November 2019 - Evidence Paper to the Public Accounts Committee

Inquiry into Care Experienced Children and Young People

Purpose

This paper provides additional evidence at November 2019 to the Public Accounts Committee of the expenditure and value for money of public services for care experienced children and young people and the action being taken across Welsh Government to improve outcomes for looked after children.

Introduction

The Welsh Government welcomes the opportunity to provide further evidence to the Public Accounts Committee's Inquiry into Care Experienced Children and Young People. This evidence paper updates the 17 January 2019 response to the November 2018 report by the Committee and the 5 March 2019 letter to the Committee clarifying the Government's responses to its recommendations. It also updates on the Welsh Government's November 2016 letter to the Committee.

Context

Taking Wales Forward commits the Welsh Government to "examine ways of ensuring looked after children enjoy the same life chances as other children and if necessary reform the way they are looked after". This is reinforced in *Prosperity for All*, with social care as one of the five priority areas. There are actions to:

- raise the educational attainment and improve the life chances of children in care, adopting a child centred approach, through the collaboration of education, social services and others.
- strengthen edge of care services to provide families with timely support to reduce the numbers needing care provision and provide assistance in the key transitional phase post 16 to access further education, jobs and housing for all those leaving care.

The Well-being of Future Generations (Wales) Act 2015 sets the framework within which public bodies in Wales must work together to improve the well-being of Wales, working in an integrated and collaborative way, engaging with people and communities to take account of the long-term and to help prevent problems occurring or getting worse. We know that outcomes for looked after children do not compare favourably with their peers. They are less likely to achieve good educational qualifications, have greater health and housing needs, are more likely to become involved in substance misuse and come into contact with the criminal justice system.

The First Minister has highlighted his concerns about the increasing numbers of looked after children in Wales. He is clear that too many children are removed from their families and placed in the care system as has set the following priorities to:

- reduce the numbers of children removed from their families,
- reduce numbers of children placed out of county,
- reduce numbers of children placed out of Wales; and,
- reduce the number of children removed from parents with a learning disability.

Across the UK, recognition continues of the pressures that are being placed on the child welfare and family justice systems. Over the last decade we have seen a steady increase in the numbers of looked after children in Wales and across the UK.

As at 31 March 2019, 6,846 children were looked after, an increase of 439 (7%) on the previous year. This is at a rate of 109 per 10,000 population aged under 18, 7 percentage points higher than in 2017-18. Of these, 4435 were placed away from their birth family or relatives. There was a 2% decrease in the number of children started to be looked after during the past year. This is the second year that the number of children starting to be looked after has decreased; last year there was a 3% decrease, reflecting Welsh Government investment in prevention and early intervention.

Conversely, during the same period, 3% fewer children left care than in the previous year (n 1,678). A total of 1,063 looked after children were placed with parents or those with parental responsibility. The rates of looked after children vary across local authorities in Wales and whilst they generally correlate to levels of deprivation there are some authorities with significant levels of deprivation that have relatively lower looked after children rates and the local authority with the highest rate is around the Welsh average for deprivation¹.

The Committee will be aware of the range of reports which highlight issues around the increasing numbers of looked after children and the increasing use of care orders which cause pressure within the social services and court systems. The Cordis Bright research², the Child Welfare Inequalities Project³, the Care Crisis Review⁴, the Wales Centre for Public Policy research⁵, the Born into Care research⁶, the Targeted Family Justice Review⁷ and the Commission on Justice in Wales⁸ all set out analysis into the factors contributing to the high rates of care in Wales.

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¹ https://gov.wales/sites/default/files/statistics-and-research/2019-10/children-looked-after-local-authorities-april-2018-march-2019-964.pdf

² <u>https://www.cordisbright.co.uk/admin/resources/all-wales-heads-of-childrens-services-research-on-differences-in-lac.pdf</u>

³ https://www.coventry.ac.uk/globalassets/media/global/08-new-research-section/16469-17-cwip---briefing-2-final.pdf

⁴ https://www.frg.org.uk/images/Care Crisis/CCR-FINAL.pdf

⁵ https://www.wcpp.org.uk/publication/analysis-of-the-factors-contributing-to-the-high-rates-of-care-in-wales/

⁶ https://www.nuffieldfjo.org.uk/resource/born-into-care-wales

 $^{^{7}\,\}underline{\text{https://gov.wales/sites/default/files/publications/2018-08/supplementary-evidence-welsh-government-commission-justice-in-wales-family-justice.pdf}$

⁸ https://gov.wales/commission-justice-wales-report

Welsh Government recognises that providing safe, appropriate care for children places a significant cost pressure on local authorities. Over 16,000 children were receiving support from children's services on 31 March 2018. At 31 March 2019, 71% of looked after children were accommodated in foster care placements, and approximately 7% of looked after children were placed in residential settings. The remaining children will have other arrangements such as placements with parents or adoption.

