



Meeting: Children and Families Overview and Scrutiny Committee

Date/Time: Tuesday, 4 March 2025 at 2.00 pm

Location: Sparkenhoe Committee Room, County Hall, Glenfield

Contact: Damien Buckley (Tel: 0116 305 0183)

Email: damien.buckley@leics.gov.uk

Membership

Mrs. H. J. Fryer CC (Chairman)

Mr. R. G. Allen CC Mr. M. Hunt CC Mr. K. Ghattoraya CC Mrs. S. Jordan CC Mr. L. Hadji-Nikolaou CC Mrs. C. Lewis Mr. R. Hills CC Mr. R. Martin

<u>Please note</u>: this meeting will be filmed for live or subsequent broadcast via the Council's web site at http://www.leicestershire.gov.uk

AGENDA

Item Report by

1. Minutes of the meeting held on 21 January 2025.

(Pages 5 - 10)

- Question Time.
- 3. Questions asked by members under Standing Order 7(3) and 7(5).
- To advise of any other items which the Chairman has decided to take as urgent elsewhere on the agenda.
- 5. Declarations of interest in respect of items on the agenda.
- 6. Declarations of the Party Whip in accordance with Overview and Scrutiny Procedure Rule

Democratic Services • Chief Executive's Department • Leicestershire County Council • County Hall Glenfield • Leicestershire • LE3 8RA • Tel: 0116 232 3232 • Email: democracy@leics.gov.uk





16.

7. Presentation of Petitions under Standing Order 35.

8.	Expansion of Childcare for Funded Entitlements and Wraparound Care.	Director of Children and Family Services	(Pages 11 - 30)
9.	Department of Education Statutory Guidance for the use of Agency Children and Family Social Workers.	Director of Children and Family Services	(Pages 31 - 126)
10.	Children's Innovation Partnership.	Director of Children and Family Services	(Pages 127 - 130)
11.	Quarter 3 2024/25 Performance Report.	Chief Executive and Director of Children and Family Services	(Pages 131 - 140)

12. Date of next meeting.

The next meeting of the Committee is scheduled to take place on 3 June 2025.

13. Any other items which the Chairman has decided to take as urgent.

QUESTIONING BY MEMBERS OF OVERVIEW AND SCRUTINY

The ability to ask good, pertinent questions lies at the heart of successful and effective scrutiny. To support members with this, a range of resources, including guides to questioning, are available via the Centre for Governance and Scrutiny website www.cfgs.org.uk. The following questions have been agreed by Scrutiny members as a good starting point for developing questions:

- Who was consulted and what were they consulted on? What is the process for and quality of the consultation?
- How have the voices of local people and frontline staff been heard?
- What does success look like?
- What is the history of the service and what will be different this time?
- What happens once the money is spent?
- If the service model is changing, has the previous service model been evaluated?
- What evaluation arrangements are in place will there be an annual review?

Members are reminded that, to ensure questioning during meetings remains appropriately focused that:

- (a) they can use the officer contact details at the bottom of each report to ask questions of clarification or raise any related patch issues which might not be best addressed through the formal meeting;
- (b) they must speak only as a County Councillor and not on behalf of any other local authority when considering matters which also affect district or parish/town councils (see Articles 2.03(b) of the Council's Constitution).







Agenda Item 1



Minutes of a meeting of the Children and Families Overview and Scrutiny Committee held at County Hall, Glenfield on Tuesday, 21 January 2025.

PRESENT

Mrs. H. J. Fryer CC (in the Chair)

Mr. K. Ghattoraya CC
Mr. L. Hadji-Nikolaou CC
Mr. R. Hills CC
Mrs. S. Jordan CC
Mrs. C. Lewis

In Attendance

Mrs. D. Taylor CC – Lead Member for Children and Family Services Mr. C. Smith CC – Cabinet Support Member

42. Minutes of the previous meeting.

The minutes of the meeting held on 5 November 2024 were taken as read, confirmed and signed.

43. Question Time.

The following questions had been received under Standing Order 34 and were put tot the Chairman of the Children and Families Overview and Scrutiny Committee:

Question asked by David Warwick:

"In Relation to Education Health Care Plans, at the Schools Forum, it was confirmed that the County Council pays approximately half that of the City Council as its element 3 contribution, £8,000 compared to £16,000 for full time (32 hours) classroom support assistance. And further that the County Council's element 3 contribution has not risen in 10 years. Could the Council please provide a detailed explanation for this disparity and how it intends to help schools pay for the required additional classroom support staff and facilities in mainstream schools for children with additional needs going forward?"

Response by the Chairman:

No information on rates paid in respect of Education, Health and Care Plans (EHCP's) has been presented to the Schools Forum. Local authorities are structured and funded very differently. Funding rates differ significantly across different local authorities, for example the 2025/26 High Needs Dedicated Schools Grant settlement for Leicestershire per pupil in specialist provision is 16% less than that received by a neighbouring authority. Leicestershire can only pass on money to schools that is available within the High Needs grant given.

In addition to this provision and the payment rate attached to it also differs as a result of SEN strategy decisions within individual authorities, for example an authority may have chosen to invest in maintaining pupils with EHCP's in mainstream schools or alternatively

as in Leicestershire invested in specialist provision through the establishment of resource bases where funding is higher.

Leicestershire is one of only a few authorities that continues to fund mainstream EHCP's based on hours of provision and is in the process of developing a new approach to funding EHCP's based on a banded model. This model has been co-produced with schools and has at its heart a consistent funding allocation which gives schools more flexibility to meet children's needs.

In the short term the proposals in the Council's 2025/26 Medium Term Financial Strategy include a 3.3% increase in the rate payable to mainstream schools for pupils with EHCP's.

David Warwick asked the following supplementary question:

"Could the specialist provision through the establishment of resource bases referred to please be itemised. Also how is private SEND provision assessed for value for money?"

At the invitation of the Chairman, the Director of Children and Family Services responded to say that there were 32 resource bases or designated specialist provision in Leicestershire. Four of these were attached to special schools and 28 were attached to mainstream schools; 16 of which were primary schools and 12 were secondary schools.

Private SEND provision was used when a child or young person's needs could not be met in any other provision or when the parental preference was for private provision, supported by a tribunal outcome. The Department had robust quality assurance and commissioning processes in place to ensure best value. In addition to this, strong contract management was in place in order to manage what was commercially available.

Question asked by Sue Whiting:

"How many Children with an EHCP did not have an allocated school place for the beginning of Year 7 September 2024, and what provision for their education has subsequently happened to date?"

Response by the Chairman:

There were 59 pupils on 1 September 2024 that had an EHCP with no school allocated. 48 of these students are now in school provision. Seven pupils have alternative education arrangements in place and four are still awaiting a placement.

Sue Whiting asked the following supplementary question:

"Does the response provided mean that four children with an EHCP and commenced Year 7 in September 2024 have had no educational provision at all to date in this academic year?"

At the invitation of the Chairman, the Director of Children and Family Services responded to say that the response had set out the number of children who had secured a place who did not have a place at the beginning of Year 7, and the number of children for whom the Service was seeking a placement. At the time of responding to the original question, this number was four, but that could have since changed. Whilst children awaited a school place, the Department would offer a range of support to support the

child's education. It could be that the children had received tuition or had been supported by an existing school place. The Director did not go into detail regarding the support provided to specific children.

44. Questions asked by members under Standing Order 7(3) and 7(5).

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

45. Urgent Items.

There were no urgent items for consideration.

46. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

No declarations were made.

47. <u>Declarations of the Party Whip in accordance with Overview and Scrutiny Procedure Rule 16.</u>

There were no declarations of the party whip.

48. <u>Presentation of Petitions under Standing Order 36.</u>

The Chief Executive reported that no petitions had been received under Standing Order 36.

49. Medium Term Financial Strategy 2025/26 - 28/29.

The Committee considered a joint report of the Director of Children and Family Services and the Director of Corporate Resources which provided information on the proposed 2025/26 to 2028/29 Medium Term Financial Strategy (MTFS) as it related to the Children and Family Services department. A copy of the report marked 'Agenda Item 8' is filed with these minutes.

The Chairman welcomed Mrs. D. Taylor CC, Lead Member for Children and Family Services, to the meeting for this item.

Children's Social Care Reform

(i) A question was raised in relation to measures which the government had outlined in order to improve competition and commissioning within children's social care. The Director outlined that competition was often limited because the market was dominated by a number of large providers, and that this presented a challenge in terms of commissioning social care placements against budget constraints. The policy would aim encourage local authorities to improve competition within the system in order to create better placement opportunities for children. The Department had undertaken work locally to develop its own children's homes, through the Children's Innovation partnership (CIP), in order to overcome challenges with competition and to address rising unit costs.

Proposed Revenue Budget

(ii) The Director emphasised that the central contingency which was being held within the Department would be utilised in order to offset the costs associated with the 2024/25 pay award for directly employed staff. In terms of the expected increase to the rate of National Insurance contributions (NICs) paid by employers, members noted that it was not yet possible to understand the impact that this could have on the Council. The Director agreed to update members on any changes to this position through updates on the Department's budget position.

Growth

- (iii) Members were pleased that there had been a reduction in the weekly unit cost for supporting Unaccompanied Asylum-Seeking Children (UASC), despite a significant level of demand and continued financial pressures within the system. The Director stated that this had been possible by reviewing the level of support provided to each individual UASC and by utilising smarter commissioning strategies. The UASC cohort presented a significant growth pressure over the MTFS period in terms of demand and costs.
- (iv) In response to a concern relating to the cost of providing social care placements, the Director explained that high costs were a result of the complexities within the cohort of young people taken into care. A large number of children within this cohort required support with behavioural challenges as a result of experienced trauma. Members were assured that the Department continued to ensure that each child and young person in care had the correct level of support in place in order to meet their individual needs, regardless of the reason behind the requirement for social care provision.

Savings

- (v) A member raised a question regarding whether school funding in Leicestershire was comparable to that in other local authority areas. The Director stated that minimum per pupil funding, allocated through the National Funding Formula (NFF), was consistent across all authority areas. However, additional funds were provided to schools based on the level of free school meal eligibility and the number of children with home addresses which triggered deprivation funding. As a result, it often appeared that some schools were in receipt of higher levels of funding than others.
- (vi) Members noted that government funding to support its policy for a free school breakfast club programme would be allocated to schools directly. The Policy had been announced in the Government's Autumn Budget 2024 and was expected to be delivered from April 2025.
- (vii) In response to a question relating to an expected final visit by Ofsted at a Child Sexual Exploitation (CSE)/Child Criminal Exploitation (CCE) residential home, which had been developed as part of the Children's Innovation Partnership (CIP) with match funding from the Department of Education (DfE), the Director stated that confirmation of the visit date was awaited.

Capital Programme

(viii) The Director stated that the majority of the Capital Programme was likely to be funded by external grants such as the Basic Need Grant, the High Needs Provision Capital Grant and the Strategic Maintenance Grant. In addition to these grants, the Capital Programme would be funded through Section 106 contributions, which were received as a result of housing development.

RESOLVED:

- a) That the report regarding the Medium Term Financial Strategy 2025/26 2028/29 and information now provided be noted;
- b) That the comments now made be forwarded to the Scrutiny Commission for consideration at its meeting on 27 January 2025.

50. SEND and Inclusion Strategy 2024-27.

The Committee received a report of the Director of Children and Family Services which presented the refreshed SEND and Inclusion Strategy for 2024/27. A copy of the report, marked 'Agenda Item 9', is filed with these minutes.

Arising from discussion, the following points were raised:

- (i) In response to a question regarding data relating to children and young people in Leicestershire with SEND, members were assured that the Department was aware of the needs of all children and young people in Leicestershire with an Education, Health and Care Plan (EHCP) in place, up to the age of 25. Members noted that an annual review process continued to take place in order to ensure that the Department held correct data relating to children and young people with SEND.
- (ii) Members were thankful to the SEND and Inclusion Board, the Leicestershire Parent Carer Forum and other volunteers who had supported the development of the Strategy.

