the situation children in care would otherwise have faced.

- On the other hand, for a minority of children, experiences within care can serve to exacerbate their issues or cause new ones. For the majority of children in the care system, there is the broader argument that, even if the care system does improve outcomes compared to the alternative, we should expect the system to achieve more in terms of improving their outcomes. This argument would suggest that, while it is already improving outcomes, the system is not functioning as well as it should and, as such, is letting down the children within it. In this case, any assessment of the performance of the care system should be benchmarked against outcomes of those of their general age group.

Understanding and disaggregating these effects can be challenging, not least because the effects are highly individualised, and also because it requires directly comparing children in care to either the general population (who have a variety of different opportunities), or to children in need but not in care (who in turn are a very different cohort). The analysis in this chapter attempts to unpick these issues as far as possible, assessing the evidence of children’s experiences before care, during care, and after care. It then presents the most up to date and comprehensive findings on the performance of the care system run by Local Authorities.

Before care

Before a child has even entered care, they are already in a position of disadvantage. This is the case because, by definition, they have been at risk, and possibly subject to wider deprivation from factors such as neglect, poor parental health or unstable living conditions. Summarising this situation, one study noted that “children who come into care for a period of time are likely to have suffered some degree of psychological and/or physical trauma or mistreatment. They have often been living in dangerous settings or been cared for by people with mental health problems or specific health needs.” Unsurprisingly, this manifests itself in worse outcomes, even prior to the experience of care. In areas such as education, studies show that “the difficulties faced by [these] young people may pre-date entry into care,” though they note that they frequently persisted after that point as well.

In terms of the contribution that being in care makes to poor outcomes, analysis suggests that the earlier the child enters care, the better they perform in education, suggesting that while the majority of the factors driving reduced attainment are prior to entering care, properly structured support can play a role in reducing the gap in educational outcomes. However, the gap in attainment can be lengthened when factors such as instability and absence, age of entry into care, and length at current placement are taken into account. Results show that children who are looked after perform at the same level or, in some cases, even outperform children in need at Key Stage 2, yet achieve lower results on several key metrics at Key Stage 4, suggesting that much of their disadvantage stems from their formative early life experiences.
Quantifying these effects is difficult, not least because the majority of outcomes are tracked after the episode of care has started (e.g. educational outcomes), and because of the lack of an obvious control group. Regardless, the central point is that a key contributor to the outcomes children in care face are the circumstances that led them to be looked after in the first place, and much of their experience in care, and their transition to independence, are affected by these original issues. However, an anonymous survey carried out of children in care suggests that being in care was an improvement for many children, with 83% reporting that it improved their lives, and a larger proportion of the respondents reporting feeling safer in their placements and liking school than children in the general population. This, and the consistent pattern of children in care outperforming those in need suggests that many of the issues children in care face can be attributed to their earlier life stages.

The result of this situation is that children who stay in care longer in more stable conditions do perform well and almost as well as children who are not in care. This is something recently noted by the Children’s Commissioner who reported that children they had surveyed said that “placement changes negatively affect[ed] their education, and many of them said that experiencing frequent change was typical for children in care.” These findings suggest that, while there may be issues with the care system – the primary challenge is helping children overcome the situation that they are in, and that while this should not reduce our aspirations for these children, it does demonstrate both the importance of a functioning care system, and the challenges to making that vision a reality.

**During Care**

In most cases the move of a child into care represents an opportunity to improve their circumstances and well-being, and to safeguard them from harm. However, that is not to say that care cannot have pernicious effects. Aside from individual experiences children in care have, which can vary wildly, there are also some systemic issues which contribute to worse outcomes. In particular, feelings of stigma and dislocation can be developed, and children being either placed too far from home or having to experience too many movements pose a serious problem.