In total in 2018-19, £659m was spent on all children's and families' services. Of this, almost half (£311m) was spent by local authorities on care experienced children, £127m was spent on foster placements and £95m on residential care placements (excluding secure placements) A secure accommodation placement in Hillside costs approximately £980 per night.

The Committee's recommendations are set out below and beneath each, progress updates are provided where appropriate.

Recommendation 1

The Committee recommends that the Welsh Government develop a set of indicators to assess the outcomes for care experienced children and make sure they reflect those things that matter to young people. The views of young people must be integral to shaping, informing and evaluating these, and it should be directly informed by the work of the Ministerial Advisory Group and any evaluation of the Bright Spots survey.

We recognise that we need better data to understand the experiences and outcomes of care experienced children and this has been a key priority in shaping our work on the new Performance and Improvement Framework for local authorities. This new framework will be launched on 1 April 2020 and will change the way that local authorities collect and use data and evidence so that it drives forward improvement across social services and improves well-being outcomes.

For care experienced children, the framework will include a suite of new metric data which will focus on the volume and movement of children through the social care system and the introduction of a new approach to the Citizen Survey will be commissioned ready for launch in April 2021. The new survey will gather a range of views from children on their experiences of care and support and will ensure that children's views are actively sought and used by local authorities to inform improvement and change as part of the new approach to data and evidence.

The Children Looked After Census and the Children Receiving Care and Support Census will both remain in place and will not be changed at this stage.

Recommendation 2

The Committee recommends that the Welsh Government should ensure educational outcomes for Care Experienced Children are measured by "distance travelled" alongside attainment measures, and evaluate the effectiveness of the Pupil Development Grant in obtaining these results.

New arrangements for the Pupil Development Grant for looked after children (PDG-LAC), developed through co-construction with the Consortia and Local Authorities, came into effect in April 2019. This was in response to a number of factors including, the disappointing 2017 GCSE results for looked after children, emergent findings from the now published independent evaluation of the PDG-LAC and the recommendations in the Children Young People and Education Committee's report *On the money*⁹. The new arrangements are intended to enable greater national consistency to deliver the best educational outcomes for these children.

As with all elements of the Pupil Development Grant, systems are in place to monitor the operation and impact of PDG-LAC. This includes six-weekly meetings between officials in the Education Directorate, the Welsh Government's Raising Attainment Advocate and the relevant leads in the four regional education consortia, often including a visit to a school/s to see the effect of the PDG in practice. These meetings form part of the ongoing monitoring of the implementation and operation of the new PDG-LAC arrangements.

Moving forward, we want to ensure the education of looked after children continues to be high priority for education and social services departments alike. Welsh Government officials have engaged with a range of stakeholders including representatives from education, social services and care experienced young people to consider and develop education priorities. A working group was established and it considered the potential of integrated approaches to improving outcomes for looked after children in education, namely Virtual Schools and the pioneering work in Carmarthenshire. The working group identified a set of proposed future education priorities for looked after children as:

- Relationships and compassionate leadership
- Holistic care and education
- · Culture and practice

Reflecting on the priorities identified by the working group, the Minister for Education and Deputy Minister for Health and Social Services agreed to take a proactive approach with a single piece of work encompassing all priorities. This year, we are commissioning work around integrated models such as Virtual Schools and whole system approach and will use the outcome of this work to deliver a Welsh approach.