RESOLVED:

- a) That the draft SEND and Inclusion Strategy 2024/27 be noted;
- b) That the comments now made be presented to the Cabinet for consideration at its meeting on 7 February 2025.

51. Quarter 2 2024/25 Performance Report.

The Committee considered a joint report of the Chief Executive and the Director of Children and Family Services which provided an update on the Children and Family Services Department's performance for the period July to September 2024 (Quarter 2). A copy of the report marked 'Agenda Item 10' is filed with these minutes.

An error in the report was noted in paragraph 6. Reference to November 2024 should have read November 2024.

Arising from discussion, the following points were raised:

- (i) Concern was raised regarding the number of children who were electively home educated. The Director acknowledged that this continued to be a concern and stated that the trend was being observed nationally. Regarding the decision taken by parents to home educate, the Service would discuss with families, at the earliest opportunity, any decision to electively home educate to ensure that the best decision was being made for the child. In addition to this, it would ensure that clear messaging had taken place in terms of roles and responsibilities for the child's education. Once the decision had been taken, the duties of the Service would be limited. However, checks would be conducted to ensure the correct processes were in place. Any safeguarding concerns or other issues raised by other agencies or within the community would be investigated by the Service.
- (ii) Concern was also raised regarding the percentage decrease of children becoming subject to a child protection plan for a second or subsequent time. The Director provided some reassurance that there were usually gaps between plans of two years or more, indicating that there are periods of improvement and stability. However, factors such as domestic abuse meant that there could be setbacks in such periods of stability. Members noted that key work was being undertaken by the Department to prevent children from becoming subject to a child protection plan for a second or subsequent time.

RESOLVED:

That the update on the Children and Family Services Department's performance for the period July to September 2024 (Quarter 2), be noted.

52. <u>Date of next meeting.</u>

RESOLVED:

It was noted that the next meeting of the Committee would be held on 4 March at 14:00.

53. Chairman's Announcement.

The Chairman reported that this would be the final meeting for Alison Bradley, Assistant Director for Education, SEND and Commissioning, as she would be leaving the Authority at the end of February. The Chairman, on behalf of the Committee thanked Alison for her invaluable work over the years and wished her well for the future.

2.00 - 3.18 pm 21 January 2025 **CHAIRMAN**



CHILDREN AND FAMILIES OVERVIEW AND SCRUTINY COMMITTEE: 4 MARCH 2025

EXPANSION OF CHILDCARE FOR FUNDED ENTITLEMENTS AND WRAPAROUND CARE

REPORT OF THE DIRECTOR OF CHILDREN AND FAMILY SERVICES

Purpose of report

- 1. The purpose of this report is to inform the Committee of the Council's statutory duties with regards to childcare and provide an overview of the work being undertaken by the Early Years Inclusion and Childcare Service to support the delivery of the expansion of early education and childcare provision.
- 2. Local authorities have a statutory duty to:
 - Secure sufficient childcare, so far as is reasonably practicable, for working parents, or parents who are studying or training for employment, for children aged 0 to 14 or up to 18 for disabled children;
 - Ensure early years provision is free of charge, and to secure 30 hours of free childcare over 38 weeks of the year for qualifying children of eligible working parents whose children are nine months plus:
 - Secure wraparound care during the school term for those parents who require it.
- 3. In addition to these statutory duties, local authorities are responsible for the provision of information, advice and assistance to parents, and the provision of information, advice and training to childcare providers.

Policy Framework and Previous Decisions

- 4. The Childcare Act 2006 places a duty on the Local Authority to administer and monitor the take up of the Free Early Education Entitlement (FEEE) for eligible disadvantaged two-year-old children. In Leicestershire, 62% of eligible children accessed their funded childcare place in autumn period 2024.
- 5. The Childcare Act 2016 introduced a new statutory requirement for Local Authorities. From September 2017, extended entitlements became available equating to an additional 15 hours per week of free childcare for eligible working parents of three and four-year-olds. The policy was intended to make childcare

more affordable for parents so that they can take up work or work additional hours.

- 6. In the Government's Spring Budget 2023, the Chancellor of the Exchequer announced that funded childcare hours would be extended to children of eligible working parents in England from nine months old to support increased parental engagement in the labour market.
- 7. The measures announced will expand the existing system by offering up to 30 funded hours of childcare per week over 38 weeks of the year to children aged nine months and over whose parents meet the same income eligibility criteria as applied to the existing 30 hours entitlement for three and four-year-olds. The policy has had a phased rollout, with 15 hours per week for 38 weeks a year offered to eligible two-year-olds from April 2024 and to eligible children under two from September 2024. The new entitlement will be offered in full from September 2025.
- 8. The national wraparound childcare programme is part of the childcare reforms announced within the Spring Budget 2023. The Government's ambition is that by 2026 all parents and carers of primary school-aged children who need it will be able to access term time childcare in their local area from 8am-6pm, so that parents can access employment, improving labour market participation.
- 9. This programme will only focus on primary school-aged children from reception to year six, Monday to Friday during term time. This will enable schools to introduce or expand childcare provision on either side of the school day, which parents of primary school-aged children will be able to pay to access.

Background

- 10. The Council has a duty to secure sufficient high-quality childcare provision which supports parents back into work or study (this includes out of school and holiday provision 0-14 (18 years for young people with SEND)). The Early Years Inclusion and Childcare Service delivers and commissions support to those providers that are judged to be less than good by Ofsted. The Service provides advice and guidance to all providers in the County. In Leicestershire, 97% of all childcare providers have a rating from Ofsted of either good or outstanding.
- 11. In Leicestershire, the childcare market is dominated by private, voluntary and independent (PVI) providers. This means that the role of the Early Years Inclusion and Childcare Service is critical in positively influencing and shaping the market for providers and securing improved outcomes for pre-school children.
- 12. COVID-19 had an impact on the sustainability of Early Years providers. This has been compounded by increasing costs for rent, pension and National Insurance contributions and the increase of the national minimum wage, alongside rising cost of living, particularly for fuel and food. The ongoing loss of childcare places is concerning as more places continue to be required due to the expansion of the funded childcare scheme. Since 2022, 1749 net childcare places (including PVI

- and childminder) have been lost in Leicestershire. During this academic year 2024/25, there have been 1077 new active places created across PVI and childminders, and 1489 places lost due to closed providers. The net position at end February 2025 is an overall loss of 412 places.
- 13. In line with the model in place for three- and four-year-olds, from April 2024 working parents of two-year-olds can access 15 hours of free childcare. Children are eligible for their funded childcare place the term after their second birthday. Parents are required to verify their eligibility through the HMRC website every three months to receive a valid code.
- 14. From September 2024, eligible working parents with a child from nine months old up to school age are entitled to 15 hours of funded childcare a week. Children can take up their funded childcare place the term after they are nine months old. Parents are required to check their eligibility through the HMRC website every three months to receive a valid code.

	Summer period		Autumn period	
	2-year-olds	Under 2- year-olds	2-year-olds	Under 2- year-olds
Number of children codes issued	4234	N/A	1643	4571
Number of codes validated	4157	N/A	1554	4218
Percentage of children taking up their places	98.18%	N/A	94.58%	92.2%

- 15. Funding is provided to the Council through the Early Years Block within the Dedicated Schools Grant (DSG). The funding is based on the January census data completed by providers. The Council is responsible for submitting the data to the Department for Education (DfE).
- 16. Early Years DSG funding to local authorities is demand-led. This means that local authorities are funded on actual take-up of the entitlement hours. DfE normally use the data from an annual census, taken in January, to record take-up of the entitlement hours. However, as the new working parent entitlement for two-year-olds started from April 2024, it was not recorded in the 2024 January census count, which is normally used to establishing funding for the 2024 Summer Term. As the working parent entitlements for both the two-year-olds and under twos are new, the DfE will not have actual take-up data for the new entitlements available. Therefore, new data will need to be collected by DfE in order to ensure individual local authorities are accurately funded for the new entitlements in 2024-25. Termly data submission has been requested by the DfE for 25/26 to that ensure local authorities are paid accurately for children taking up their entitlements.

	Summer period 2024		Autumn period 2024	
	2-year-olds	Under 2- year-olds	2-year-olds	Under 2- year-olds
Number of children taking up hours	3830	N/A	4254	3967
Average funded hours	14.31	N/A	13.26	12.67

<u>Implementation work: Funded childcare places</u>

Sufficiency

17. To support local authorities with planning for the expansion of childcare, the DfE released data to support sufficiency mapping based on existing and new childcare places required and the hours needed. This predicted number is based on registered Ofsted places and the expectation that providers will convert their paid for places to funded places. It was anticipated that an additional 40 places would be required for April and a further 68 for September. However, it should be noted, not all Leicestershire Providers are operating at full capacity and are unlikely to convert all of the DfE predicted funded places. Thus, leaving a shortfall of places and hours compared to the data that the DfE expect Leicestershire to develop. The Service has estimated that a further 936 places will be required.

Estimated places for April 2024	Estimated places for September 2024	Estimated places for September 2025
40	68	936

18. The Service has undertaken work with the sector to understand what capacity there is available in order to achieve an expansion of childcare places. A focus group has been developed with the National Day Nursery Association (NDNA) and links have been made with Professional Association for Childcare and Early Years (PACEY). Questionnaires have been circulated within the sector in order to assess childcare spaces and waiting lists, building space, and opportunities for expansion, recruitment, and opening times.

Capital grant

- 19. Leicestershire County Council has received a Childcare Expansion Capital Grant totalling £1,177,525 to support the expansion of childcare places. 80% of the grant is allocated for early childcare funded places and 20% for wraparound places.
- 20. To ascertain where this funding is most needed, a further survey has been circulated within localities where the Service identified there were insufficient childcare places. The responses to the survey have enabled the Service to

- prioritise where capital funding should be targeted to enable growth in these areas.
- 21. The questionnaires have also enabled the Service to ascertain where providers are likely to need to reprovision their space to accommodate more children, extend their premises, or purchase a new property. The Capital Grant will only partially pay for expansion of places, and it is expected that providers will also need to contribute to ensure that capital projects are sufficient to meet demand. Officers within the Service will monitor the creation of places and take up of these places during the lifetime of the Programme.
- 22. The Council ensures that it complies with the Subsidy Control Act 2022 (SCA 2022) when allocating funds from the Capital Grant, to ensure fairness in awarding public subsidies. Guidance has been obtained from legal services at the County Council to ensure the Service is compliant in carrying out the awarding process.
- 23. To date, monies have been allocated from the Childcare Expansion Capital Grant for projects which in total would aim to create a further 275 places, in areas that have been prioritised as needing additional childcare for children under two years old. These places are expected to be available by September 2025.

Marketing materials

- 24. The Service has supported the sector to be ready for the expansion in childcare provision by sharing and marketing the DfE digital promotional materials to help parents with understanding and taking up the new funded childcare offer. The Service has also promoted the childcare offer on Facebook and X so that parents can learn more about what they may be entitled to.
- 25. The Service has reviewed its funded childcare webpages for parents in line with the expansion of childcare and developed a "Choosing Quality Childcare" leaflet. To support providers with high quality provision for children under two, a range of training has been developed. This includes a conference for providers supporting communication, self-regulation, schemas (observing and reacting to children's pattern of repeated actions), and the home learning environment. Training has also been developed to support practitioners working within baby rooms. The Service has worked with East Midlands Stronger Practice Hub to support further professional development opportunities for the sector. Early Years Stronger Practice Hubs provide advice, share good practice and offer evidence-based professional development for early years practitioners.

Retention and recruitment

26. The Early Years sector is facing a retention and recruitment crisis at a time when an expanded workforce will be needed to deliver additional places. A new national recruitment campaign has been launched by the DfE to support nurseries and early years providers to recruit the workers they need to offer more childcare places for parents.

