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Committee of Public Accounts

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to the report*

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Committee of Public Accounts

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Summary

The Department for Education holds policy responsibility for children in care, and has national oversight of the local authorities who provide the services for these children. Although the Department is clearly best placed to provide the leadership required in many cases, it shows an alarming reluctance to play an active role in securing better services and outcomes for children in care. It chooses to limit its role to passing legislation, publishing guidance and intervening after Ofsted has failed a local authority service. It does far too little to disseminate actively what works and to support authorities to improve before they are failed by Ofsted. It sits on a wealth of information and knowledge which it fails to use in an active way to support better outcomes for this most vulnerable group of children.

There has been little or no improvement in outcomes for children in foster and residential care and how well they are looked after. While 62% of children in care have suffered abuse and neglect, too many still do not get the right placement first time, too many are moved too often, and too few are placed close to their homes. A lack of placement stability can have a long-term impact on the emotional and physical health, social development, education and future employment prospects of these children. In 2012-13, 34% of children in care had more than one placement during the year; and one third of children in residential care and 14% of fostered children were placed more than 20 miles from home. None of these figures have changed since 2009. The Department collects lots of data about children in care, but it is too passive and leaves responsibility to local authorities, failing to understand that responsibility to act to achieve better for children in care should be shared. If the Department is serious about its objectives to improve the quality of care, which we support wholeheartedly, then a step change is required in the Department's attitude and leadership.

Introduction

The Department for Education sets policy for children in care and has objectives to improve the quality of their care and the stability of their placements. Local authorities look after more than 68,000 children, in line with statutory duties set out by the Department. Ofsted regulates and inspects care services and the Department can intervene if local authorities do not deliver services to an acceptable standard. Local authorities look after children in their own foster and residential homes, or pay private or voluntary organisations to do so. On 31 March 2013, 75% of children in care were fostered and 9% were in residential children's homes. In recent years, local authorities have protected spending on foster and residential care, despite wider cuts to council spending. Local authorities spent £2.5 billion in 2012-13 on foster and residential care, an increase of 3% in real terms since 2010-11 despite an overall fall in spending, and the number of children in care rose by 4% over the same period.

Conclusions and Recommendations

1. **The Department is best placed to lead improvements in the quality of care and stability of placements, but it is reluctant to take on this role.** There are many bodies, including local authorities and Ofsted, involved in the care system and we do not expect the Department to do everything. However there are some oversight functions only the Department can fulfil and others where it is the best placed body to lead improvements in care. Unless the Department steps up and embraces this role the system will not improve. The Department agrees that it can set statutory duties for local authorities and intervene if they fail. But it is reluctant to accept it has a role in setting expectations for service performance, taking an overview of the market for care services, or using data to hold local authorities to account and to intervene and support local authorities before they fail Ofsted inspections. Leaving poor services to fester has meant that the Department has had to intervene in 21 local authorities. The Department does collect data but apart from making it available it fails to use this data to promote what works and to support local authorities that are struggling.

Recommendation: *The Department for Education should set out how it will lead and work with others to improve the outcomes for children by improving the quality of care.*

2. **The Department has watered down its responsibility for holding local authorities to account for their performance.** The Department's 2012 Accountability System Statement clearly stated that it had a responsibility for holding local authorities to account for their performance in providing services for children in care. A week after we took evidence, the Department published a revised accountability statement. The Department has since written to us to explain that it had not shared the proposed revisions with us because it judged that "the updated version did not contain major

changes” and it did not therefore believe that Parliament would want an explanation. However, the revised statement removes any reference to the Department holding local authorities to account for their performance on children in care, and downplays the Department’s role in leading the sector to improve. These are the very issues on which we had clearly expressed concerns during our evidence session with the Department, and we therefore regard the updated statement as a significant change.