Avoiding instability is key as frequent changes of placement is associated with worsened outcomes. Studies have shown that transient placements create climates of instability, anxiety and worse outcomes, and studies have explored the negative mental, educational and social consequences of placement breakdown for children in foster care. Other research points to how high levels of instability prevent carers from establishing supportive relationships with looked-after children. In some cases, placement breakdowns occur due to social workers prematurely assigning children in care to return home, only to return back to care. In short, whilst care is frequently a force for good in the lives of children, this is at least partially due to the stability and protection it offers, and in circumstances where this breaks down, it can exacerbate the same problems children face prior to entering care.

Other areas, such as placing children with their siblings, are also important as separation can also be damaging, whereas placing children together has been shown to improve outcomes such as educational attainment. Central to this point is the fact that, whilst care can do many positive things for vulnerable children, certain aspects of it can exacerbate the issues they are faced with, especially if they serve to increase the uncertainty in a child’s life. Due to this, at least some of the outcomes that children face can be directly attributed to the care system, and in particular to the fact that a minority of children in care suffer from significant placement instability.
Figure 10: Children with multiple placements in one year, dated to March 31st, 2017

![Figure 10: Children with multiple placements in one year, dated to March 31st, 2017](image)


In addition to these issues, a small minority of extreme cases suffer from further neglect or abuse during their time in care. A 2014 study found that eight Local Authorities had more than two and a half-substantiated allegations per 100 looked-after children, and for the 118 fostered children who experienced abuse or neglect, 43% of the foster carers involved had previously been subject to allegations. This indicates a degree of weakness in policies to safeguard children. Moreover, the same study pointed out that between two and three substantiated allegations per 100 children living in residential care were made across the UK each year. While these are small numbers, the severity of the issue means that abuse and maltreatment are of severe concern. Furthermore, whilst the quality of the placement may be judged as suitable, the unique circumstances of looked-after children means that they are also more vulnerable to external forms of abuse, and indeed in recent years there have been a number of high-profile cases of children in care being subject to exploitation and grooming.

Transitioning out of care

Regardless of how well a local area looks after the children under its care, there will come a time when they have to transition to independence. This can often be a challenging time for care leavers as they often struggle with challenges such as losing entitlement to certain forms of support. This is an acknowledged problem, with a government cross-departmental ‘care leavers strategy’ launched in 2013, and the subsequent “Keep On Caring” strategy released in 2016 on top of the Government taking up recommendations from the Narey review and implementing a “staying close” pilot project for residential care leavers.

At the source of this issue are two key factors: first that care leavers often have to make the transition to adulthood at a much younger age than their peers, and second that they often receive a lower level of support from their corporate parent than their peers would. Together, this means that poor outcomes are not just limited to time in care, but also follow care leavers throughout their life. In this sense, what matters is not just ensuring that those in care have the requisite skills and support to not lag behind their peers during care, but also making sure that they have the same opportunities and soft support networks that others do when transitioning to adulthood.

A good example of this is that in 2017, 7% of care leavers were residing in unsuitable accommodation, and the living circumstances of a further 10% were unknown. This is a recognised issue and specialised leaving care services exist to address these issues, but the central point remains that with care there is a natural ‘endpoint’ and how that process is managed is as important as the treatment the child receives in the preceding years. While

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9 See for example, the Serious Case Review conducted by Calderdale - Reference: Raynes, B, ‘Serious case review: overview report in respect of Jeanette’, Calderdale Safeguarding Children Board, 2016.
it may be the case that the care system deals with damaged children, the challenges they face when transitioning out of care are at least partially a function of public policy decisions.

Requires improvement

The sections above present a range of evidence that suggests that the system of care for children is performing less well than it might in supporting looked-after children to improve their outcomes. This conclusion is also supported by Ofsted data, used to provide the DfE with the best national picture on how Local Authorities are delivering on their commitments to children in care.

As part of Ofsted inspections, Local Authorities are assessed against their performance in five key areas:

- Children who need help and protection;
- Children looked after and achieving permanence;
- Adoption performance;
- Experience and progress of care leavers; and
- Leadership, management and governance.

Each of these criteria receives a rating, either Outstanding, Good, Requires Improvement, or Inadequate, and the Local Authority also receives an overall rating for their performance. The Local Authority is then required to prepare and publish a response to the report, as well as the action that it plans to take as a result. Through this method, it is possible to get both a local picture through the specific reports, and a wider picture of national performance.