- 27. The Do Something Big recruitment campaign will encourage people to start a career working with small children. This Campaign has been shared with the sector. In addition to this, the Service has recently employed a workforce recruitment officer to further support providers. The Officer has attended job fairs across the County, including those at schools and colleges, to promote a career in childcare. The Service also has a job opportunities page which promotes any vacancies across the sector.
- 28. Recent data from the questionnaires received from providers highlighted that 50% identified retention and recruitment as a significant barrier to expanding provision. The Service has used the responses to target training. Those providers have been invited to attend training regarding retention and recruitment of staff and received a follow up visit from the Officer to discuss future needs and areas for development.
- 29. In 2024/25, 126 apprentices have been supported to start a career in childcare using the local authority apprenticeship levy. However, there remains a high dropout rate, and the Service is undertaking work with colleges and other educational settings to understand the reasons for this in order to reduce future attrition.

Childminders

30. Parents have the flexibility to choose how they spend their government-funded hours, and many opt to use childminders. Within the last two years, 69 Leicestershire childminders have left the sector. This is line with national trends. The number of childminders registered with Ofsted had decreased by 4% since 31 August 2023. However, the Government is offering start-up grants to new childminders joining the profession. These grants are available until March 2025. Prospective childminders can either receive £600 if registering with Ofsted, or £1,200 if registering with a childminder agency. The grant size reflects the different costs of registering. The Service has supported eight new childminders to join the sector since the introduction of the scheme, in 2024.

Wraparound Childcare

- 31. An ambition of the national wraparound childcare programme is to improve the availability of wraparound provision by setting up new provision or expanding current provision, both in terms of number of places and hours available. The expectation is that local authorities fund providers to over-supply places to generate additional demand, so parents are assured of the availability of provision. If provision is not available, parents/carers are more limited in the decisions they can make about returning to work, taking a new job, or working the hours that they wish.
- 32. There was a strong expectation that local authorities should aim to have as many places as possible available to parents by September 2024, rather than building up places gradually over the funding period.

33. Schools are central to the delivery of the Programme as they operate at the heart of the community, understand the needs of local families, and are usually the first port of call for parents for wraparound childcare. Most parents will access childcare through provision on a school site, either provided directly by the school or by an external provider. or through the school signposting them to alternative local provision, for example nurseries and childminders.

Sufficiency

- 34. To support local authorities with planning for the expansion of childcare, the DfE released data to support sufficiency mapping based on school census data. The DfE expect Leicestershire to develop an additional 2220 wraparound places.
- 35. The Service has sent questionnaires to schools and providers offering wrapround care to enquire about their current offer and take up of places, availability of space to expand, working in partnership with others and any barriers they may have to offering the new initiative.
- 36. From the initial response, a further survey has been sent to providers identified as not meeting the core offer. The focus of the survey is to determine if there is demand for the programme in their school.
- 37. All information received from schools and third parties offering wraparound provision has been used to complete a self-assessment to target where funding will be prioritised and has been sent to the DfE to release revenue funding for 2024/25 which has been agreed. The funding from the DfE is intended to remove barriers to setting up new provision or expanding current provision, including removing the financial risk of setting up new provision when demand is not guaranteed. It is based on a pump prime model, whereby relatively small amounts of government funds are provided in order to spur growth.
- 38. The Service is working with the DfE to determine how to best use revenue funding to create places in Leicestershire and to ensure that they are value for money. The Service is currently considering using the available Grant for funded places, equipment, promotion of the offer, recruitment, and high-quality staff training. The Service has also developed a range of toolkits to support schools, childminders, and providers to develop their business models for wraparound provision.

Revenue funding

- 39. To support with the oversupply of places, the Service has developed a revenue model of funding for the expansion of wraparound care to either expand the hours and places in existing places or create new places. This payment is intended to provide guaranteed financial support for the annual 190 days of childcare (term time only) for the duration of the Grant. The payment is based on each new and expanded place created.
- 40. It is anticipated that in that the first and second phase of the allocated grant funding, an additional 1113 new and expanded places will be created. The

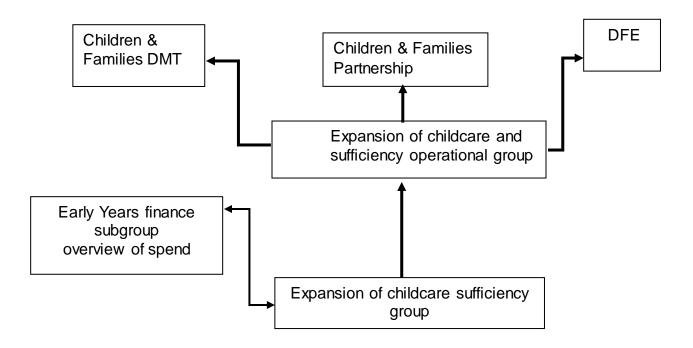
Service will continue to monitor the childcare places created for the duration of the grant and report this to the DfE.

Capital grant

41. The Wraparound capital grant allocated will enable a further 325 places to be created. These places are expected to be available by September 2025. Providers are paid a one-off payment. If the contract is not adhered to and the places not created, then the clawback clause is enforced.

Governance of the expansion of childcare

42. To ensure that the grant is spent according to need, an expansion of childcare sufficiency group has been developed from a range of partners from Children Family Services. This group will report any proposed spend to business finance partners and report to the oversight group any progress towards the expansion of childcare places. The Early Years finance subgroup will advise and agree proposals to ensure that any decisions are accurate on behalf of the oversight group. Reports will inform the departmental management team within Children and Family Services, the Children and Families Partnership, and will provide reports as required to the DfE.



Breakfast clubs

43. Families will soon be able to start accessing free breakfast clubs lasting 30 minutes for their children before school through the new breakfast club programme. Free breakfasts will help ensure pupils start every day ready to learn, in order to improve behaviour, attendance and attainment.

- 44. The DfE have invited schools to apply to be part of an early adopter scheme, rolling it out to families starting from April 2025. To date, 18 Leicestershire primary schools have become early adopters. These schools will be funded to provide access to a free, universal breakfast club lasting at least 30 minutes which includes a meal.
- 45. The intention is that as well as helping children thrive academically and socially, breakfast clubs give parents and carers more choices in childcare, and support families with the cost of living.
- 46. Schools cannot limit the number of places available and are required to ensure that they are inclusive and accessible for all children. This includes children with special educational needs and disabilities (SEND) and children considered vulnerable.
- 47. Early adopter schools will be funded directly by DfE. Schools should use this funding to cover:
 - · Food, including delivery costs; and,
 - Staffing costs.
- 48. The DfE will make an upfront payment consisting of a one-off payment to cover set-up costs and a lump-sum payment to cover fixed-admin and start-up staffing costs, between April and May 2025, and a second payment, in arrears, between October and December 2025.

Early years expansion

- 49. Using the data available, Early Years providers (where there is insufficient childcare places) are supported to expand their provisions through capital grant funding.
- 50. Using the expansion of childcare wraparound grants, the service will encourage and support new providers into the market to offer childcare places to meet parental demand.
- 51. Childcare providers operating with fewer children than their registered number will be encouraged to utilise the space and will be supported to recruit more staff.

Wraparound

- 52. Wraparound programme funding will be used to create additional places and ensure existing places are available for the hours that are required, to:
 - meet current demand both in terms of number of places and hours available;
 - o ensure supply to build further demand;
 - test new approaches to identify what works in their local area and identify the level of risk.

Resource Implications

Revenue grant for wrapround

53. The Government has allocated funding to support the wraparound care in schools over the next three years, to support capacity building within teams and to set up new and expanded provision to ensure sufficient childcare for children up to the age of 14.

Wrapround Grant					
2023/24 2024/25 2025/26					
£28,410	£2,068954	£957,581			

54. Part of this funding is to support capacity building of staff for the implementation of the programme in addition to ensuring the wider infrastructure is fit for purpose to fulfil the services requirement to support the sufficiency duty.

Capital Grant

- 55. The Childcare Expansion Capital Grant totalling £1,177,525 has been allocated to support:
 - Children taking up an early years place through the expanded 30-hours entitlement for qualifying working parents (from the term following the child reaching nine-months to the term in which they turn three-years-old);
 - Increasing the supply of wraparound childcare for primary-school aged children.

Delivery of expanded early years entitlements

56. The Council has received a further grant of £102,303.32 for the delivery of the expanded early years entitlements. This grant is intended to support local authorities to meet programme and delivery costs associated with rolling out the expanded early years entitlements. The Service has utilised a significant amount of this grant to pay for the additional funding of finance business support with the increased administration of FEEE and applications due to the expansion of childcare. One of the posts will be responsible for compliance of the FEEE to ensure the funding is being administered correctly in all settings and that invoices are clear and transparent for parents. It is anticipated that the additional central funding created through the expansion of childcare will support the continuation of these posts.

Funding for early years providers

Allocation of Early Years Budget Grant (EYBG) 2024 to 2025

57. The DfE published the details and allocations of Early Years Budget Grant (EYBG) in October to support early years providers with their costs, following a recent teacher pay award. The EYBG will be paid to local authorities to cover the

seven-month period between 1 September 2024 and 31 March 2025. Providers received a further £0.7p for three- & four-year FEEE. For September24 to March 25, which equates to £5.09.

Contingency fund

58. Historically, the Council has not held a contingency fund, which is funding that may be set aside to respond to the financial implications of changes in the number of children taking up the entitlements throughout the year. However, in 2021/22 the Early Years Block of DSG recorded a deficit of £4.26 million, as previously reported to the Schools Forum in September 2022. The Early Years DSG deficit as of 31 March 2024 was £3.1m. The plan is to clear this deficit over four years which would be by March 2027.

2025/2026 funding

- 59. Local authorities are required to pass through a minimum of 96% of the settlement to providers, the remaining 4% meeting the cost of the Early Learning and Childcare service.
- 60. The rates have been reviewed and are designed to support providers in delivering high-quality early education and childcare services. The rates have been set following careful consideration of the current financial environment and alongside a commitment to ensuring sustainable funding for high-quality early years provision.
- 61. In line with Early Years Operational Guidance, local authorities are required to pass through a minimum of 96% of the delegated budget to providers. The Council has confirmed 2025/26 provider rates to ensure that three- and four-year-olds receive a 96% pass through and the two-year-olds and under receive a 97% pass through. This exceeds the DfE requirements to support providers with offering FEEE. The modelling shows that in Leicestershire, the new entitlement now means that 50% of the funding claims is for 2-year-olds and under who now benefit from a 97% pass though rate. The 96% and 97% respective pass through of funding to providers includes:
 - the universal hourly base rate, which is paid to all providers;
 - supplements for deprivation;
 - Special Educational Needs Inclusion Fund (SENIF), which should be targeted at children with lower level or emerging special educational needs (SEN):
 - contingency funding, which is extra money set aside for changes in the number of children taking up the entitlements throughout the year.
- 62. The centrally retained Local authority element of funding provides and funds services in line with the Early Years Operational Guidance. Such funding is critical and essential in ensuring staff resources, administration, and infrastructure is both appropriate and fit for purpose in ensuring the local authority meets its statutory requirements in delivering the expansion of FEEE entitlements.

Provider rates for 2025/26

63. Provider rates relating to 2025/26 are outlined below:

	2024-25	2025-26	% Provider Increase	2025/26 – Pass Through Rate	2025/26 – Centrally Retained
Three- and four-year- old	£5.02	£5.28	5%.	96%	4%
Two-year- olds	£7.01	£7.28	4%	97%	3%
Under two- year-olds	£9.49	£9.81	3%	97%	3%
Disability Access Fund (DAF)	£910	£938	3%	100%	N/A
Early Years Pupil Premium (EYPP)	68p	£1	47%	100%	N/A

- 64. To ensure that local authorities are accurately funded for delivering the new entitlements, the Department for Education will continue funding these entitlements using termly headcounts and will fund on a revised allocation profile to better match how local authorities fund providers across the year in 2025 to 2026. Given the additional termly counts for the new entitlements in 2025 to 2026, the indicative allocations for these funding streams will be updated following the data collection each term.
- 65. It is expected that more children are accessing their funded entitlements due to the expansion of childcare, so a lower amount of central funding is required to maintain the delivery of support to the Early years sector and more funding is passported to providers to support sustainability. However, it should be noted that with the expansion of childcare there is a substantial increase in the administrative tasks of paying providers in a timely way, new government initiatives with nurseries on school sites still requires service support. Early Years SEN data also illustrates the increasing demands of children with high SEN levels and there may be an increased risk of not meeting demand if the retained grant that is permissible reduces significantly when 97% of pass through is mandated.