Recommendation: *The Department has undertaken to carefully consider our comments for the next version of its Accountability System Statement.*

- *In the next version of its Accountability Statement the Department should either re-instate the reference to its responsibility for holding local authorities to account for their performance or at least make clearer precisely how it is discharging this responsibility.*
 - *In view of the Department having ignored our obvious interest when publishing its revised statement in January 2015, we expect the Department to publish a revised statement in the near future, which takes account of our concerns. Therefore, alongside its Treasury Minute response to this report, the Department should provide us with an update and explanation of revisions proposed in light of our report.*
3. **Too few children are getting the right placement first time and too many are placed away from their home area.** Of children in care on 31 March 2013, 34% had had more than one placement during the year, and 14% of foster children and 34% of children in residential care were placed more than 20 miles from home. Neither measure has improved in recent years, despite these factors being absolutely fundamental to the best interests of the child and in ensuring value for money for the taxpayer. Too little attention has been placed on improving commissioning and the department has done too little to ensure that the market works in the interest of children.

Recommendation: *The Department should set out a strategy and a timetable for improving the commissioning of all care places, including specialised care places.*

4. **The quality and experience of social workers is central to improving outcomes for children.** Local authority social workers make the key decisions about placing children in care. But there is a continuing shortage of professional social workers and many authorities rely on too many agency staff. The training of social workers in too many cases still fails to prepare them properly for the practical work they have to undertake.

Recommendation: *The Department should set out how it will attract more high calibre people to social work and how it will ensure that training is relevant to their work.*

5. **The Department does not use the rich data it does collect from local authorities about the patterns of care for children to improve local accountability and drive improvement across the system.** Local authorities submit a huge quantity of data to the Department about the number of children in care, the type and number of their placements and whether each child has had the necessary health checks. The Department publishes annual performance tables on a set of measures, which includes all looked-after children, but it is far from being the clear and easily accessible information that should be available to the layperson. The Department does publish more user-friendly scorecards on each local authority's performance on adoption but does not do the same for the quality of foster and residential services. The adoption scorecards do offer local people accessible information and the Government should build on this to provide more accessible information on all looked-after children.

Recommendation: *As it has for adoption, the Department should publish information against its key indicators for local people showing how well their council performs on foster and residential care compared to others. This should be in an easy to find and user-friendly format, to support local accountability.*

6. **The current system of inspection inhibits Ofsted from playing a full role in preventing the failure of local services.** Ofsted inspects local authority's children's services against a framework underpinned by the regulations and standards set by the Department. The Department considers that Ofsted's reports on inspections of children's services are the best way to hold local authorities to account for their performance in delivering quality care and will intervene if Ofsted rates services as inadequate. But Ofsted only routinely inspects each local authority every three years and, in the time between inspections, the Department is not using the data it collects from local authorities to identify poor performance, to intervene early or to instruct Ofsted to inspect. Ofsted is keen to inspect children's services more regularly, and would welcome being instructed to do so if the Department's data indicated things are going wrong. Ofsted strongly felt that either the Department or Ofsted should work with local authorities to improve their performance, in the same way as agencies work with underperforming schools.

Recommendation: *The Department should:*

- *reconsider the frequency of Ofsted inspections of children's services to ensure early identification and intervention and ensure that Ofsted and the Department use available data to monitor the performance of individual providers and local authorities in a timely fashion; and*
- *reconsider its own role and explore the scope for involving Ofsted in improving local authorities' performance between inspections, so that Ofsted and/or the Department play a stronger role in preventing failure, and protecting vulnerable children.*

7. **There is no clarity about who is responsible for leading the identification and dissemination of good practice.** The Department accepts that there is a shortage of easily available, good practice on what works in caring for children. Where there is good local practice, it is not disseminated well, although the Department considers that it shares good practice “when it sees it”. To its credit, Ofsted has taken it upon itself to run best practice programmes with the 55% of local authorities inspected so far that require improvement, using effective practice identified at good local authorities. The Department has introduced the Innovation Programme to test new practices.

Recommendation: *The Department must broker agreement (between itself, and, among others, the Local Government Association, the Department for Communities and Local Government, and Ofsted) about how they will share responsibility for leading on the identification and dissemination of good practice, including that generated by the Innovation Programme, and how it will go about spreading effective practice.*

8. **The Department has recently introduced initiatives to improve educational outcomes for children in care, such as virtual school heads, but it does not know whether its initiatives are working.** We agree with Ofsted that the gap in educational attainment between children in care and their peers remains shockingly wide. For example, at GCSE level, the gap in attainment was 38% in 2008/09, but was 43% in 2012/13. In response, the Department now requires all local authorities to appoint a virtual school head—to champion the educational ambitions on behalf of the authorities’ children in care—and it has doubled the pupil premium for children in care. However, the Department has not evaluated whether these changes are having a positive impact. Instead, it says it will wait to see if there are overall improvements in educational attainment, an indicator that it publishes on a regular basis. The Department’s approach mean that it does not evaluate the impact of the spending it mandates of others.