Unfortunately, the picture of performance in England is bleak, and SMF analysis of the most recent Ofsted inspections suggest that some 63% of Local Authorities are providing services for children in need of help and protection, children looked after and care leavers which require improvement or are simply inadequate.

The figures, collated from the most recent inspections over the past three years paint an imbalanced picture. Whilst 36% of Local Authorities are classed as ‘Good’, only 2% are rated as ‘Outstanding’, with the remainder falling into the categories of ‘Requiring Improvement’ (47%), and ‘Inadequate’ (15%). This level of performance means that some 47,085 children (65% of all LAC) are receiving support which falls short of what is currently expected. To provide a comparison only 21% of secondary schools are designated as inadequate or requiring improvement.

Overall, this means that, not only are more children entering care, but the system is struggling to provide adequate services to them.

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Figure 11: Percentage of Local Authorities in each Ofsted performance category


Figure 12: Overall Ofsted Rating for Looked-after Children by Local Authority

The results analysed by the SMF indicate that even if those Local Authorities are overall judged to be adequate or even outstanding, there remain grassroots-level institutions and service providers that are deemed inadequate. This is concerning as the overarching result can mask deeper structural flaws and means that children are still receiving a lower standard of care within the area. Given that a 2015 Ofsted report on children's social care also found considerable weaknesses in many Local Authorities’ assessment processes, oversight over these issues may be more limited.

What does this look like in practice? The reasons for failure are varied, and Ofsted judges many Local Authorities as inadequate or requiring improvement for a variety of reasons, including:

- **Widespread failings and issues previously highlighted not being adequately addressed**, for instance Rotherham (Inadequate - 2014) was noted to have leadership which hadn’t understood or learnt from previous failures;

- **Poor coordination with other services**, for instance Birmingham (Inadequate - 2016) was criticised for the fact that “a lack of effective multi-agency working at both the operational and strategic levels is hampering the pace and extent of progress”;

- **Management being unaware of problems** until highlighted by inspectors. This was the case in Milton Keynes (Requires Improvement – 2016), where it was found that “senior managers were unaware of a number of shortfalls in areas of practice until they were highlighted by inspectors,” and that “not all children receive a consistently good service because of these weaknesses.”

- **Problems with multi-agency coordination**, including issues with data-sharing, communications, and commissioning. An example of these issues can be found in Dorset (Requires Improvement – 2016) which found that strategic planning and commissioning across agencies was “not driven by a shared, multi-agency set of priorities and plan against which services can be commissioned and progress measured.”

- **The needs of children not being met promptly**. This can be illustrated by Torbay (Inadequate – 2015), where it was found children “do not receive timely responses to their needs and thresholds for access to services are not well understood or applied. Children and families experience delay in gaining access to help and protection at referral, assessment, and planning stages.”

- **Child protection plans being ineffective or not adhered to**. This was the case in West Berkshire (Inadequate – 2015), where it was found that “children subject to child protection plans do not see their social workers as often as they should [and] child protection chairs do not rigorously monitor or challenge delays in the progression of plans.”

- **Instability of placements for LAC and delays in finding suitable placements**. Waltham Forest's inspection (Requires Improvement – 2015) found that “only 31% of looked-after children of school age [were] placed within the borough,” and that “in several cases sampled by inspectors, distant placements had made it harder for children maintain their contact with parents and other important people in their lives.”

- **A lack of focus on outcomes** and subsequent poor performance when leaving care. For example, in Lancashire (Inadequate – 2015), it was found that “a recently renewed

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focus on promoting the educational attainment of looked-after children has not yet resulted in enough looked-after children having the most basic tools to support educational achievement, such as a personal education plan. Educational aspirations for them remain too low.”

- **Inconsistent and widespread poor practice.** For example, the inspection of Kirklees (Inadequate – 2016) found that a review of 226 cases found “widespread poor practice, including for some children where urgent action was then taken to safeguard them.”