Background papers

Statutory guidance Early education and childcare April 2024: https://www.gov.uk/government/publications/early-education-and-childcare-2/early-education-and-childcare-applies-from-1-april-2024

Wraparound childcare: guidance for local authorities:

https://assets.publishing.service.gov.uk/media/65d859af6efa83001ddcc55b/National_Wraparound_Childcare_Programme_Handbook.pdf

Childcare Expansion Capital Grant:

https://assets.publishing.service.gov.uk/media/66165d051a70cf4b9209316c/Childcare_ Expansion_Capital_Guidance_For_LAs_Nov2023.pdf

Breakfast clubs early adopter guidance for schools and trusts in England: https://www.gov.uk/government/publications/breakfast-clubs-early-adopter-guidance-for-schools-and-trusts-in-england

Circulation under the Local Issues Alert Procedure

66. None.

Equality Implications

- 67. An Equality Impact Assessment (EIA) has been presented and approved by Children Family Service Department Equality Group for the expansion of childcare for nine months to starting school and is appended to this report. Arising from the recommendations within the action plan, the Service will support preschools to offer places to disadvantaged two year olds to ensure high quality training for the Early years workforce to offer inclusive provision training plan for SEND Mapping provision and open and closures track take up of FEEE places and where this is in the county work with social care to ensure children who are known to those services access their entitlements. This will be reviewed each quarter, from September 2025, to understand whether children are accessing their entitlements
- 68. An EIA has also been submitted relating to expansion of childcare for wraparound provision. The action plan and recommendations which arise from this assessment will be built into decision making process.

Human Rights Implications

69. There are no human rights implications arising from the recommendations in this report.

List of Appendices

Equality Impact Assessment: Expansion of childcare for nine months to starting school

Officer to Contact

Jane Moore Director of Children Families Services Tel: 0116 3052649

Email jane.moore@leics.gov.uk

Tim Browne Assistant Director Education SEND Commissioning Tel: 0116 3057429 Email <u>tim.browne@leics.gov.uk</u>

Sue Wilson Service Manager Early Years Inclusion and Childcare Tel: 0116 3058337

Email <u>suzanne.wilson@leics.gov.uk</u>

Equality Impact Assessment

Name of policy: Expansion of childcare for 9 months to starting school

Department: Children & Family Service

Who has been involved in completing the Equality Impact Assessment:

Jo Fisher & Sue Wilson, Early Years Inclusion and Childcare Service

Relevant contact information for those involved:

jo.fisher@leics.gov.uk

Suzanne.Wilson@leics.gov.uk

Who is completing the EIA:

Sue Wilson

What is the proposal?:

In the spring budget of 2023, the Chancellor announced that funded childcare hours would be extended to children of eligible working parents in England from nine months old to support increased parental engagement in the labour market. The measures announced will expand the existing system by offering up to 30 funded hours of childcare per week over 38 weeks of the year to children aged nine months and over whose parents meet the same income eligibility criteria as applied to the existing 30 hours entitlement for three and four-year-olds. The policy has a phased rollout, with 15 hours per week for 38 weeks a year offered to eligible two-year-olds from April 2024 and to eligible children under two from September 2024. The new entitlement will be offered in full from September 2025.

What change and impact is intended by the proposal?:

The service is implementing government policy to ensure working parents have access to funded childcare

What is the rationale for this proposal?:

To support parents back into the labour market by making childcare more affordable

What equalities information or data has been gathered so far?:

Parents and providers were asked to complete information about their requirements for childcare to help prepare the market for inclusive childcare provision. Parents responded regarding their child's age and disability.

What does it show?:

The data showed that there was a need for additional places for children under five , but necessarily affordable. Providers did struggle to support children with SEND due to the additional costs and training.

What engagement has been undertaken so far?:

Questionnaires have been sent to all Early Years providers and a survey has been promoted through health visitors, and through providers and Family help to receive responses from parents

What does it show?:

In April and September the county will have sufficient places for all children however as the 30 hours eligibility is implement in September 2025 there is likely to be less places available and this may impact on the existing offer for disadvantaged 2 year olds as places will be allocated to working parents.

Evidence documents upload (optional):

Age:

What are the benefits of the proposal for those from the following groups?	Is there any specific risks or concerns?	What are the identified risks or concerns and how they will be mitigated?
children from 9 months to school age will be funded to access childcare if they have working parents	Yes	Places that have been created for the newly funded childcare may then restrict the funded places available for the disadvantaged two year olds. Providers operating in disadvantaged areas need to be supported to offer places for the disadvantaged children

Disability:

What are the benefits of the proposal for those from the following groups?	Is there any specific risks or concerns?	What are the identified risks or concerns and how they will be mitigated?
working parents may choose to go back to work earlier due to	Yes	Places that have been created for the newly funded childcare may then restrict the funded places available for children with SEND due to additional

What are the benefits of the proposal for those from the following groups?	Is there any specific risks or concerns?	What are the identified risks or concerns and how they will be mitigated?
the support of childcare costs		costs and staffing. Not all staff are well qualified to support children. Therefore we will look to support staff to offer highly qualified inclusive provision

Race:

What are the benefits of the proposal for those from the following Is there any specific			
groups?	risks or concerns?		
children of all races are able to access childcare. working parents			
may choose to go back to work earlier due to the support of childcare costs	No		

Sex:

What are the benefits of the proposal for those from the following Is there any specific				
groups?	risks or concerns?			
children of all genders are able to access childcare. working parents				
may choose to go back to work earlier due to the support of	No			
childcare costs				

Gender Reassignment:

What are the benefits of the proposal for those from the following groups?	Is there any specific risks or concerns?
children of all gender reassignment are able to access childcare. working parents may choose to go back to work earlier due to the support of childcare costs	No

Marriage and Civil Partnership:

	What are the benefits of the proposal for those from the ollowing groups?	Is there any specific risks or concerns?	
N	/A	No	

Sexual Orientation:

What are the benefits of the proposal for those from the following groups?	Is there any specific risks or concerns?
N/A. working parents may choose to go back to work earlier due to the support of childcare costs	No

Pregnancy and Maternity:

What are the benefits of the proposal for those from the following groups?	Is there any specific risks or concerns?
N/A. working parents may choose to go back to work earlier due to the support of childcare costs	No

Religion or Belief:

What are the benefits of the proposal for those from the following groups?	Is there any specific risks or concerns?
all children of different religions and beliefs are able to access childcare working parents may choose to go back to work earlier due to the support of childcare costs	No

Armed Forces:

What are the benefits of the proposal for those from the following groups?	Is there any specific risks or concerns?
children from the armed forces are able to access childcare. working parents may choose to go back to work earlier due to the support of childcare costs	No

Other groups: e.g., rural isolation, deprivation, health inequality, carers, asylum seeker and refugee communities, looked after children, deprived, armed forced, or disadvantaged communities:

What are the benefits of the proposal for those from the following groups?	Is there any specific risks or concerns?
children in rural areas are able to access childcare at a variety of settings including childminders, preschools and day nurseries. thus minimalizing rural isolation and giving parental choice supporting them to return to work. Children known to social care are supported to access their free early education entitlements	No

Action Plan:

What concerns were identified?	What action is planned?	Who is responsible for the action?	Timescale
Support pre schools to offer places to disadvantaged two year olds to ensure high quality training for the Early years workforce to offer inclusive provision	training plan for SEND Mapping provision and open and closures track take up of FEEE places and where this is in the county work with social care to ensure children who are known to those services access their entitlements	Melluish	September 2025 reviewed each quarter to see if children are accessing their entitlements

Action plan document (optional):

How will the action plan and recommendations of this assessment be built into decision making and implementation of this proposal?:

Decision making is reported to the DfE Reviewed as part of the services monitoring and evaluation Take up of provision is reviewed at Education and SEND SMT How would you monitor the impact of your proposal and keep the EIA refreshed?: This will

be reviewed termly though the termly FEEE data

Date of completion: 22/04/2024



CHILDREN AND FAMILIES OVERVIEW AND SCRUTINY COMMITTEE: 4 MARCH 2025

<u>DEPARTMENT OF EDUCATION STATUTORY GUIDANCE FOR THE</u> USE OF AGENCY CHILDREN AND FAMILY SOCIAL WORKERS

REPORT OF THE DIRECTOR OF CHILDREN AND FAMILY SERVICES

Purpose of report

- The purpose of this report is to provide the Committee with an overview of the Local Authority's duties and responsibilities, under the new regulations for the use of agency children and family social workers, which were published in September 2024, and to outline the progress made to date against these requirements.
- 2. The report will also provide the Committee with an update on the use of agency social workers within the Children and Family Service Department and progress against the strategy for recruitment of permanent Social Workers.

Policy Framework and Previous Decisions

- 3. In September 2024, the Department of Education (DfE) published the Local Authority Regulations for the use of agency Children and Family Social workers, outlined within Appendix A. These regulations came into force on 31 October 2024.
- 4. This is the first time that the detail of the Regulations has been shared with the Committee. However, the Committee has received previous updates on the Department's Recruitment and Retention strategy and associated work to create the right conditions to attract permanent social workers to join the County Council and create the right environment for social work practice to flourish, so encouraging the retention of staff within the Service.

Background

5. The Association of Directors of Children Services (ADCS) has worked with the DfE to address the national shortage of permanent social workers, and the growth over a number of years of the agency market. The shortage of staff, and the greater reliance upon agency staff has seen the cost of agency staff raise. This not only places a high financial burden on local authorities which have needed to engage higher number of agency social workers, it also, in many

cases, led to a greater transition of workers between local authorities, leading in some areas to greater instability of the workforce. This in turn leads disruption for children and their families. Children and young people have experienced too many changes of worker and in some cases, this can lead to drift and delay in the services being provided.

- 6. Key legislation and guidance have more recently been published that seeks to address the issues outlined above. In 2023 Stable Homes Built on Love a review of children's social care identified key areas for locality authorities to consider in their design and delivery of services. This was followed later in 2023 with the revised Working Together to safeguard children that led to a review of safeguarding partnerships.
- 7. In November 2025, the Government outlined their vison and commitment to progressing and embedding the changes outlined in the aforementioned documents by publishing Keeping Children Safe helping families thrive, which can be found in Appendix B. The legislative changes that will provide a legal framework for these changes are outlined in the Children's Wellbeing and Schools Bill which is currently progressing through Parliament.
- 8. One key element within the above documents is the commitment to stabilising the children's social work workforce, hence the publication of the statutory guidance for local authorities on the use of agency Children and family social workers.
- 9. In summary the guidance dictate that local authorities may continue to use agency child and family social workers, where it is the most appropriate resourcing option, and their use is in line with this guidance. However, local authorities must provide the Department for Education with quarterly data on the use and cost of agency child and family social workers, including where supplied via a project team or other packaged model
- 10. In addition to this, local authorities should:
 - Work within their region to agree and implement agency child and family social worker price caps that all local authorities within the region should comply with
 - Ensure all contracts to supply agency child and family social workers via a project team or other packaged model comply with the following requirements
 - Prior identification and local authority approval of all constituent child and family social workers
 - Disaggregation of costs related to the provision of each child and family social worker and any other service provided
 - Governance arrangements that allow the local authority to maintain complete oversight, control, and management of social work practice delivered via the project team or other packaged model