Recommendation: *When the Department mandates or directs local authorities to take action and spend public money, it must then take an interest in the outcomes, and develop measures of success, evaluate progress and plan for sharing what proves to be successful, or otherwise, with councils.*

9. **Without accurate, complete and comparable data about the cost of services provided for children in care, the Department cannot hold local authorities to account effectively or test value for money.** Many local authorities prefer children to be looked after by their own foster parents or in residential homes. They perceive in-house services to be cheaper than places provided by the private or voluntary sector. But it is not clear that local authority care is cheaper and there are wide variations in how much a council pays for foster care—from £15,000 to £73,000 a place, a year. Higher costs are also not necessarily related to higher quality care. The Department admits that it does not understand the reasons for differences in costs and acknowledges that it needs to know more. The Department believes its guidance

to councils is clear, but there is no consensus among local authorities on how to cost services or complete data returns. The Department and other organisations have benchmarking tools and cost calculators, but they are not widely used and until councils see benefits from the data they provide, it is unlikely that the quality of data will improve.

Recommendation: *The Department should work with local authorities and the Department for Communities and Local Government to secure reliable, comparable data on costs, and use it alongside existing performance indicators to develop assessments of value for money that are useful both for local authorities and central government.*

10. **Finding children who go missing from care, including victims of child sex exploitation, and then keeping them safe is made more difficult by the lack of a national register.** Children who go missing for extended periods of time are especially vulnerable to sexual exploitation. There is no regularly updated, national register of missing children. The separate lists that are held locally by the police and local authorities on missing children do not contain the same names. With a national register, Ofsted could more easily identify and then inspect local areas that may be failing to stop children from going missing and keeping them safe. When local authorities in England need to find a secure welfare placement to protect a child from child sex exploitation, they separately phone round homes right across the country, sometimes including Scotland too, until they find a place. As child sex exploitation is being more widely identified it would make sense for one organisation to commission and coordinate secure welfare places so that children can be placed quickly at an appropriate distance.

Recommendation: *The Department should set out how it intends to facilitate central commissioning of secure places for the victims of child sex exploitation and the construction of a national database of missing children, and by when.*

1 Meeting objectives

1. On the basis of a report by the Comptroller and Auditor General, we took evidence from the Department for Education (the Department) and Ofsted about services for children in foster and residential care in England.¹ We also took evidence from the Association of Directors of Children's Services, Barnardo's and the Care Leavers Association. On 31 March 2013, 68,110 children were in care, of whom 75% were fostered and 9% were in residential care.²

2. The Department sets policy for children in care and its objectives are to improve the quality of care and stability of placements. With a staff of 70, the Department works with other organisations to meet these objectives. Local authorities in England have a statutory duty to provide care for children who need to be protected from further harm. Their social workers judge when to take children into care, assess their needs and the type of placement required.³ Ofsted regulates and inspects care services provided by both local authorities and private and voluntary sector organisations.⁴ The Department can intervene if local authorities do not deliver services to an acceptable standard.⁵

3. Local authorities look after children in their own foster and residential homes, or pay private or voluntary organisations to do so.⁶ In recent years, local authorities have protected spending on foster and residential care, despite wider cuts to council spending. Local authorities spent £2.5 billion in 2012-13 on foster and residential care, an increase of 3% in real terms since 2010-11 despite an overall fall in spending, while the number of children in care rose by 4% over the same period.⁷ But the Association of Directors of Children's Services warned that local authorities were now at the point when they would no longer be able to commit to prioritising children's services.⁸

4. The Association of Directors of Children's Services told us that local authorities were clearly responsible for the delivery and quality of foster and residential care services.⁹ But The Care Leavers' Association was concerned that the quality of care varied by authority and it considered that this was an issue the Department was reluctant to address.¹⁰ Ofsted also told us that around 55% of local authorities' children's services that it had inspected required improvement, and that no councils had been rated as outstanding.¹¹ Given the