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⁹ http://www.assembly.wales/laid%20documents/cr-ld11615/cr-ld11615-e.pdf

Recommendation 3

The Committee recommends that the public information on the Ministerial Advisory Group is improved on the Welsh Government's website to increase accountability and allow for scrutiny. We recommend, as a minimum, the following is published:

- Membership:
- Minutes of meetings, and
- Performance against indicators

Since our March 2019 response, significant progress has been made. Social Care Wales has developed a specific learning and development portal on its website about the Improving Outcomes for Children programme. The website on 9 October at our national peer learning event, sets out in details the programme's wide ranging activities, including documents produced and published and emerging good practice to help shape the continuing professional development of those working with care experienced children. The website continues to develop and new material will be added to it as it progresses. The Ministerial Advisory Group membership is on the website as is a highlight report from the September's Ministerial Advisory Group meeting. Future Ministerial Advisory Group meeting highlight reports will be added

An Annual Report about the Improving Outcomes for Children programme and the role and work of the Ministerial Advisory Group has been produced and published to Welsh Government and Social Care Wales websites. The Report set outs the work programme's priorities, achievements and next steps. It was subject to a full debate in Plenary on 26 November.

Key highlights from the Annual Report include:

- the establishment of edge of care services in every local authority in Wales;
- the roll out of the Reflect programme across Wales
- the introduction of legislation to exempt all care leavers from paying council tax
- the establishment of the St David's Day Fund
- a range of research to address gaps in the evidence. For example in
 December we will be publishing an important piece of research about the number of children placed into care from parents with a learning disability
- a programme of work around Corporate Parenting which has been discussed at a recent cabinet meeting

https://socialcare.wales/service-improvement/improving-outcomes-for-children-programme

Performance indicators work as been described in Recommendation 1 above.

Recommendation 4

The Committee recommends that the Welsh Government commission an analysis of independent agency placement costs examining the different outcomes across the life of a child that are delivered for the additional cost to create an informed evidence base for future decisions in this area.

Research into the cost of placements and the link with outcomes for children will form part of a wider research study to inform the development of a national strategic approach to placement commissioning. Progress on this is reported under Recommendation 6 below.

Recommendation 5

The Committee recommends that the Welsh Government undertake an evaluation into the frequency and effectiveness of end of placement reviews with a particular focus on the impact of such reviews on the child concerned.

Where there is a change in placement for example a placement move or breakdown of a placement, a review of the child's care and support plan should be instigated as routine practice.

When carrying out inspections of local authorities in relation to care and support for children who are looked after, Care Inspectorate Wales (CiW) will always consider end of placement reviews. CiW's inspection programme for 2019-20 is focussing on disabled children. However, in following up the actions in its *National overview report in relation to care experienced children and young people in Wales*, published in June 2019, CiW will also consider arrangements for end of placement review."

By way of context, the Committee will wish to note that CiW alternates its local authority inspection activity between adult and children's services with the latter part of 2018/19 and early part of 2019/20 focusing on older adults. In a four year cycle, each local authority in Wales will have one children's services and one adult services inspection. CiW takes a thematic approach to all inspections, with different themes being considered each year.

Recommendation 6

The Committee recommends that the Welsh Government sets out a timeline for the analysis of the delivery of placements. We would not expect this work to take longer than three months to commence and for it to be delivered within twelve months. Following this analysis, the Welsh Government should set out how services should be delivered in line with the ambitions of the Social Services and Well-being (Wales) Act 2014. This could then inform a national care experienced children and young people strategy for commissioning and managing the full spectrum of placements for looked after children.

A project to develop a national strategic approach to commissioning placements for looked after children commenced in July. It is overseen by a project board, and a project working group of key stakeholders has been established. The Group has developed a specification for research and a subsequent scoping study. Officials are

now working with colleagues in Welsh Government Knowledge and Analytical Services around the detailed particulars of the specification to ensure accuracy, as this is a complex, multi-faceted piece of work.

The timetable has been revised due to Welsh Government restrictions on procurement activity during the Brexit period, with the intention the research can be commissioned early in 2020. Officials will be providing progress updates to the Ministerial Advisory Group as this is a key element of work stream 2.

The project working group will consider the research, scoping study and any recommendations, in order to develop a common vision for a national strategic approach. This also allows the work to be informed by the Wales Centre for Public Policy's research into *Re-imagining the Placement Landscape in Wales* and by other work into re-balancing public services towards public sector and not-for-profit provision. As stated previously, the timescales for the implementation phase of the national strategic approach will depend on the recommendations of the scoping study, the extent to which the new approach uses the existing mechanisms or develops new ones, and whether it is appropriate to adopt a phased approach or aim for a definite implementation date.