- Ensure all agency assignments have a four-week notice period or align the length of assignment notice periods with that of the local authority's contractual notice period for substantive staff in the same or an equivalent job role where that is less than four weeks not engage agency child and family social workers for a minimum period of three months after the worker has left a substantive role in their children's services department or that of a local authority within the same region
- Not engage agency child and family social workers with less than three years post-qualifying experience (PQE) in direct employment of an English local authority practising in a child and family context while registered as a social worker with a UK regulator
- Ensure that they: provide a detailed practice-based reference using the agency rules standard template for all agency child and family social workers on assignment irrespective of length of assignment
- Require at least two detailed practice-based references for all agency child and family social workers before offering an assignment (the agency rules standard reference template should be used for references dated on or after this guidance has taken effect)
- 11. Within the East Midlands Region, a Memorandum of Understanding has been signed up to by all local authorities to work in partnership in order to implement and adhere to the regulations. The Regional Partnership has agreed that no local authority will engage an agency worker who has left permanent employment in the region in the past six months. This is seen to encourage staff to remain in permanent employment. Nationally all local authorities are building in strong regional agreements to enforce the regulations.
- 12. In Leicestershire, in addition to being proactively involved in both Regional and National discussions the Department has continued to implement a strong Recruitment and Retention strategy that promotes Leicestershire as the place social workers want to practice. The Service currently has 52 agency social workers engaged with it. This number has reduced from 68 since 2024 and from 76 in 2023.
- 13. Of these, 22 are against vacant posts, six are additionality supporting newly qualified staff, 12 additionalities due to demand and 9.5 covering maternity or long-term sickness. There are also two covering secondments.
- 14. Since 2023, four agency social workers have chosen to take up permanent employment with the Council, and an additional three are currently in the process of doing so. Discussions have and continue to take place with agency staff about permanent opportunities.
- 15. Currently, the Service has 21 full time and three part time social work posts vacant (9 in the process of being filled) and 7.5 senior practitioner level posts vacant. In addition to this, the Service has 10 agency who do not have the three years permanent employment with an English local authority, who will end when their current assignment ends or by the end of April 25. If suitable, the

- Service is discussing with them permanent opportunities as they will not be able to practice in agency roles when their current assignment ends.
- 16. In addition, with support of HR colleagues and specialist recruitment company Reed, a system to make the quarterly data returns possible has been developed. All other elements of the regulations have been shared with managers, so that the Council can ensure full compliance. Positively, all off contract agency workers have been transferred to Reed. In relation to the regulations that refer to project teams, the Service does not utilise project teams.
- 17. There is a slight risk that if it is not possible to fill all permanent posts and cannot use those agency staff with less than three years permanent experience in an English local Authority, that there will be a shortage of agency social workers. However, the potential to stabilise the workforce further by more agency returning to permanent employment will increase stability of the workforce and reduce financial staffing pressures considerably.

Background Papers:

Recruitment and Retention, Children and Families Overview and Scrutiny Committee, 5 September 2023:

https://democracy.leics.gov.uk/ieListDocuments.aspx?Cld=1043&MID=7193

Resource Implications

18. Work has taken place with Reed to ensure they have the system in place to provide the data returns. Work has been completed to move all off contract agency over to Reed.

Conclusions

19. In summary, the Locally Authority has worked to ensure that it is fully compliant with the agency social worker regulations. In addition, it will continue to work to reduce reliance on agency social workers and stabilise the workforce.

Circulation under the Local Issues Alert Procedure

20. None.

Equality Implications

21. There are no equality implications from implementing the Regulations.

Human Rights Implications

22. There are no Human Right implications from implementing the Regulations.

Appendices

Appendix A – Agency Rules: Statutory guidance for Local Authorities on the use of Agency Child and Family Social Workers.

Appendix B – Keeping Children Safe – Helping Families Thrive.

Officer(s) to Contact

Sharon Cooke Assistant Director, Targeted Early Help & Children's Social Care Telephone: 0116 305 5479

Email:Sharon.Cooke@leics.gov.uk





Agency Rules

Statutory guidance for local authorities on the use of agency child and family social workers

Contents

Introduction	4
About this guidance	5
Review date	5
What legislation does this guidance refer to?	5
What is the status of this guidance?	5
Who is this guidance for?	7
Local authorities	7
Suppliers	7
Social workers and settings in scope	7
Main points	10
Implementation and transition	12
End of transition	13
Data collection	14
Price caps	15
Price cap implementation	15
Project teams	17
Employment status for tax	17
Prior approval of constituent child and family social workers	19
Cost disaggregation	19
Governance	20
Notice periods	22
Making best use of notice periods	23
Cool-off periods	24
Post-qualifying experience	25
References	26
Standard reference template	27
Providing and requiring references	28
Appendix A: Glossary	29
Appendix B: Standard reference template	33

Section 1 – Basic reference	33
Section 2 – Detailed reference	34
Section 3 – Additional information	37
Appendix C: Local authorities by region	38
Appendix D: Further information	40
Useful resources and external organisations	40
Other relevant departmental advice and statutory guidance	40

Introduction

Creating the right conditions to allow all social workers to thrive and do the best social work they can relies on a stable, effective, and supported workforce. This guidance describes a set of rules that collectively set out what local authorities should do when using agency child and family social workers.

The rules are designed to improve the stability and quality of the child and family social worker workforce to enable social workers to build quality relationships with children and families that underpin better outcomes for vulnerable children. The rules are also designed to reduce the overreliance on and costs of agency child and family social workers. This is to create a more sustainable workforce, so more resource is available to develop the workforce and improve the outcomes of children and families.

About this guidance

This is statutory guidance from the Department for Education. This means that all local authorities should comply with it when using agency child and family social workers to carry out duties in their children's services departments, unless exceptional circumstances arise.

This guidance uses the word "must" where the provision is a legal requirement. The word "should" is used where the provision should be complied with unless exceptional circumstances arise.

This guidance is effective from 31 October 2024.

Review date

This guidance will be kept under review and updated versions will be published if necessary.

What legislation does this guidance refer to?

- Local Authority Social Services Act 1970
- Employment Agencies Act 1973
- Children Act 1989
- The Conduct of Employment Agencies and Employment Businesses Regulations 2003
- Apprenticeships, Skills, Children and Learning Act 2009
- Agency Workers Regulations 2010
- Public Contracts Regulations 2015

What is the status of this guidance?

The <u>data collection</u> on the agency child and family social work workforce set out in this guidance is collected under section 83 of the Children Act 1989 and section 251(1)(b) of the Apprenticeships, Skills, Children and Learning Act 2009.

The rest of this guidance is issued under section 7 of the Local Authority Social Services Act 1970, which requires local authorities to act under the general guidance of the Secretary of State in the exercise of their social services functions. This includes the exercise of any discretion conferred on the local authority by any other relevant legislation.

The <u>data collection section</u> of this guidance is a legal requirement for local authorities. The rest of this statutory guidance should be complied with unless exceptional circumstances arise.

Who is this guidance for?

This guidance is written for those who work in and with local authority children's social care. It contains information that may also be useful to those, like recruitment businesses, who supply child and family social workers to local authorities.

Local authorities

Successful implementation of this guidance will need strong corporate leadership and effective collaboration within children's services, across the local authority, and between regions. Therefore, the following individuals within local authorities should read and follow this guidance (this list is in alphabetical order and is not exhaustive):

- Chief Finance Officer (CFO) / Section 151 Officer, and monitoring officer
- Children's Trusts Chief Executives
- Councillors, including Leaders of Councils and Lead Members for Children's Services
- Directors of Children's Services
- Heads of HR/Commissioning/Commercial/Contracts/Procurement
- Heads of Service and Service Managers
- Local Authority Chief Executives
- Social workers and practice supervisors in children's social care

Suppliers

Those who support the recruitment, procurement, and supply of child and family social worker resource in local authority children's social care may also find it helpful to read this guidance as it impacts on how local authorities should engage and contract with them.

Social workers and settings in scope

The agency rules apply to all agency child and family social workers (as defined below) and child and family social workers looking to move from local authority employment into agency.

The agency rules do not apply to agency social workers only assigned to work for a local authority's adult or mental health services.

The agency rules do not apply to independent social workers carrying out court directed work in addition to the work done by the case allocated local authority social worker.

This guidance does not apply to the use of agency social workers outside of local authority children's services.

It is important to note that:

- "Agency child and family social worker" is used throughout this guidance and
 refers to a child and family social worker (up to and including team manager or
 equivalent (see core job type mapping section of this guidance)) registered with
 Social Work England who is supplied by an agency to perform work or services for
 a local authority but is not in direct employment with that local authority, and
 includes those who are employed or contracted by the agency (either directly or
 through one or more intermediaries)
- "Local authority" is used throughout and should be read to include Alternative
 Delivery Models for children's social care (where the delivery of children's services
 is outsourced to a Trust or not-for-profit organisation that is separate from, but
 accountable to, the local authority) and Partnership based models (where a single
 leadership team oversees delivery of children's services across two or more local
 authorities)

Throughout this guidance, the term "children's social care" refers to the local authority services that exist to:

- safeguard and promote the welfare of children in their area who, without the
 provision of services, are unlikely to achieve or maintain a reasonable standard of
 health or development, or their health or development will be significantly or
 further impaired, or are disabled (section 17, Children Act 1989)
- assess the needs of young carers, and whether they require support (section 17ZA, Children Act 1989)
- provide accommodation to any child in need who requires it (section 20, Children Act 1989)
- promote welfare and safeguard looked after children and to ascertain wishes and feelings of children, parents and carers and give them due consideration in decision making (section 22, Children Act 1989)

- provide a range of support to a child who has left care (section 23A, 23B, 23C, Children Act 1989)
- undertake enquiries when there are concerns a child may suffer significant harm and take action to keep them safe, including taking the child into care (section 47, section 31, Children Act 1989)
- deliver services and support to looked-after children and care leavers, local authorities must have regard to the corporate parenting principles (section 1, Children and Social Work Act 2017)

Main points

Local authorities may continue to use agency child and family social workers where it is the most appropriate resourcing option and their use is in line with this guidance.

Local authorities must:

 provide the Department for Education with quarterly data on the use and cost of agency child and family social workers, including where supplied via a project team or other packaged model

Local authorities should:

- work within their region to agree and implement agency child and family social worker price caps that all local authorities within the region should comply with
- ensure all contracts to supply agency child and family social workers via a project team or other packaged model comply with the following requirements:
 - prior identification and local authority approval of all constituent child and family social workers
 - disaggregation of costs related to the provision of each child and family social worker and any other service provided
 - governance arrangements that allow the local authority to maintain complete oversight, control, and management of social work practice delivered via the project team or other packaged model
- ensure all agency assignments have a four-week notice period or align the length
 of assignment notice periods with that of the local authority's contractual notice
 period for substantive staff in the same or an equivalent job role where that is less
 than four weeks
- not engage agency child and family social workers for a minimum period of three months after the worker has left a substantive role in their children's services department or that of a local authority within the same region
- not engage agency child and family social workers with less than three years postqualifying experience (PQE) in direct employment of an English local authority practising in a child and family context while registered as a social worker with a UK regulator
- ensure that they:

- provide a detailed practice-based reference using the agency rules standard reference template for all agency child and family social workers on assignment irrespective of length of assignment
- require at least two detailed practice-based references for all agency child and family social workers before offering an assignment (the agency rules standard reference template should be used for references dated on or after this guidance has taken effect)

Implementation and transition

From 31 October 2024, the effective date of this statutory guidance, local authorities should comply with all agency rules for all new agency child and family social work assignments across all contracts to supply agency child and family social workers, except where existing contractual obligations prevent implementation of particular rules or parts of a rule.

Local authorities should work closely with their supply chains, including central purchasing organisations, managed service providers, and agencies, to agree and implement processes that support compliance with this guidance through the supply chain, subject to complying with the law.

To facilitate this, from 31 October 2024, local authorities should:

- ensure that all new contracts for the supply of agency child and family social workers to local authority children's services support compliance with the agency rules
- ensure that any contracts for the supply of agency child and family social workers
 which are in force prior to this guidance coming into effect but do not contain
 contractual obligations that prevent implementation of particular rules or parts of a
 rule support compliance with the agency rules

Where local authorities have contracts for the supply of agency child and family social workers which are in force prior to this guidance coming into effect and contain contractual obligations that prevent implementation of particular rules or parts of a rule, we do not expect those local authorities to change or terminate them from 31 October 2024 solely to comply with those rules or parts of a rule. If they do so, they must in any event comply with their contractual obligations and applicable Procurement Rules.