1 [C&AG's Report, *Children in Care*, Session 2014-15, HC 787, 27 November 2014](#)

2 [C&AG's Report, *Children in Care*, paras 1.5, 1.27](#)

3 [Q 71, 81, 93; C&AG's Report, *Children in Care*, paras 3, 1.4, 1.14](#)

4 [Q 75; C&AG's Report, *Children in Care*, para 1.4, 2.33](#)

5 [Q 78 80-81; C&AG's Report, *Children in Care*, paras 2.37-2.38](#)

6 [C&AG's Report, *Children in Care*, para 3](#)

7 [C&AG's Report, *Children in Care*, para 3.3](#)

8 [Q 29](#)

9 [Q 1](#)

10 [Q 4](#)

11 [Q 176](#)

Department has national oversight, and it is the only body that collects data on the care of all children in care, the Association of Directors of Children's Services and Barnardo's suggested that the Department was best placed to carry out a number of functions. These included providing advice and guidance, identifying common themes and developments relating to particular groups of children or types of need, sharing innovation and identifying better ways of delivering services.¹²

5. We challenged the Department on its roles and responsibilities for children in care, particularly those referred to in its Accountability System Statement dated September 2012. The Department accepted that its role was to set out statutory duties for local authorities; and to intervene where authorities fail.¹³ However, only following strong challenge from the Committee did the Department accept that it was the best placed nationally to analyse and collect data to help authorities improve. It also reluctantly accepted that it had a role to play in setting out the expectations for service performance; and taking an overview on the way that services are provided and how the market functions.¹⁴

6. At the time of our evidence session on 12 January 2015, the Department's current Accountability System Statement was that published in September 2012. It stated that the Department "has a responsibility for holding local authorities to account for their performance in delivering children's services". In evidence the Department did not agree this was its role, however, and told us that local authorities were instead accountable to their own councillors and electorates for their performance, although we consider these accountabilities can co-exist.¹⁵ On 20 January 2015 the Department published a revised Accountability System Statement which included changes to its roles and responsibilities for children in care. In particular the Department removed any reference to it holding local authorities to account for their performance, and significantly downplayed its role in leading the sector to improve.¹⁶

7. The Department had not told us on 12 January that it intended to revise its Accountability Statement, it did not provide us with a draft in advance of publication, and it did not tell us that it had published a revised statement on 20 January. We took the opportunity to challenge the Department at a separate evidence session on 26 January, when it told us that it did not normally consult with Parliament on its accountability statements.¹⁷ However, in *Managing Public Money*, HM Treasury refers to the Department for Communities and Local Government's publication *Adapting to decentralisation*. This makes it clear that "Where major changes are being proposed Parliament is likely to want an explanation of how the accountability systems will work and a draft statement may fulfil

12 [Qq 2, 4, 7-9](#)

13 [Qq 69, 81](#)

14 [Qq 70, 82-85](#)

15 [Q 79-81; Department for Education, Accountability System Statement for Education and Children's Services, September 2012, para 114](#)

16 [Qq 70, 88; Department for Education, Accountability System Statement for Education and Children's Services, January 2015](#)

17 [Committee of Public Accounts, Oral evidence: Recall on EFA and DfE financial statements/Durand Academy investigation Monday 26 January 2015, HC 924, Qq 222-228](#)

that role”.¹⁸ As we had discussed the Department’s accountability system with them only a few days earlier, and clearly had concerns that the Department was not adequately holding local authorities to account for their performance, our interest in any revised statement should have been clear to the Department. The Department then wrote to us and explained that it had not shared its revised statement with us as it judged that “the updated version did not contain major changes”. It did not therefore believe that Parliament would want a full explanation of changes. We are puzzled by this judgement, given that the revised statement removed reference to the Department holding local authorities to account for performance; a matter clearly of current concern to us. The Department did, however, invite us to comment on the updated statement, and said it would carefully consider our comments for its next version.¹⁹