Recommendation 7

The Committee recommends that the Welsh Government commission a review of spending on looked after children across the range of services areas involved in their care for example Education, Housing and Children and Adolescent Mental Health Services. This is essential to ensure a comprehensive picture of the money invested in supporting this group.

In the summer of this year, social services officials led and coordinated work across health including mental health and substance misuse, housing, education, children and families policy and youth justice to identify cross-government policy areas and budgets which impact on services for care experienced children and young people. The purpose of the exercise was to take a whole system approach to all areas of policy and spend which has the potential for delivering positive action and outcomes for care experienced children. We considered spend in relation to how much funding is used for care experienced children; the success and effectiveness of delivery of the spending areas; how much is used for prevention and early intervention work; and what can be identified as therapeutic work. The exercise also entailed an analysis of the provision of therapeutic services for children as a means of helping reducing the number becoming looked-after or improving outcomes for at-risk children. The aim was to identify whether there are gaps in provision which could be filled by redirecting existing budgets to a more effective approach and to serve as a bid for any new funding based on a cross-government and cross-sector way of working.

Social care funding will be an important consideration as part of the preparations for the draft Budget 2020-21, particularly as part of and in relation to the local government settlement. Based on the exercise outlined here, a bid was made to the Budget planning exercise which sets out a proposal for additional funding. It recognises that, as a consequence of the UK Government's approach to austerity, support services for young people have declined as local authorities have been faced with reducing budgets. Therefore, if additional funding is available, there may be scope to address

gaps in provision, for example, the development of a pilot for multi-disciplinary therapeutic hubs to deliver preventative services. These would be based on a social model which supports and sustains good emotional, behavioural and mental health, wellbeing and resilience with expertise provided from across the public services. Services could be support for care experienced children and their families and carers, as well as children at risk of coming into care, providing tailored interventions to reduce the impact of adverse childhood experiences on mental wellbeing and to build personal resilience.

Recommendation 8

The Committee recommend that the Welsh Government undertake a comparative analysis on the variance of spend per looked after child between local authorities to build an information base around variance of cost to drive best practice. This should also reflect the outcomes within each authority and be published once completed. This should be a regular information gathering exercise and having completed this for the 2018-19 period, the Welsh Government should evaluate the information obtained, and set out a timetable for future information gathering.

As stated previously, arrangements for monitoring and evaluating the national approach to placement commissioning will form part of the development and implementation of the new strategic approach.

During the reduction expectation visits conversations took place about how local authorities managed their businesses; this covered average spend per looked after child and proportion of local authority spend on children's and families' services. Discussions took place about where money was directed in terms of services and priorities to meet the needs of looked after children and those children, families on the edge of care and families in need of early help and support. All local authority submitted reduction expectation plans following the visits and progress reports are being submitted quarterly and annually. We will be able to see how the reduction expectation work is impacting on spend using future published annual statistics on spend per looked after child.

For more detail, please see section below on reduction expectations.

Recommendation 9

The Committee recommends that at the end of the current financial year, the Welsh Government should review the impact of transferring ring fenced funding for edge of care services into the Revenue Support Grant from April 2018 to assess the impact for care experienced children and edge of care services.

We know that as a consequence of this funding all local authorities in Wales have edge of care service provision. The funding continues to be used for this purpose and local authorities have welcomed Welsh Government's investment.

To provide additional assurance to the Committee, officials sought information about edge of care and wider prevention services during their visits to each local authority in April and May this year, as part of the Reduction Expectations work. To ensure

discussions had rigour and consistency, a conversation framework was developed which placed significant emphasis on each organisation's prevention services and strategies. The framework was shared in advance with local authorities in advance of the visits. Each organisation responded by preparing detailed presentations to demonstrate their business approach including prevention and early intervention strategies covering edge of care services, working practices and outcomes to illustrate the impact of services on children and families.

Recommendation 10

The Committee recommends that the Welsh Government should target ringfenced funding at edge of care services which, where safe to do so, have the potential to avoid children coming into care. This funding should explore the value of elements such as kinship care. It could also support local authorities to continually monitor outcomes for these individual children and value for money of this preventative spending.

The 2019-20 ICF programme included a ring-fenced annual allocation of £15 million for projects that would support children at the edge of care and prevent them becoming looked after as well as projects to provide support for children who are care experienced and/or adopted.