Local authorities should refer to the data and price caps operational guidance for dates relating to the data collection and price caps.¹

¹ Department for Education. *Agency child and family social workers: data return and price caps*. https://www.gov.uk/government/publications/agency-child-and-family-social-workers-data-return-and-pricecaps (Accessed September 2024).

End of transition

From 1 October 2025, local authorities should comply with all agency rules for all agency child and family social work assignments across all contracts to supply agency child and family social workers.

Where local authorities have contracts for the supply of agency child and family social workers which are in force prior to this guidance coming into effect and contain contractual obligations that prevent implementation of particular rules or parts of a rule, those local authorities should ensure that they achieve full implementation of this guidance across all such contracts before 1 October 2025. Such plans may involve changing existing contract terms or exercising rights of termination and entering into new contracts.

Data collection

Local authorities must provide the Department for Education with quarterly data on the use and cost of agency child and family social workers, including where supplied via a project team or other packaged model.

Local authorities must submit a quarterly data return to the Department for Education on their previous quarter's agency use and cost. Details on how local authorities should collect and submit the quarterly data return can be found in the data and price caps operational guidance which is published separately.²

Local authority level data and benchmarking data resulting from the collection will be securely shared back with local authorities. This consistent evidence base of agency use and cost will support local authorities with workforce planning and bolster the development of regional and national workforce strategies. It will enable, for the first time, local authorities to compare their agency costs with those of other local authorities at a regional or national level against five consistent core job types. This will, in turn, form the basis for the development and/or adjustment of regionally determined price caps. It will also allow the Department for Education to monitor compliance with the rules to enable the development and implementation of support and/or enforcement measures.

² Department for Education. *Agency child and family social workers: data return and price caps*. https://www.gov.uk/government/publications/agency-child-and-family-social-workers-data-return-and-price-caps (Accessed September 2024).

Price caps

Local authorities should work within their region to agree and implement agency child and family social worker price caps that all local authorities within the region should comply with.

The price cap should be based on Umbrella/Limited Company hourly pay rates, which are inclusive of employers' national insurance contributions and holiday pay. This should be converted for the PAYE equivalent candidates.

For the purposes of this guidance price caps represent the maximum hourly rate that local authorities should pay for an agency child and family social worker and should not be interpreted as standard or default.

The price caps should:

- be set against the core job types described in the operational data and price cap guidance
- be applied to all contracts to supply agency child and family social workers to a local authority, including via a <u>project team</u> or other packaged model
- take into account data and market insights, including data outputs from the quarterly data submission

More details on price caps can be found in the data and price caps operational guidance which is published separately.³

Price cap implementation

Financial or non-financial bonuses that take the worker over the cap should not be offered. Only reasonable expenses should be covered in addition to the hourly rate. Costs such as agency and managed service provider fees and margins are typically

³ Department for Education. *Agency child and family social workers: data return and price caps*. https://www.gov.uk/government/publications/agency-child-and-family-social-workers-data-return-and-price-caps (Accessed September 2024).

controlled via existing commercial frameworks and local authorities should be mindful of value for money when working with their supply chains.

Local authorities should ensure that any advert placed on their behalf complies with this statutory guidance. If a supplier seeks to circumvent the caps, local authorities should consider whether it would be appropriate to restrict their access to new vacancies and/or report them to their respective Regional Improvement and Innovation Alliance.

All assignments at hourly rates above the price caps should be signed off by the relevant local authority's Director of Children's Services (DCS) and Chief Executive prior to the assignment being agreed. Local authorities should work within their region to agree any additional, region-wide governance processes. All assignments at hourly rates above the price caps should be reported to the DfE through the guarterly data collection.

In implementing their price caps, local authorities need to be aware of their legal obligations under the Agency Workers Regulations 2010.⁴ This includes ensuring that an agency worker who has completed their qualifying period (as set out in those Regulations) in the same role with the same hirer receives the same basic working and employment conditions, including aspects of pay and annual leave, as a direct recruit.

⁴ The Agency Workers Regulations 2010 (SI 2010/93). https://www.legislation.gov.uk/uksi/2010/93 (Accessed September 2024).

Project teams

Local authorities should ensure all contracts to supply agency child and family social workers via a project team or other packaged model comply with the following requirements:

- prior identification and local authority approval of all constituent child and family social workers
- disaggregation of costs related to the provision of each child and family social worker and any other service provided
- governance arrangements that allow the local authority to maintain complete oversight, control, and management of social work practice delivered via the project team or other packaged model

This rule applies to all contracts to supply agency child and family social workers to a local authority via a project team or other packaged model. This will include all packaged models or equivalents, including those described as project or managed service teams, irrespective of the precise structure, name, or definition of the model in question.

Local authorities should ensure that the engagement of each of the agency child and family social workers of any project team or other packaged model also complies with all the other rules set out in this guidance.

Employment status for tax

Local authorities will need to consider their tax obligations, as the engager of the agency child and family social workers, having regard to the labour supply chain through which the social workers are being supplied. As part of this, local authorities should consider whether the work of such teams is in fact a fully contracted out service. There is no legal definition of a fully contracted out service; it is instead based upon both the contract and how it operates in practice.

If a social worker is providing their services through their own intermediary (for example, a personal service company or 'PSC'), the off-payroll working rules (commonly referred to as IR35) may apply.⁵

Under the off-payroll working rules, the local authority is responsible for deciding the employment status of the social worker and completing a Status Determination Statement (SDS) for each agency child and family social worker (including all constituent workers of a project team or other packaged model). This SDS should be passed to the agency the local authority is contracting with, as well as the social worker, before any payment is made for the social worker's services. If this is not done, the local authority will remain responsible for operating PAYE on the payments where the off-payroll working rules apply.

Local authorities can use HMRC's Check Employment Status for Tax (CEST) tool to help them make employment status decisions. This tool gives HMRC's view of a worker's employment status, based on the information you provide. CEST is the only tool where HMRC will stand behind the determinations made, as long as the information used to make the determination remains accurate and is in line with HMRC's guidance.

If a social worker is being provided through an agency that is not their employer, special tax rules for agencies may apply to the arrangement.⁸ If they do, the agency will be responsible for making sure that tax and National Insurance for workers are paid correctly.

Where the governance arrangements set out under this rule are implemented, these are strong indicators of deemed employment for tax. However, each assessment of an individual's employment status for tax should be carried out in a fact-specific way on a case-by-case basis.

⁵ HM Revenue & Customs. *Understanding off-payroll working (IR35)*. https://www.gov.uk/guidance/understanding-off-payroll-working-ir35 (Accessed September 2024).

⁶ HM Revenue & Customs. *Off-payroll working for clients*. <u>https://www.gov.uk/guidance/off-payroll-working-for-clients</u> (Accessed September 2024).

⁷ HM Revenue & Customs. *Check employment status for tax*. https://www.gov.uk/guidance/check-employment-status-for-tax (Accessed September 2024).

⁸ HM Revenue & Customs. *Check if you're an employment intermediary*. https://www.gov.uk/guidance/employment-status-employment-intermediaries (Accessed September 2024).

Prior approval of constituent child and family social workers

Local authorities should ensure that all decision-making authority regarding the recruitment and retention of agency child and family social workers, including those deployed via a project team or other packaged model, is held within established local authority line management.

To satisfy this requirement, all contracts to supply agency child and family social workers via a project team or other packaged model should identify each constituent child and family social worker to the local authority and allow for the local authority to approve or decline each worker for assignment. This includes any changes to the workers of a team after the team is in place.

Local authorities should ensure that, for each contract to supply agency child and family social workers via a project team or other packaged model, the supplier provides the following details:

- number of social workers
- name of each social worker
- each worker's registration number issued by Social Work England
- references for each social worker (as per the <u>references</u> rule)

Local authorities should require these details from the supplier in advance of the assignment start date or, in the case of a change of worker, prior to the start date of the incoming worker. Local authorities should not agree work for any project team or other packaged model where the constituent child and family social workers are not approved in advance.

In line with the <u>references</u> rule, local authorities should provide and require detailed practice-based references for each child and family social worker of a project team or other packaged model before offering an assignment.

Cost disaggregation

Local authorities should ensure that all contracts to supply agency child and family social workers via a project team or other packaged model disaggregate the costs related to the provision of each child and family social worker and any other service provided prior to contract signing.

To satisfy this requirement, local authorities should ensure that all costs relevant to each contract are set out transparently and to the satisfaction of the local authority before

contract signing. All contracts to supply agency child and family social workers via a project team or other packaged model should include, as a minimum:

- an overall price
- a clear breakdown of costs, including hourly pay rate, related to the provision of each child and family social worker in the project team or other packaged model
- a clear breakdown of all other staff costs
- a breakdown of other charges that have been wrapped into the total price;
- a payment schedule
- the right for the local authority to request further information on cost transparency throughout the contract term

Local authorities should also ensure that the hourly pay rate for each child and family social worker in a project team or other packaged model complies with the relevant price caps.

Governance

Local authorities should ensure that all contracts to supply agency child and family social workers via a project team or other packaged model include governance arrangements that allow the local authority to maintain complete oversight, control, and management of social work practice delivered via the arrangement.

Local authorities are best placed to determine the precise governance arrangements that satisfy this requirement. However, local authorities should ensure that governance arrangements allow for:

- oversight: there should be a clear line of accountability from the DCS to each constituent child and family social worker of a project team or other packaged model and their practice
- control: local authorities should retain control of decision-making in relation to all child and family social work practice delivered by the constituent workers of a project team or other packaged model
- management: local authorities should determine supervision and task/line management of the constituent workers of a project team or other packaged model

This means that as a minimum, local authorities should retain overall control over:

- the practice model used by all constituent child and family social workers of a project team or other packaged model
- practice supervision of all constituent child and family social workers of a project team or other packaged model
- line management of all constituent child and family social workers of a project team or other packaged model
- quality assurance of all child and family social work practice delivered by the constituent workers of a project team or other packaged model
- decision-making in case management, such that the project team or other packaged model is fully integrated within the children's services department

Local authorities are accountable for social work practice carried out by all social workers discharging local authority functions.

Local authority senior leaders, practice supervisors, and practitioners should be aware of their statutory duties and responsibilities outlined in the Children's Social Care National Framework. In particular, local authority governance arrangements covering project teams or other packaged models should facilitate each of the *expectations for practice* set out under *Enabler: the workforce is equipped and effective*.

⁹ Department for Education. *Children's Social Care National Framework*. https://www.gov.uk/government/publications/childrens-social-care-national-framework (Accessed September 2024).

Notice periods

Local authorities should ensure all agency assignments have a four-week notice period or align the length of assignment notice periods with that of the local authority's contractual notice period for substantive staff in the same or an equivalent job role where that is less than four weeks.

The notice period should be a mutual arrangement between agency child and family social workers, agencies, and the local authority.

Local authorities should inform the agencies and managed service providers in their supply chains of the notice period required for social work assignments in children's social care.

Agency social workers should not be subject to longer notice periods than their directly employed counterparts. Therefore, where a local authority has variable lengths of notice periods that are less than four weeks for different levels of seniority or different lengths of service, the notice period for agency assignments should reflect those variations. Where calculating a notice period of less than four weeks for agency child and family social workers local authorities should use the minimum notice periods specific for the same or equivalent substantive job roles.

Agencies are required to ensure agency child and family social workers put forward for assignments are told the length of notice they must give and should receive on termination of the assignment.¹⁰

There may be circumstances where working the entire notice period is not appropriate, including where:

- an individual is dismissed due to gross misconduct following a fair and reasonable investigation
- an individual asks to leave before their notice period on compassionate grounds and this is agreed with the local authority

¹⁰ The Conduct of Employment Agencies and Employment Businesses Regulations 2003 (SI 2003/3319). Regulation 18: Information to be obtained from a hirer. Regulation 19: Confirmation to be obtained about a work-seeker. https://www.legislation.gov.uk/uksi/2003/3319 (Accessed September 2024).

 it is agreed by both parties that exceptional circumstances justify termination of the assignment with a reduced notice period

The notice period will run from the day after the agency child and family social worker has handed in their notice. If a local authority is issuing notice, this should be in writing and the period starts the day after the agency worker has received notification.