- **Poor services and standards in place for children who go missing or are at risk of sexual exploitation.** Demonstrating this, Bromley (Inadequate – 2016) was criticised because “the response to children missing or at risk of child sexual exploitation is inconsistent and uncoordinated [and] the Local Authority lacks understanding about the prevalence or level of risks for individual children and young people, and their collective profile.”

- **Poor file-keeping and progress tracking.** This was particularly the case in Wirral (Inadequate – 2016), which was criticised for the fact that “case recording is sometimes so poor that it is not possible to tell how decisions have been reached or even what has happened as a result of intervention in children’s lives.”

- **Poor services for care leavers, which was an issue in Worcestershire (Inadequate – 2017), where it was noted that “too many care leavers are living in accommodation that is not appropriate for their needs. Almost half of care leavers are not in employment, education or training (NEET), and pathway planning is poor.”

- **Inconsistent threshold decisions** (choosing between a child being in need, at risk, or requiring external care and parental responsibility from the state) This was a significant reason for the poor performance of Barnet (Inadequate – 2017) where the inspection noted that “threshold decisions are inconsistently made and misunderstood at all levels of intervention.”

- **Poor transition services for care leavers.** In the case of Devon (Requires Improvement – 2015), it was found that “the Local Authority cannot evidence that it is in touch with approximately half of its care leavers and, as a result, young people leaving care do not consistently receive the support they are entitled to in order to help them make a successful transition to adulthood.”

- **Poor understanding and monitoring of outcomes, and a consequent lack of oversight.** During the evaluation of Norfolk (Inadequate – 2015), one of the contributing factors was that “Performance data remains unreliable [and] outcomes from audits are not always used well to help identify and address training needs.”

Despite this, there are some reasons for optimism. The care system is still, on some metrics, doing well in extremely challenging circumstances. Outcomes for LAC are better than those for their peers who are classified as ‘in need’, suggesting that it is helping address at least some of the disadvantage that children in care experience. One indicator of this is that surveying has suggested that of young people in care aged 11-18-years-old, 85% had an adult they could trust in their life, a figure comparable to the 82% of young people in the general population who agreed with that statement in 2014.

This clearly illustrates that some areas are performing well, and the 2017 ‘Bright Spots’ research conducted by Coram Voice suggests that some 83% of children emphasised that their lives had been improved by being placed in care, illustrating that the care system is still performing crucial work, and recent education reforms to improve
educational attainment were reflected by more positive views about the opportunities LAC had. In short, the care system was helping improve the lived experience of vulnerable children substantially.

Despite this, meeting lowered expectations is not enough, and our aspirations should be higher. Noting that the system frequently falls short is not a criticism of those working within it – the vast majority of carers and social workers will have one outcome in mind; improving the lives of vulnerable children. However, too often the system within which they work results in them falling short of this goal, and where this is the case, more needs to be done.

An Ofsted report into children’s social care across the country in 2016 stated that LAC were faring well, the experiences of children in foster care were positive, the quality of adoption services was strong, and children’s homes were being judged as good / outstanding more often than before. However, as Amanda Spielman, Ofsted’s Chief Inspector, noted, the report also found that “…the greatest challenge lay in the quality of provision for children in need of help and protection”. In particular, weaknesses were shown in the identification, assessing, and provision of assistance to such vulnerable children. Perhaps the best conclusion to reach from the evidence is that while services are underperforming in an extremely challenging time, they may be slowly improving.

The need to do more

Ultimately, services to help looked-after children need to do two things:

1. Provide a service to ensure none of the children under their care have their issues further exacerbated and have a support network to prevent their situations worsening; and
2. Provide proactive services to help children overcome their initial disadvantages and catch up with their peers who have never been in-need or looked after.

While the existing system appears to be functioning relatively well on the first of these goals, this chapter has demonstrated that, for a vast number of children, it is not performing well on the second objective.

It is clear that every child’s experience will be different, but in general it is clear that children in care enter with a higher level of disadvantage, that in the worst cases being in care can exacerbate these issues, and that in most cases not enough is being done to mitigate the impacts of earlier disadvantage and tackle the challenges that care leavers face.