The funding has a focus on preventative and early intervention services for children in the edge of care. This will help provide support for families and avoid crisis situations developing. We expect the funding to be used to safely reduce the need for children to enter care. It will include work relating to family reunification and providing therapeutic support for children in care or who have been adopted, reducing the need for more intensive forms of support.

Two year investment plans were submitted by Regional Partnership Boards (RPBs) between March and June 2019. RPB's report on spend activity quarterly and outcomes activity every six months. The Quarter 2 reports which will include outcome and impact data are scheduled to be received from RPBs by 15 November.

There are 40 ICF projects currently being taken forward across Wales to specifically support children on the edge of care. Examples include family group conferencing, children's community connectors, training and awareness for perinatal mental health and projects to support children's emotional well-being.

Recommendation 11

The Committee recommends, that the Welsh Government updates its response to the Children, Young People and Education Committee "Mind over Matter" report by March 2019, providing detailed information about how it intends to address the concerns in that Report in respect of care experienced children as requested by the Chair of that Committee.

The Children, Young People and Education Committee were updated on 19 July 2019 about progress in delivering the commitments. In terms of recent activity, the Early Help and Enhanced Support event which took place in June included workshops on the mental health and wellbeing of looked after children. This was the third in a series of workshops which will inform the development of proposals for best practice and

service development to enable targeted support and interventions to those most at risk of developing emotional and mental health problems or showing early signs of mental disorders.

The Together for Children and Young People Programme is being extended and the next phase is expected to continue to focus on early help and enhanced support. Further details on the extension of the programme and the work it will deliver will be available over the coming weeks.

This work is linking with the Ministerial Advisory Group on Improving Outcomes for Children and the Whole School Approach programme.

Recommendation 12

The Committee recommends all care-experienced children are routinely made aware of their right to an advocate and provided with clear information about how to access the range of available advocacy services. This should be monitored by the Welsh Government and incorporated into the indicators for the Ministerial Advisory Group

The National Approach to Statutory Advocacy (NASA) is a standardised approach to statutory advocacy services being delivered by the six Regional Social Services Collaboratives. It has been in place since June 2017, with Welsh Government providing up to £550k each year to support the implementation of this approach. The implementation of NASA is monitored by a Task and Finish Group established under the Ministerial Advisory Group.

The NASA sets out shared national expectations on access and availability of independent professional advocacy. Underpinned by the National Standards and Outcomes Framework, common components of a service specification and reporting template, the NASA reinforces and secures a consistent offer and experience for children and practitioners. The NASA further evidences and informs future delivery and improvement through quantitative and qualitative reporting at local, regional and national levels.

An active offer of advocacy forms part of the NASA and is provided in the circumstances set out here: 'Children and young people are entitled to an active offer of advocacy from a statutory Independent Professional Advocate (IPA) when they become looked after or become subject of child protection enquiries leading to an Initial Child Protection Conference.' An 'Active Offer' is a sharing of information about the statutory right and entitlement of a child or young person in particular circumstances to access support from an independent professional advocacy service. An Independent Professional Advocate makes the 'Active Offer' directly to the child or young person.

The information shared includes an explanation about the role of the independent professional advocacy service, what it can and cannot do, how it operates based on a child or young person's views, wishes and feelings, its independence and how it works solely for the child/young person, its policy on confidentiality and significant harm – it explains the statutory right of children and young people to be supported to express

their views, wishes and feelings as well as their right to make a representation or complaint.

The Task and Finish Group has reviewed the National Reporting Template developed as part of the National Approach and produced a revised template this has been piloted for a period of six months.

The pilot phase has enabled both advocacy providers and commissioners to review and comment on the revised template. During this time advocacy service providers have continued to produce local reports for each local authority area as well as regional reports for each of the six commissioning regions.

The reporting template has been generally well received. The data from this national reporting template will feed into and inform the Performance and Improvement Framework for local authorities being launched on 1 April 2020.

Looked After Children Reduction Expectations

The First Minister has highlighted the increasing numbers of looked after children in Wales as a priority area for action, set within the context of prevention and systems-wide change. The First Minister set the following priority areas for reduction:

- The number of children in care.
- The number of children placed out of county.
- The number of children placed out of Wales.
- The number of children removed from parents with a Learning Disability.