Where an agency child and family social worker has left without working the agreed notice, local authorities may wish to reflect this in the reference they provide. Local authorities should wherever possible decline to accept an agency child and family social worker who has, without agreement, failed to complete their notice period at their previous local authority assignment.

Following the publication of this guidance, all local authorities should review their current policies and procedures relating to notice periods and agency child and family social workers to determine if any changes are required. Local authorities are responsible for clarifying the process for:

- reviewing and amending existing policies and procedures to incorporate the above requirements into new contracts
- establishing mechanisms for monitoring and enforcing compliance

Making best use of notice periods

Local authorities should, in conjunction with the agency, ensure agency child and family social workers use the notice period to take all necessary steps to facilitate a smooth transition of all responsibilities and cases to colleagues in line with Social Work England's Professional Standards.¹¹

Local authorities should also use the notice period to discuss development and performance with the agency child and family social worker including sharing the completed reference template. More information on references for agency child and family social workers can be found in the <u>references</u> section of this guidance.

23

¹¹ Social Work England. *Professional Standards*. https://www.socialworkengland.org.uk/standards/professional-standards (Accessed September 2024).

Cool-off periods

Local authorities should not engage agency child and family social workers for a minimum period of three months after they have left a substantive role in their children's services department or that of a local authority within the same region.

Cool-off periods should be applied equally to individual agency child and family social workers and agency child and family social workers who are engaged as part of a project team or other packaged model.

This rule sets a minimum cool-off period and minimum geographical boundary. It does not prevent local authorities from declining to engage agency child and family social workers for periods of longer than three months after they have left a substantive role within the same region or from applying the cool-off period to a wider geographical area should they wish to do so. Regional boundaries for cool-off periods are defined as the nine local authority regions in England. A list of local authorities by region can be found at Appendix C.

There may be circumstances where a cool-off period is not applicable, including where a social worker:

- is moving to a permanent role
- has been made redundant from a permanent role
- is seeking an agency assignment in a different region from their previous employment
- has left a permanent role during their probationary period

Local authorities may also consider exceptional circumstances on compassionate grounds on a case-by-case basis.

Local authorities should inform the relevant agencies and managed service providers in their supply chains that they will not offer assignments to agency social workers who have left the direct employment of a regional local authority within the last three months. Cool-off periods do not require changes to permanent employees' terms and conditions.

Local authorities are responsible for reviewing and amending existing policies and procedures to incorporate this requirement.

Post-qualifying experience

Local authorities should not engage agency child and family social workers with less than three years post-qualifying experience (PQE) in direct employment of an English local authority practising in a child and family context while registered as a social worker with a UK regulator.

Local authorities should apply the post-qualifying experience minimum to all agency child and family social workers irrespective of their pathway to the profession.

Post-qualifying experience is time spent in direct employment of an English local authority practising in a child and family context while registered as a social worker with a UK regulator. This can include time spent in direct local authority employment participating in post-qualifying development programmes such as the Assessed and Supported Year in Employment (ASYE).

Three years post-qualifying experience can be obtained from a single period of employment with one local authority or can be gained over several periods of employment with different local authorities. It need not be achieved within a specific three-year period but should total three years to be sufficient. Periods of statutory leave taken as part of continuous employment should count towards post-qualifying experience though unpaid career breaks should not.

Time spent in child and family social work practice outside local authority direct employment should not count towards post-qualifying experience. This includes time spent practising child and family social work outside England. Voluntary work for a local authority should not count towards post-qualifying experience.

Local authorities are responsible for clarifying to relevant parties the process for checking whether an agency child and family social worker's employment history meets the post-qualifying experience minimum. Agencies should ensure that the agency child and family social workers put forward for assignments have the experience that hirers, such as local authorities, consider necessary. ¹²

¹² The Conduct of Employment Agencies and Employment Businesses Regulations 2003 (SI 2003/3319). Regulation 18: Information to be obtained from a hirer. Regulation 19: Confirmation to be obtained about a work-seeker. https://www.legislation.gov.uk/uksi/2003/3319 (Accessed September 2024).

References

(Accessed September 2024).

Local authorities should:

- provide a detailed practice-based reference using the agency rules standard reference template for all agency child and family social workers on assignment irrespective of length of assignment
- require at least two detailed practice-based references for all agency child and family social workers before offering an assignment (the agency rules standard reference template should be used for references dated on or after this guidance has taken effect)

Agencies are required to provide two references to hirers, such as local authorities, for all assignments where professional qualifications are required or where work with vulnerable persons is involved.¹³ Local authorities should request that agencies and managed service providers provide them with two detailed practice-based references for all agency child and family social workers.

This rule sets a minimum. It does not prevent local authorities from requesting more than two detailed practice-based references as standard for agency assignments should they wish to do so.

Using the <u>standard reference template</u> will facilitate a system that supports local authorities to effectively manage performance and recruitment across the agency workforce by:

- providing agency child and family social workers with clear feedback of strengths and areas for improvement, thus supporting effective performance management
- providing local authorities with details of an agency child and family social worker's knowledge and skills allowing for more informed hiring decisions and selection of candidates who are better aligned with the job requirements

¹³ The Conduct of Employment Agencies and Employment Businesses Regulations 2003 (SI 2003/3319). Regulation 22: Additional requirements where professional qualifications or authorisation are required or where work-seekers are to work with vulnerable persons. https://www.legislation.gov.uk/uksi/2003/3319

26

Local authorities are responsible for clarifying to relevant parties the process for providing and requiring practice-based references.

Standard reference template

The standard reference template is based on the social work professional standards in England. ¹⁴ The professional standards are the threshold standards necessary for safe and effective practice set out by Social Work England outlining what every social worker must know, understand, and be able to do after qualifying. Local authorities should ensure that both sections of the template are completed.

Section 1

This is a factual reference that includes a short summary of the agency child and family social worker's employment including job title and employment dates but does not include details about knowledge and skills.

Section 2

This is a detailed reference based on the social work professional standards.

It is important this section is an accurate and objective reflection of the agency child and family social worker's practice during their assignment. It should provide an unbiased assessment based on the agency child and family social worker's actual performance and abilities, highlighting both strengths and practice areas in need of development.

Where a referee identifies an area of practice that requires development in the competency assessment, the referee should provide further details under the performance and fitness to practise section.

Should a local authority be aware of relevant disciplinary matters, these can be detailed by referees under the 'would you re-employ this worker in a similar role' heading.

¹⁴ Social Work England. *Professional Standards*. https://www.socialworkengland.org.uk/standards/professional-standards (Accessed September 2024).

Providing and requiring references

Local authorities should complete both sections of the standard reference template for each agency child and family social worker before their assignment ends.

Local authorities should not delegate responsibility for completing the template to agencies or managed service providers.

Local authorities can determine who is best placed to complete the template but should ensure that a substantive employee of the local authority with sufficient knowledge of the agency child and family social worker's professional practice completes <u>section 2</u> of the template. Examples of individuals who may be suitable to complete this section are:

- principal social workers
- line managers
- team leaders
- assistant team managers
- advanced practitioners

Local authorities should share and discuss the reference with the agency child and family social worker before the end of their notice period so any development issues can be addressed.

When recruiting to assignments in their children's services departments, local authorities are encouraged to consider practice-based references as one of several tools. Supplementing references with other assessment methods, such as interviews, skills tests, and behavioural assessments, can provide a more holistic evaluation of a social worker's practice.

Appendix A: Glossary

Term	Definition
Agency	An employment business within the meaning of Section 13(3) Employment Agencies Act 1973 and including the supply by the employment business of persons employed by or supplied through a third party or intermediary.
Agency child and family social worker	Agency child and family social worker is used throughout this guidance and refers to a child and family social worker (up to and including team manager or equivalent) registered with Social Work England who is supplied by an Employment Agency or Employment Business to perform work or services for a local authority but is not in direct employment with that local authority, and includes those who are employed or contracted by the Agency (either directly or through one or more intermediaries).
Alternative Delivery Models	Where the delivery of children's services is outsourced to a Trust or not-for-profit organisation that is separate from, but accountable to, the local authority.
Central Purchasing Organisation	A Central Purchasing Body within the meaning of regulation 37 of the Public Contracts Regulations 2015 or, as the case may be, a centralised procurement authority within the meaning of section 1(4) of the Procurement Act 2023 or any other similar public buying organisation.
Cool-off period	A defined period of time during which a local authority may decline to engage an agency child and family social worker if they were previously directly employed by the local authority in their children's services department or that of local authority in their region.

Term	Definition
Dynamic Purchasing System or Dynamic Markets	Arrangements within the meaning of regulation 33 of the Public Contracts Regulations 2015 or sections 35ff. of the Procurement Act 2023 (as the case may be), between a contracting authority (including a local authority) or a Central Purchasing Organisation on the one hand and suppliers party to those arrangements (members) on the other, setting out in advance the conditions under which the former may from time to time award contracts for works, services and goods to its members in accordance with contract conditions that have been set out in advance. As a procurement tool, it is in many respects similar to a framework agreement or framework but provides greater flexibility insofar as new suppliers can join at any time, subject to meeting the conditions for membership.
Framework agreement or framework	A type of agreement within the meaning of regulations 33 and 34 of the Public Contracts Regulations 2015 or (as the case may be) sections 45ff. of the Procurement Act 2023, enabling contracting authorities (including local authorities) or Central Purchasing Organisations from time to time to award contracts for the supply of goods or services to preselected suppliers who were successful in their application to become parties to the framework agreement or framework following a competitive selection procedure in accordance with contract conditions that have been set out in advance.
Independent social worker	An Independent Social Worker takes on cases from local authorities or the children's courts, carrying out specialist assessments or providing an expert opinion where one is required.
Local authority	Any public body that is responsible for providing a range of services to any specified local community. It includes legal entities such as Children's Service Trusts or other entities created by local authorities under Alternative Delivery Models.

Term	Definition
Local authority region	Nine regions in England comprising multiple local authorities in a geographical area.
	These were established across England in 1994 as the nine Government Offices for the Regions (GOR) which were abolished in 2011. Due to the requirement to maintain a region-level geography for statistical purposes, the Government Statistical Service Regional and Geography Committee agreed that from 1 April 2011, the former GORs should be simply referred to as 'regions'. ¹⁵
	A list of local authorities within each region (at time of publication) is included at Appendix C. The Association of Directors of Children's Services (ADCS) maintains an updated list, available at: https://adcs.org.uk/regions/home .
Managed Service Provider (MSP)	A Managed Service Provider is an organisation that manages the temporary worker recruitment for a local authority. 'Managed Service' does not refer to a specific type of recruitment service but can encompass any recruitment service that can be outsourced.
Notice period	The amount of time an employee or contractor must continue to provide their services for following a resignation, dismissal or redundancy.
Partnership based models	Where a single leadership team oversees delivery of children's services across two or more local authorities.

¹⁵ Office for National Statistics. *Administrative geographies: England*. https://www.ons.gov.uk/methodology/geography/ukgeographies/administrativegeography/england#regions (Accessed September 2024).

Term	Definition
Post-qualifying experience	Time an individual has been employed as a registered social worker practising entirely or primarily in an English local authority's children's services department or, in local authorities operating joined up services, practising entirely or primarily in a child or family context.
Procurement Rules	Statutory provisions that central government and wider public sector bodies must follow above set financial thresholds, when acquiring goods, services or works. They include, insofar as either are applicable, the Public Contracts Regulations 2015 and the Procurement Act 2023 once in force.
Project team or other packaged model	A specific team of child and family social workers created or organised by an agency, sometimes with its own manager and administrative staff, but not necessarily comprising the same individuals at all times, to provide relevant social care services to local authorities.
	This includes all packaged models, including those not within the definition of a 'project team', by means of which the services of agency child and family social workers are supplied as part of a packaged team or with additional services.
Regional Improvement and Innovation Alliances (RIIAs)	Regional Improvement and Innovation Alliances (RIIAs) are a key resource for accessing improvement support. Each RIIA will include a lead Chief Executive and lead Director of Children's Services as well as a workforce lead.
Substantive child and family social worker	An individual child and family social worker who is registered with Social Work England and directly employed by the local authority. The individual will be practising entirely or primarily in child and family social work.