8. In recent years there has been little improvement in placement stability for children in foster and residential care and how well they are looked after. We were concerned that, in 2012-13, 34% of children in care had more than 1 placement during the year and 11%, or 7,000 children, had been in more than 3 placements. These proportions have not improved since 2009 and the Department agreed that this was a “very stubborn” indicator that had not changed in the last few years.²⁰ Similarly, there has been no improvement in the proportion of children being placed close to home. Since 2009 the proportion being placed more than 20 miles from home has remained at 14% for children in foster care and over 30% for children in residential care.²¹

9. Social workers make the key decisions about placing children in care, and Barnardo’s commented that there were few other occasions in a child’s life that were more significant and important than reception into care. The chance of a child receiving a good diagnosis of his or her needs and finding an appropriate and good quality placement are a product of high-quality social work.²² The Department told us that its biggest single objective was to improve the quality of social work, and the Association of Directors of Children’s Services pointed to shortcomings in the preparation of new entrants to social work. The Department told us that it was seeking to improve the quality of social work and it has appointed a Chief Social Worker to drive practice among the existing work force, and creating an elite entry scheme for highly talented graduates to the profession.²³

10. The cost of foster care can range from £15,000 to £57,000 for councils’ own foster care provision; and from £18,000 to £73,000 for other providers’ foster care. The Department acknowledged that there was a lack of understanding on what influences the cost of care and more work needed to be done. It told us that it had been unable to find a correlation

18 [Managing public money, HM Treasury, July 2013; Accountability: adapting to decentralisation, Department for Local Communities and Local Government, September 2011](#)

19 [Written evidence submitted for the Committee’s inquiry on Education Funding Agency and Department for Education financial statements - recall from the Department for Education, 19 February 2015](#)

20 [Q 197; C&AG’s Report, para 2.18](#)

21 [C&AG’s Report, para 2.22](#)

22 [Qq 17, 158, 197](#)

23 [Qq 25, 140-141](#)

between what a local authority spent on foster or residential care, and the quality of the service offered by the local authority as assessed by Ofsted. We were concerned that the wide variation in costs of foster care may conceal large variations in care quality. Such variation in spending is unsatisfactory if it does not represent different standards of care. The Department said that, as it did not provide the money spent on foster and residential care, it did not take a specific view on what the cost of care should be.²⁴

11. Barnardo's told us that local authorities' placement decisions may be driven by cost rather than the individual needs of the child. It told us that instead of prioritising finding the most appropriate placement for the child from the full range of services available, local authorities choose to place children in their own residential or foster care because they think it is cheaper than those offered by other providers. However, we were concerned that price should not be considered over a child's needs and, given the wide range of cost estimates, it is not clear that local authority care is always cheaper.²⁵

12. The Care Leavers' Association reported that local authorities and individual social workers do not always know where the best placements are locally, or where the specialist placements are available further afield. Finding placements close to home is complicated by the geographical mismatch between the supply of and demand for places, particularly for residential care. For example, many children's homes are located in the North West and the West Midlands, which poses a problem for authorities in the south.²⁶ The Association of Directors of Children's Services told us that local authorities look to the Department to encourage new providers to come into the market where appropriate and the Department accepts that it has a role to play here. It said that in recent years it had published data on the residential care market for local authorities to use.²⁷

24 [Qq 129-130; C&AG's Report, paras 3.13, 3.15, 3.17](#)

25 [Qq 17, 27, 46; C&AG's Report, paras 12, 3.14](#)

26 [Qq 14, 18; C&AG's Report, para 2.25 and Figure 11](#)

27 [Qq 15, 84, 135](#)

2 Using data

13. The Department recognised that there were shortcomings in data received from local authorities about how much they spend on foster and residential care. The Department considered that its guidance to councils on how to fill in the return was clear, but there is no consensus among them on how to report spending or complete their returns. The Local Government Association has asked the Chartered Institute for Public Finance and Accountancy to investigate how the data can be improved.²⁸ The Department's and others' tools for benchmarking the costs of care are not widely used. The Department described it as a chicken-and-egg problem: if the data in benchmarking tools were not useful, then local authorities had no incentive to improve the quality of data they provided.²⁹