This is a truth acknowledged by policymakers, and sectoral bodies. Reports from organisations including Policy Exchange, the Centre for Social Justice, Demos, Bristol University, the Rees Centre and Coram Voice have all highlighted problems in the care system for looked-after children and the devastating impact they can have on adult lives.

Addressing the systemic problems faced by some of the most vulnerable members of our society is an imperative that the Government should tackle regardless of the costs. However, the cumulative disadvantage that care leavers face also means that there is an economic case for helping solve their issues, and that, where directed appropriately, support could reduce costs down the road as well as improving outcomes. For example, it is estimated that one child’s unstable and unsupported care experience would create an additional £22,415 of costs per year compared to a stable and well supported journey. This provides a glimpse into the wider costs of not tackling this neglected issue and demonstrates the need for an increased focus on the needs of looked-after children and the services that support them.

Whilst these figures may be up for debate, the core point is clear; improving the care of looked-after children would prevent further issues down the line, and is not just morally right, but also a sensible goal to pursue in economically constrained times. How we achieve this is the question.
CHAPTER 4: CURRENT GOVERNMENT STRATEGY

The situations that looked-after children find themselves in, their poor prospects, and the performance of some Local Authorities imply that the Government has not been doing much to improve the lot of looked-after children. Fortunately, this is not the case, and the Government has been extremely active in attempting to improve the safeguarding and well-being of looked-after children, even in the wider context of restrained public spending.

Reform and Legislation

As noted earlier in this paper, the foundation of legislation to do with looked-after children is the Children Act of 1989, which set out the responsibilities that Local Authorities had to looked after children and care-leavers, as well as the duties and powers they had to achieve them. This has in turn been supported by various acts, including the Children (Leaving Care) Act of 2000, the Adoption and Children Act of 2002, the Children and Adoption Act of 2006, and the Children and Young Persons Act of 2008. Between them, these pieces of legislation laid out a number of the additional duties referred to in this report, including the duty to support young people leaving care between the ages of 16-21, and reforms to improve the quality of care for looked-after children.

More recently, the Government has taken even more proactive steps, with two major pieces of legislation in 2014 and 2017 respectively. The Children and Families Act of 2014 reflected the Government’s priority of streamlining the process for adoption, including permitting adopters to foster children whilst awaiting the results of their application to adopt, and also reducing delays in care proceedings by introducing a 26-week time limit. Alongside these flagship reforms, there were a number of others aimed at boosting performance, including allowing children in care the choice to stay with foster families to the age of 21, a legal duty on schools to support children at school with medical conditions better, and a suite of reforms to children’s residential care.

Following the 2014 Children and Families Act, the Children and Social Work Act received royal assent in 2017, and carried forward a further wave of changes, including incorporating the corporate parenting principles into law, as well as requiring Local Authorities to publish a local offer for care leavers, and extending the support available to them until the age of 25 to assist with the transition from care. It also took a number of steps to improve the regulatory regime for social workers and to establish a Child Safeguarding Practice Review Panel to identify and evaluate serious child safeguarding issues.

This does not, however, spell the end of the reforms being undertaken. The Government has clearly understood that significant chances need to be made, and that it has a role to play in setting the direction, momentum and depth of change. Most recently, the DfE set out its vision for children’s social care, including a commitment to an improved social welfare system. This involves a three-step emphasis on developing the skills and leadership abilities of those in the welfare profession; aligning the aims of different levels of the many organisations in the social welfare landscape to create working settings conducive to best practice and innovation; and finally, ensuring that leading bodies understand their responsibility and use data effectively to demonstrate the strengths and weaknesses of the system.

The picture of government action is of a job that is not yet done, but one that is on its way to completion. Perhaps the best articulation of this can be found in the January 2016 strategy, which noted that “over the past six years, we have begun to lay solid foundations for the improvements required.” The challenge is what comes next, and how the lofty ambition to ensure that by 2020 “all vulnerable children, no matter where they live, receive the same high quality of care and support” is delivered.