To deliver this work, officials established a Looked After Children Technical Group, to work co-productively with local authorities to agree how best to take forward this work. The Group included representatives from the Welsh Local Government Association (WLGA) and Association of Directors of Social Services Cymru (ADSSC).

During April and May 2019, a Looked After Children Engagement Team, led by its Independent Chair, Phil Hodgson, visited every local authority in Wales. Bespoke three hour conversations took place based on an agreed conversation framework and informed by a detailed analysis of each organisation's data. Each local authority responded by providing detailed information on how each local authority is responding to the reduction expectation challenge.

Local authority discussions highlighted the importance of a whole system approach which included the importance of relationships and services provided by the Judiciary, CAFCASS Cymru and Health Boards in particular. The Chair drafted a report of the work undertaken and this was shared with the First Minister and Deputy Minister for Health and Social Services.

Following the Spring visits, templates were sent to local authorities asking for reduction expectation figures and accompanying plans of how they would achieve their reductions. All local authorities returned plans with 18 out of 22 offering numerical reductions.

18 out of 22 local authorities have now made numerical commitments to reduce their looked after children population whilst four authorities stated they were unable to commit to numerical reductions.

On 4 September 2019, the Deputy Minister for Health and Social Services and the First Minister wrote to local authority Leaders and Portfolio Holders, Directors of Social Services and their Heads of Children's Services. The letter commended authorities for their work to date. In respect of the four authorities which have not submitted numerical reductions the importance of this work in terms of improving outcomes for and the working in the best interests of looked after children, was re-stated. The Deputy Minister for Health and Social Services and officials are also visiting these local authorities to progress discussions and reach a resolution.

Summary of Local Authority Reduction Expectation Plans

Local authorities' reduction expectation plans have so far set out a cumulative reduction over the next three years as follows:

For the number of children in care reductions of:

- 198 children in 2019/20
- 215 children in 2020/21
- 178 children in 2021/22

This means a reduction of 591 children in the care system (9%) over three years

For children placed out of county reductions of:

- 94 children in 2019/20
- 96 children in 2020/21
- 92 children in 2021/22

A reduction of children placed out of county of 16% over three years

For children placed out of Wales reductions of:

- 36 children in 2019/20
- 28 children in 2020/21
- 6 children in 2021/22

A reduction of children placed out of Wales of 20% over three years

For children removed from parents with a learning disability, reductions of

- 6 children in 2019/20
- 5 children in 2020/21
- 5 children in 2021/22

Only a small number of authorities offered reduction in the numbers of children removed from parents with a learning disability. Local authorities have found this

priority challenging as they have various different approaches to collecting the information which has made it difficult to quantify numbers.

Further work will continue to try and better define this priority. This work will be informed by research commissioned by Welsh Government to explore the number of children placed into care from parents with a learning disability and the reasons behind their removal. This report is due to be published on 17 December and will be placed on the Social Care Wales, Improving Outcomes for Children webpages.

National Learning and Peer Support Event

As a result of the reduction expectations work, officials organised a national learning and peer support event to (i) share the findings and learning from the visits (ii) for local authorities to hear from colleagues in Scotland about their work to reduce numbers of children in care (iii) for local authorities to have the opportunity to showcase good practice (iv) to discuss next steps.

The event took place on 9 October 2019 and was well attended by Directors of Social Services and Heads of Children's Services.

Reduction Expectations - Next steps

The recommendations from the Independent Chair's report will be used to inform ongoing activity and engagement with local authorities and partners in respect of reduction expectations and the continuing activity of the Improving Outcomes for Children programme. An action plan to address these recommendations has been prepared and shared with local authorities in November.

Progress updates against reduction expectation plans commenced in November and will continue on a quarterly and annual basis. A Learning, Support and Monitoring Group of key partners will have oversight of this work.

The Deputy Minister for Health and Social Services and officials are engaged in a range of meetings with stakeholders to discuss this work and the roles and responsibilities and the contributions they provide. So far, meetings have taken place with CAFCASS Cymru, Justice Francis, the Family Division Liaison Judge for Wales and health colleagues. Further discussions are planned.

Following the success of the national event, there is ongoing work with partners particularly, ADSSC, to establish a Peer Learning and Support network, which will involve local authorities being linked with each other to share good practice.