14. The Department collects a huge amount of data on spending and individual children. The Association of Directors of Children's services estimated that local authorities make 11 major statutory returns to Government with information relating to children. Local authorities submit data on each child in care, for example, their age or the type of placement they are in, and the total amount spent on their children's social care functions.³⁰ The Association told us that collecting more data with which to monitor local authority performance was unnecessary. Instead, a suite of about 25 to 30 indicators of children's experiences, collected from parents, children and carers, could give a picture of the broad health of a local authority's provision for children in social care.³¹

15. The Department does not use its national database on all children in care to challenge individual local authorities to improve their performance, hold councils to account, understand how different patterns of care affect outcomes for children, or assess what constitutes value for money.³² Although its own Accountability System Statement, dated September 2012, clearly states that it has responsibility for managing the performance of local authorities, the Department has no indicators that accurately measure the efficacy of the care system. The Department told us that Ofsted inspection reports are the best way to hold local authorities to account but these do not fully assess all aspects of quality.³³ The Care Leavers' Association reported that 'fuzzy' lines of accountability mean that children and young people face a postcode lottery as different local authorities provide different services and experiences. Ofsted's opinion is that poor local accountability is a cause of the 'shockingly wide' gap in educational attainment.³⁴ The Department relies on Ofsted

28 [Q 127; C&AG's Report, paras 3.8-3.9](#)

29 [Q 128; C&AG's Report, para 3.18](#)

30 [Q 19; C&AG's Report, para 1.4](#)

31 [Qq 20-23](#)

32 [Q 157; C&AG's Report, paras 1.30, 2.4](#)

33 [Qq 113, 130; C&AG's Report, paras 1.3, 2.4, 2.33](#)

34 [Qq 4-5, 107](#)

inspection reports to tell it about outcomes for children, but these do not assess value for money.³⁵

16. We heard that local people are not well-supported in holding their councils to account for the quality of foster and residential services. For adoption the Department produces user-friendly scorecards for each local authority that sets out the average time taken for different stages of the adoption process. There is no equivalent for foster and residential care, setting out, for example, how well their local authority compares to others on how often children change placement, their educational outcomes and receipt of health checks. The Department does publish annual Microsoft Excel performance tables on a set of measures on the pan-government website, GOV.UK, which includes all looked-after children, but it is far from being the clear and easily accessible information that should be available to the layperson.³⁶

17. Ofsted told us that, for schools, it has helped to improve standards by making benchmarking data available to them in an accessible and useful form. Ofsted use the data themselves to spot if things are going badly wrong at a school, and if so it will inspect more regularly. With children's services, Ofsted has to wait for the Department to request an inspection outside of the three yearly scheduled visit.³⁷ Ofsted told us that it would like the same inspection principles that apply to under-performing schools to be applied to children's services; namely, that the Department use its data to identify quickly when local authority services were faltering, and instruct Ofsted to inspect more regularly.³⁸

18. In the health sector, Monitor promptly challenges hospitals when their performance information suggests things are starting to drift. However, Ofsted has to rely on the Department to intervene when it finds that a local authority is not meeting the required standards. As an inspector, Ofsted cannot intervene itself.³⁹ The Department told us that it does not intervene based on its analysis of data provided by local authorities. The Department was intervening at 21 local authorities at the time of our hearing, following Ofsted inspections.⁴⁰

19. Ofsted reported that it runs best practice programmes with the 55% of inspected local authorities that require improvement, and that this was proving to be very successful. It does not, however, use the Department's expertise when doing so.⁴¹ The Department's data about the services provided to children in care, cannot yet be matched to Ofsted's assessment of the quality of care so the Department cannot say if children with the highest needs are placed in the best quality care.⁴²

35 [Qq 113, 130; C&AG's Report, para 2.33](#)

36 [Qq 111-113, C&AG's report, para 2.39](#)

37 [Qq 125, 153](#)

38 [Qq 125, 199](#)

39 [Qq 78, 199](#)

40 [Qq 81, 116; C&AG's Report, para 2.38](#)

41 [Qq 178-179](#)

42 [C&AG's Report, para 2.35](#)