Reviewing the detail

The DfE report ‘Putting children first’ (2016) highlights the progress of the Government so far in tackling its admitted faults. The report lists its progress and initiatives so far which have been successes, such as appointing a Chief Social Worker, beginning the transformation of the special educational needs and disability system, and the joining up of social care, education and health as recommended by previous reviews, investing in Frontline and Step Up
to Social Work, introducing a Pupil Premium Plus to assist schools in supporting children in care, and the innovation programme.

Recognising that the challenges for looked-after children overlap over a number of policy areas, the Government has made extensive use of external reviews, including those by Professor Eileen Munro in 2011, Sir Martin Narey, and Professor David Croisdale-Appleby on issues ranging from safeguarding to residential care and social work education. Sir Martin Narey is also due to provide a further review of the state of foster care in the UK in the coming months. These reviews provide the Department with what it describes as a “deep understanding of the challenges faced by children’s social care,” and bespoke insights into the different policy areas and challenges faced.

An example of how the reviews influence policy is the DfE’s £100m Innovation Programme. This fund provides resources to 95 projects, including development new models of social work, piloting new approaches to deal with multiple needs, and programmes to safeguard young women at risk of sexual exploitation. Its creation was necessitated by the findings of the Munro review (2011) which found too large a prioritisation of risk avoidance and bureaucratic processes at the expense of meaningful services for vulnerable children. The Review prompted the DfE to re-evaluate its service delivery to achieve improved outcomes and better value for money via alternative methods of engagement, including the creation of the Children’s Social Care Innovation Programme. The programme, which is being delivered by the Spring Consortium – a team comprising of Deloitte, Innovation Unit, and Mutual Ventures, and focuses on:

a) Improving service delivery for children in social care via encouraging pilots run by organisations; and

b) Addressing the support systems for care leavers and their transitions into adulthood.

Given the scope and the remit of the reviews, there is insufficient space in this report to detail all of the recommendations and the extent to which they have been adopted by the Government. However, the central point is that alongside substantial legislative effort, there have been ongoing attempts to understand both the scale of the challenge, and what detailed solutions are required in each area to drive better outcomes for the whole system.

CHAPTER 5: RECOMMENDATIONS

This report has shown that many steps have already been taken to improve the care system. However, despite this, the average outcomes for children in care are still extremely poor compared to those who do not experience the care system. Local Authorities are also continuing to perform at levels that would, if mirrored in any other services, be deemed unacceptable and a national crisis.

However, given the complex and multifaceted nature of the issue, there are no easy answers. It is also clear that the vast majority of people working within and involved with the care system for children have one task in mind; improving the lives of the people that they are caring for. This means both that this is not a problem of motivation, or intent and that there are also areas of good performance, as highlighted by the Bright Spots research and exemplar Local Authorities.

There are also numerous examples of where there is already specific action, both locally and nationally, to directly tackle particular issues, with the introduction of positions such as virtual school heads and the creation of a social worker accreditation scheme. This means that improving the lives of looked-after children is not a case of simply trying to completely overhaul the system. Instead, what is needed is a more considered approach; first ensuring that the reasons for failure are properly understood and then taking action to ensure improvement. Below are areas that we believe could play a part in this process.

Setting our sights high

Overall, improved performance in this area will require that the profile of the issue is raised and that a clear vision of improvement is set out. This should be set out in a new Charter for Looked-after Children, that commits central government to closer monitoring of the overall system and ensuring that outcomes improve. At the least, it must include:

- A commitment to close the gap in outcomes between those in (and close to) the care system and their peers who do not experience the care system.
- A clear statement that it is not acceptable that 65% of all LAC are receiving support within Local Authorities whose services for them are deemed to fall short of what is expected.
- Raising the standards that we expect for LAC, and a commitment to take firm action where Local Authorities are not meeting these standards, failing to improve, or continuing to fail.
- A commitment to turn this around, by investing more policy and legislative time and working with Local Authorities to spread best practice. There may also be a case for spending more money on the services provided for these uniquely vulnerable children.
- The long-term ambition should be set out as being that those entering the care system face no long-term disadvantage. While it is likely that this will take some time to achieve, and for some children is unlikely to ever be the case, acknowledging that this is the ultimate role of the system will help to spur more positive action.