3 Improving good practice and outcomes

20. The Care Leavers' Association told us that good practice exists in caring for children, but it has not been rolled out. This can be due to competitiveness between local authorities, but is also because there is not one central point where evidence is collected and analysed to help inform whether new practices should be adopted.⁴³ The Department admitted that dissemination of good practice is not as good as it could be although it shares good practice 'when it sees it'. Ofsted also identifies good practice in the course of its inspections.⁴⁴

21. In 2014, the Department's launched a £100 million Innovation Programme designed to identify and spread successful practice. It also told us about an example of where it had imported evidence-based interventions from the United States like multi-systemic therapy and multi-intervention foster care, and had tested them in 70 local authorities. To enable local authorities and their councillors to question their own performance, the Department has created an online benchmarking tool—the local authority interactive tool, which is used by central and local government officers and Ofsted. It provides access to key data held by the Department and other government departments about children and the services provided to them. The tool has on average 1,000 users a month, but not all will be accessing data on children in care.⁴⁵

22. Ofsted said that the level of educational attainment among children in care is “shockingly poor”, and the gap between them and their peers is “shockingly wide”.⁴⁶ We agree. The Department confirmed that absolute measures of attainment have improved for children in care, as they have for all children although the gap between their educational attainment and that of their peers not in care has not narrowed. At GCSE level, the gap in attainment was 38% in 2008/09, but was nearly 43% in 2012/13.⁴⁷ But there have been some improvements in absence rates and exclusions from school.⁴⁸

23. To help improve educational attainment, all local authorities must now have a virtual school head, and the Department has doubled the amount given in pupil premium for children in care to £1,900 a year.⁴⁹ The Department has not put in place a system for measuring the direct impact of virtual school heads.⁵⁰ Instead it intends to rely on data on the educational attainment of children in care to gauge their impact, and the three-yearly

43 [Q 12](#)

44 [Qq 139, 152, 159](#)

45 [Qq 140, 146, 190](#); [C&AG's Report, para 1.12](#); [Written evidence from the Department for Education, January 2015](#)

46 [Q 105](#)

47 [Q 97-100, 103-107](#); [C&AG's report Figure 6](#)

48 [Q 157](#); [C&AG's report para 2.13, Figure 8](#)

49 [Q 105, 117](#); [C&AG's report para 2.10](#)

50 [C&AG's report para 2.11](#)

Ofsted report on how well virtual school heads are performing in specific local authorities.⁵¹

24. The most vulnerable children are at particular risk of becoming victims of child sexual exploitation. The Department told us that placing children at risk of sexual exploitation in secure accommodation was a complicated issue as some local authorities considered that taking away children's liberty to protect them was not the right answer, while other local authorities think that it is exactly the right thing to do. In these latter cases finding a suitable, secure welfare place is inefficient, with social workers having to telephone around providers in England, or even Scotland, to find an available place.⁵²

25. Ofsted also reported that local authorities spot purchase placements as and when required, for those at risk of or subject to child sexual exploitation. As a result Ofsted had found that children experienced multiple placement moves, due to poor placement planning and poor commissioning of initial placements that fail to meet the needs of the young person. By contrast, the Youth Justice Board commissions places nationally as part of its secure estate for children and young people remanded or sentenced by the courts.⁵³

26. The Department is now providing an informal clearing-house facility to identify secure welfare places for children at risk of child sex exploitation, though it stated that it had no statutory responsibility to do so. It recognised that it needs to put its clearing-house on a firmer footing. It told us that it had been working with the Association of Directors of Children's Services to develop some form of central co-ordination and whether this will be run by the Department or another body has yet to be decided.⁵⁴

27. Children who go missing from care for extended periods of time are the ones who are the most vulnerable and often get involved in child sexual exploitation. Ofsted told us that there was either a lack of understanding, or a lack of urgency, on the importance of having a national register of missing children. At present the local data that the police hold on missing children do not always align with what the local authority holds. Ofsted said that ensuring there was an up-to-date national register of missing children was a role that the Department should fulfil. Ofsted inspectors are disappointed to find inconsistent information on which children are missing when assessing the adequacy of local systems for safeguarding missing children.⁵⁵

51 [Qq 105, 117-118, 122](#)

52 [Qq 13, 164, 157; C&AG's Report para 1.24](#)

53 [Qq 163, 175; C&AG's Report para 1.25](#)

54 [Qq 171-175](#)

55 [Q 199](#)

Formal Minutes

Monday 2 March 2015

Members present:

Mrs Margaret Hodge, in the Chair

Mr Richard Bacon
Mr David Burrowes
Meg Hillier
Stewart Jackson

Dame Anne McGuire
Austin Mitchell
Stephen Phillips

Draft Report (*Children in Care*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 27 read and agreed to.