Building public support for the Charter for Looked-after Children will require leadership from across the political spectrum. Part of this will be raising the profile of the issue and the visibility of the challenges that we face as a society. This will mean making the scale of the silent crisis more apparent, and more understandable to a non-specialist audience. Our new interactive tool is aimed at doing just this, and is planned to be the start, rather than the end of, a concerted program of work to make sure that we do more for some of the most vulnerable members of our society.
Data and understanding

Once the Government has set out this Charter to improve the system and outcomes for children within it, there needs to be a better way of monitoring performance and holding central and local government to account in delivering it.

Significant steps have been made over the last decade with regards to the volume and quality of data that is held and published about the population of looked-after children and the performance of Local Authorities. However, a key challenge highlighted by this report is that this data is not well joined up, very difficult to navigate and often incomplete. This echoes the findings of the Children’s Commissioner’s recent report on vulnerability. Clear examples include a lack of data on the experience of looked-after children once they have left care, including their experience of the justice system and services including Jobcentre Plus.

This means that, if outcomes for LAC are to improve, more needs to be done to ensure that data is effectively joined up and shared between departments and Local Authorities. A number of workstreams are already investigating how this might happen (including from the Children’s Commissioner) and, as part of this work, LAC should be viewed as a priority group for which to improve data collection and sharing.

This doesn’t just mean that the data should exist across different departments, but also that it should be brought together in a way that clearly speaks to the wider and interlinked factors driving care leaver outcomes, such that a clear understanding can be built of the progress of care leavers, and the extent to which we are meeting our obligations to children in care across the whole course of their lives, rather than a series of isolated metrics.

The SMF’s interactive dashboard represents one way this could be achieved; bringing together Ofsted data and DfE data for each local authority compared to national averages and the performance of similar local authorities. In the future we hope to include other items, including performance on stability (the stability index), and wider education and employment metrics. We aim for this to be a first step to boosting transparency and understanding in this sector, and hope others will join us in making this information more accessible and comprehensive.

Alongside joining up existing data, a priority should be identifying core areas where the experience of care is linked to worse outcomes in adulthood, such as economic inclusion, health, and involvement in the justice system. Data on these areas is currently sparse, and evidence relies predominantly on self-identification by care leavers in ad-hoc studies. As a priority, the Government should review how data can be better collected and joined up across these areas, such that a better understanding of the outcomes for LAC across their adult lives can be formed.

Monitoring performance

Once the data has been collected there is also the challenge that we are now faced with so much information (of varying quality and coverage) that it is difficult to draw conclusions from it that could be used to hold local and central government to account or to help to improve the system. In short, whilst the data are available, there is virtually no accountability that stems from it; something that is partially a function of how easy to interpret it is, and partially a function of the lack of comparator data for the general population.

The Local Authority dashboard that SMF has published alongside this report goes some way to tackling this issue. It provides an overview of the care system for children and some of the key outcomes that flow from it. SMF will continue to update this tool as data become available.

However, this tool is by no means complete; we lack an understanding of longer-term outcomes, as well as comparative data. Several examples illustrate this:

- The data on the rates of LAC who become NEET is collected for ages 19-21, but for the general population the data is reported for ages 18-24. This type of mismatch means that comparison of LAC outcomes is more challenging;
• There is currently no way to compare performance between private sector and public sector provision, meaning it is impossible to reach a conclusion about their relative effectiveness, and what the variation across the country means for LAC outcomes;

• It is not currently possible to break down outcomes by different placement types, making it challenging to judge the relative effectiveness of different provision types at the national level.

Combined, these elements mean that even where there are cases of exemplary practice or outcomes, it is difficult to explain why this is occurring, meaning that lessons learnt about good practice are slow to spread and hard to replicate. It also means that we cannot analyse comparisons that might help increase our understanding of barriers that LAC face and help us shape policy to improve their lives.