Conclusions and recommendations agreed to.

Summary agreed to.

Resolved, That the Report be the Forty-fourth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Monday 9 March at 3.00 pm]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the Committee's inquiry page at www.parliament.uk/pac.

Monday 12 January 2015

Question number

David Graham, National Director, Care Leavers Association; **Matthew Horton**, UK Head of Business, Family Placement (Fostering & Adoption), Barnado's; and **Alan Wood**, President, Association of Directors of Children's Services

[Q1-49](#)

Tom Jeffery, former Director General for Children's Services, Department for Education; **Debbie Jones**, Director of Social Care, Ofsted; **Paul Kissack**, Director General for Children's Services, Department for Education; **Sir Michael Wilshaw**, HM Chief Inspector, Ofsted; and **Chris Wormald**, Permanent Secretary, Department for Education

[Q50-206](#)

Published written evidence

The following written evidence was received and can be viewed on the Committee's inquiry web page at www.parliament.uk/pac. CIC numbers are generated by the evidence processing system and so may not be complete.

- 1 Department For Education ([CIC0002](#))
- 2 The Children's Services Development Group ([CIC0001](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the Committee's website at www.parliament.uk/pac.

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2014–15

First Report	Personal Independence Payment	HC 280
Second Report	Help to Buy equity loans	HC 281
Third Report	Tax reliefs	HC 282
Fourth Report	Monitor: regulating NHS Foundation Trusts	HC 407
Fifth Report	Infrastructure investment: impact on consumer bills	HC 406
Sixth Report	Adult social care in England	HC 518
Seventh Report	Managing debt owed to central government	HC 555
Eighth Report	Crossrail	HC 574
Ninth Report	Whistleblowing	HC 593
Tenth Report	Major Projects Authority	HC 147
Eleventh Report	Army 2020	HC 104
Twelfth Report	Update on preparations for smart metering	HC 103
Thirteenth Report	Local government funding: assurance to Parliament	HC 456
Fourteenth Report	DEFRA: oversight of three PFI waste projects	HC 106
Fifteenth Report	Maintaining strategic infrastructure: roads	HC 105
Sixteenth Report	Early contracts for renewable electricity	HC 454
Seventeenth Report	Child maintenance 2012 scheme: early progress	HC 455
Nineteenth Report	The centre of government	HC 107
Twentieth Report	Reforming the UK Border and Immigration System	HC 584
Twenty First Report	The Work Programme	HC 457
Twenty Second Report	Out-of-hours GP services in England	HC 583
Twenty Third Report	Transforming contract management	HC 585
Twenty Fourth Report	Procuring new trains	HC 674
Twenty Fifth Report	Funding healthcare: making allocations to local areas	HC 676
Twenty Sixth Report	Whole of government accounts 2012–13	HC 678
Twenty Seventh Report	Housing benefit fraud and error	HC 706
Twenty Eight Report	Lessons from major rail infrastructure programmes	HC 709
Twenty Ninth Report	Managing and removing foreign national offenders	HC 708
Thirtieth Report	Managing and replacing the Aspire contract	HC 705
Thirty First Report	16- to 18-year-old participation in education and training	HC 707
Thirty Second Report	School oversight and intervention	HC 735
Thirty Third Report	Oversight of the Private Infrastructure Development Group	HC 675

Thirty Fourth Report	Financial sustainability of local authorities 2014	HC 833
Thirty Fifth Report	Financial Sustainability of NHS Bodies	HC 736
Thirty Sixth Report	Implementing reforms to civil legal aid	HC 808
Fortieth Report	Excess Votes 2013–14	HC 1046
Forty First Report	Financial support for students at alternative higher education providers	HC 811
Forty Second Report	Universal Credit: progress update	HC 810
Forty Third Report	Public Health England's grant to local authorities	HC 893