For this reason, we believe that an important part of the new Charter should be developing a monitoring framework across the data held by all government departments, Local Authorities and wider service providers. This should be updated annually, and a report made available to Parliament. It should identify key metrics against which all Local Authorities can be judged in terms of both the quality of their service delivery and the outcomes that they are supporting for LAC. The Government should work with Local Authorities, the Children’s Commissioner, academics, experts and those delivering care to develop this framework.

Focussing on problem areas

Combined with raising the profile of this silent crisis and improving monitoring and accountability, it is also clear that the right reforms in the right places could make a world of difference to the most vulnerable children in our society.

As the findings from our analysis of the data show, the performance of the system and the needs of children vary substantially, both by case, and by the wider area that they are in. The route forward is not always clear, and in many cases a strong local understanding will be needed to identify how opportunities can be improved for looked after children. Nonetheless, a set of tools to identify both where there is good practice that should be replicated, and also where local authorities are lagging would be of enormous use.

We hope that leaders at the local and national level, be they MPs, councillors, civil servants, or members of the community, will be able to use the tool we have published, and future versions from the SMF and others, to identify the different areas that action might need to be taken in their areas. Through this, they can be part of the solution, identifying where services in their local area can be improved, and how they might be part of that process.

A full articulation of these issues, and their potential solutions, is beyond the scope of this report, however areas that we uncovered during our research are highlighted below.

• **Stability and out-of-borough-care:** While some children will need to be placed out of borough and / or experience a number of placement moves each year, those working in the sector highlighted a range of concerns that placement moves and out-of-borough placements were still too frequent and led to detrimental outcomes for those involved.

• **Monitoring performance – foster carers:** Overall, we know very little about the people caring for the large majority of LAC. Foster carers are not assessed by Ofsted and there is no national strategy for assessing whether their skills, qualifications and experience meet the needs of the range of children who need fostering. An increased understanding of these figures, and a better measurement of the relative effectiveness of public and private fostering providers, is urgently needed.

• **Professionalisation:** This is linked to an ongoing debate around the status of foster carers and whether foster care should be regarded as a profession. There are a range of arguments in play surrounding professionalisation and it is a complex area. However, if ambitions for improvement of the system of care for LAC are to be met, carers with the right skills, experience and qualifications will be needed to meet the
needs of each child. It is hard to imagine a system that could deliver this without at least some form of formal professionalisation.

- **Monitoring performance – Local Authority and private / voluntary providers:** While all providers of care for LAC are assessed by Ofsted, the existing framework makes it incredibly hard to be able to compare the performance of Local Authority and private / voluntary providers for specific placement types or children’s needs. Within a mixed economy of care, this makes it very difficult to understand the relative pros and cons of different forms of provision and reduces the extent to which Local Authorities can be held accountable for the quality of their placement decisions.

- **Commissioning:** Overall, it is apparent that this lack of comparability adds to the challenges of ensuring that the system for commissioning placements for LAC effectively provides each child with the support they need and the best possible placement. Whilst solid evidence is hard to find, those working within the profession argued that commissioning was still too focussed on cost minimisation and in-house provision from Local Authorities, and that this was detrimental to children’s outcomes.

- **Leadership and staffing:** Social workers, foster carers, and other professionals who work with vulnerable children are the most important people within the children’s social care system. Ensuring that they are supported to make the right decisions, that they receive the right support, training and potentially accreditation, and that they are effectively managed and led is a key part of ensuring that the care system caters for the needs of LAC.

None of these are new issues. Neither are they uncontroversial. Many other reports have highlighted the challenges they represent, and a range of different views exist over the right way forward. However, it is also clear that in each area, improvements could radically change the quality of care provided to LAC and, as such, each warrants a full investigation and action to be taken once a strategy developed.

We hope that this report, and our accompanying Local Authority dashboard, can act as a spur to action for both central and local government to drive improvements in the support and care received by some of the most vulnerable children in our society.
Endnotes

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