Appendix B: Standard reference template

Section 1 – Basic reference

S	n	ci	а	۱۱	N	O	rl	(e	r
	•	•	•			•		~	

Name:			
Social Work Engl	and registration number:		
Assignment			
Job title:			
Start date:		End date:	
Area of practice:	□ CiN/CP		
	□ LAC		
	□ Fostering		
	□ Adoption		
	□ Other:		 -
Did the assignmer	nt include court work:	YES / NO	
Referee			
Name:			
Job title:			
Local authority:			
Email:			

Section 2 - Detailed reference

Competency assessment

A	- Strong: very experienced, consistently high performance				
	B – Competent: meets all basic expectations, consistently effective performance			s ment	Ē
	 Requires development: inconsistent or not fully effective, ay relate to competency or behaviour 	Strong	Competent	Requires development	Unproven
D	- Unproven: not demonstrated	Str	၀၁	Re	n
	Knowledge and understanding of child protection policies, procedures, and legislation				
Knowledge and record keeping	Maintenance of accurate and up-to-date records and documentation				
Knowle	Writing clear, concise, and comprehensive reports, assessments, and plans				
_	Ability to assess needs, strengths, and risks to ensure safety and well-being and involvement of children and families in decision-making processes				
Assessment and intervention	Development and implementation of effective plans utilising evidence-based approaches				
Assessinterve	Ability to prioritise tasks and manage competing demands while maintaining a focus on the best interests of the child				
ely	Ability to work collaboratively with multidisciplinary teams and partner agencies				
g effectively ners	Promotion of open and effective communication with children and families				
Working eff with others	Ability to demonstrate cultural competence and sensitivity in working with individuals and families from diverse backgrounds				
sm	Openness to feedback and commitment to continuous learning				
Professionalism	Engagement in reflective practice and critical analysis of own practice				
Prof	Adherence to professional values, ethics, and conduct				

Performance and fitness to practise

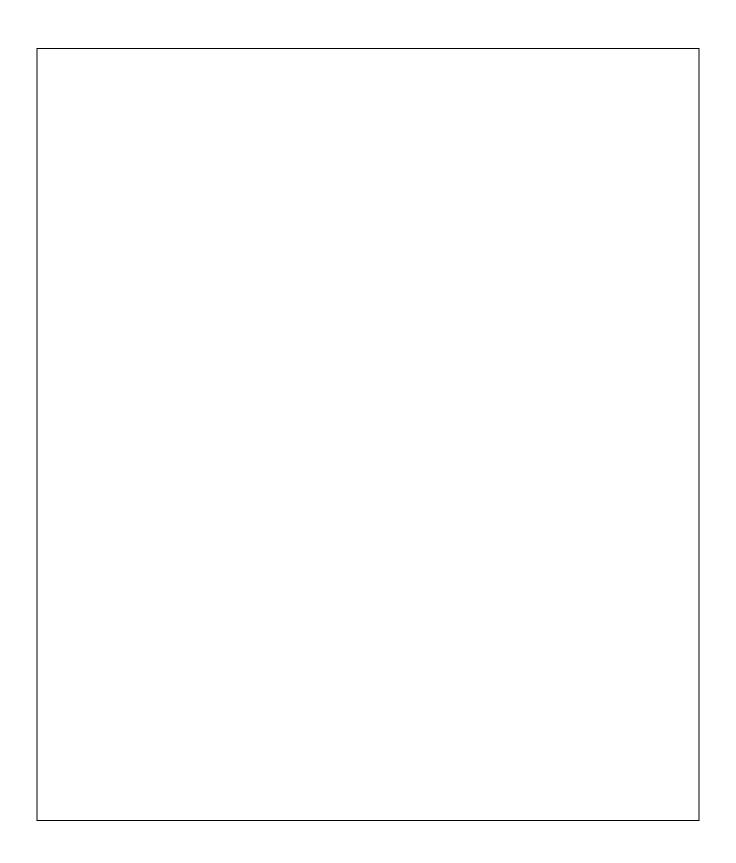
Ar	e you aware of any open fitness to practise concerns with the regulator:	YES / NO
Details:		
□ Addition	Add any further comments in Section 3 – Additional i hal information added	nformation
	ar mormaton added	
	Would you re-employ this worker in a similar role:	YES / NO
Details:		

Add any further comments in **Section 3 – Additional information**

 \square Additional information added

If you identified a development need in the competency assessment, please give further details:
Add any further comments in Section 3 – Additional information
□ Additional information added
Declaration
I confirm that I am authorised to give the assessment details outlined in this form.
By supplying this assessment, I understand I am giving the recipient permission to
disclose the information contained in this document to third parties.
Signature: Date:

Section 3 – Additional information



Appendix C: Local authorities by region

These are the geographical regions that group the local authorities based on their proximity and collaboration. There are nine local authority regions in England, each with a different number of local authorities.

- **East of England**: Bedford Borough, Cambridgeshire, Central Bedfordshire, Essex, Hertfordshire, Luton, Norfolk, Peterborough, Southend-on-Sea, Suffolk, Thurrock.
- **East Midlands**: Derby, Derbyshire, Leicester, Leicestershire, Lincolnshire, North Northamptonshire, Nottingham City, Nottinghamshire, Rutland, West Northamptonshire.
- **North East**: Darlington, Durham, Gateshead, Hartlepool, Middlesbrough, Newcastle-upon-Tyne, Northumberland, North Tyneside, Redcar and Cleveland, South Tyneside, Stockton, Sunderland.
- North West: Blackburn with Darwen, Blackpool, Bolton, Bury, Cheshire East, Cheshire West and Chester, Cumberland, Halton, Knowsley, Lancashire, Liverpool, Manchester, Oldham, Rochdale, Salford, Sefton, St. Helens, Stockport, Tameside, Trafford, Warrington, Westmorland and Furness, Wigan, Wirral.
- **South East**: Brighton and Hove, Bracknell Forest, Buckinghamshire, East Sussex, Hampshire, Isle of Wight, Kent, Medway, Milton Keynes, Oxfordshire, Portsmouth, Reading, Slough, Southampton, Surrey, West Berkshire, West Sussex, Windsor and Maidenhead, Wokingham.
- South West: Bath and North East Somerset, Bournemouth, Christchurch and Poole, Bristol, Cornwall, Devon, Dorset, Gloucestershire, Isles of Scilly, North Somerset, Plymouth, Somerset, South Gloucestershire, Swindon, Torbay, Wiltshire.
- **West Midlands**: Birmingham, Coventry, Dudley, Herefordshire, Sandwell, Shropshire, Solihull, Staffordshire, Stoke-on-Trent, Telford and Wrekin, Walsall, Warwickshire, Wolverhampton, Worcestershire.
- Yorkshire and Humber: Barnsley, Bradford, Calderdale, Doncaster, East Riding of Yorkshire, Kingston upon Hull, Kirklees, Leeds, North East Lincolnshire, North Lincolnshire, North Yorkshire, Rotherham, Sheffield, Wakefield, York.
- **Greater London**: Barking and Dagenham, Barnet, Bexley, Brent, Bromley, Camden, City of London, Croydon, Ealing, Enfield, Greenwich, Hackney,

Hammersmith and Fulham, Haringey, Harrow, Havering, Hillingdon, Hounslow, Islington, Kensington and Chelsea, Kingston upon Thames, Lambeth, Lewisham, Merton, Newham, Redbridge, Richmond upon Thames, Southwark, Sutton, Tower Hamlets, Waltham Forest, Wandsworth, Westminster.

Appendix D: Further information

Useful resources and external organisations

- HM Revenue & Customs. Understanding off-payroll working (IR35): https://www.gov.uk/guidance/understanding-off-payroll-working-ir35 or organisation
- HM Revenue & Customs. Off-payroll working for clients: https://www.gov.uk/guidance/off-payroll-working-for-clients
- HM Revenue & Customs. *Check if you're an employment intermediary*: https://www.gov.uk/guidance/employment-status-employment-intermediaries
- HM Revenue & Customs. Check employment status for tax: https://www.gov.uk/guidance/check-employment-status-for-tax
- Social Work England. Professional Standards: https://www.socialworkengland.org.uk/standards/professional-standards

Other relevant departmental advice and statutory guidance

- Children's social care: national framework:
 https://www.gov.uk/government/publications/childrens-social-care-national-framework
- Operational guidance for local authorities on the agency data collection and price caps: https://www.gov.uk/government/publications/agency-child-and-family-social-workers-data-return-and-price-caps



© Crown copyright 2024

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3.

Where we have identified any third-party copyright information you will need to obtain permission from the copyright holders concerned.

About this publication:

enquiries <u>www.education.gov.uk/contactus</u> download www.gov.uk/government/publications



Follow us on Twitter: oeducationgovuk



Like us on Facebook: facebook.com/educationgovuk





Keeping Children Safe, Helping Families Thrive

Breaking down barriers to opportunity

November 2024



Government of the United Kingdom

Department for Education

Keeping Children Safe, Helping Families Thrive

Breaking down barriers to opportunity

Presented to Parliament by the Secretary of State for Education by Command of His Majesty

November 2024



© Crown copyright 2024

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit <u>nationalarchives.gov.uk/doc/open-government-licence/version/3</u>. Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at: www.gov.uk/official-documents.

Any enquiries regarding this publication should be sent to us at www.gov.uk/contact-dfe.

ISBN 978-1-5286-5261-2 ID E03228911

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office.

Contents

Foreword by the Secretary of State	2
Our vision for the system	4
Chapter 1 - legislating to keep families together and children safe, and to remove barrier opportunity	s to 7
Our plans to change the law	7
Mandating local authorities to offer family group decision-making	7
Improving data sharing and introducing a Single Unique Identifier	9
Strengthening the role of education within multi-agency safeguarding arrangements	11
Strengthening multi-agency child protection	12
Home education and child protection	13
Extending corporate parenting responsibilities	14
Promoting educational outcomes for children with a social worker – through Virtual School Heads	14
Providing Staying Close support to care leavers	17
Chapter 2 - legislating to make the care system child-centred, and to tackle profiteering	19
Our plans for reform, and to change the law	20
Making it easier to open the right kinds of homes which meet children's needs	20
Improving accountability for the quality of homes	23
Ensuring inspection reflects the makeup of the children's homes market	25
Improving local authorities' ability to shape the market	26
Regulating the placements market to ensure financial stability and tackle profiteering	27
Introducing a regulation-making power to govern LA use of agency workers within children's social care services	30
Glossary of Terms	32
Annex A – a summary of our actions to reform children's social care	38

Foreword by the Secretary of State

Our government is on a mission to give each and every child the very best life chances. We will ensure opportunity, not just for some of our children, but for all of our children.

Children's social care is a top priority because it has the power to transform children's lives. Around five children in every classroom will need support from a social worker at some point during their school years. Despite committed support from social workers, these children are more likely to be persistently absent, less likely to go on to university, and less likely to earn a decent living. Their life chances have been weighed down so heavily by their background.



Now is the time for change. It's my department's job to support families, of all shapes and sizes, and to break the links between background and success. Our vision for children's social care reflects our child-centred approach across government, where children come first and services are designed around the support they need to be safe, to be healthy and to flourish in life.

We need more families to thrive together, while keeping children safe from harm. The foundation of a loving family gives children the security and stability they need to live happy, prosperous lives. But all families encounter challenges. We will prioritise helping families, we will tackle problems before they become crises, and we will build on what we know works well.

Local government spending on children's social care has risen by £4.4 billion over the last decade whilst preventative services have been hollowed out, in part reflecting a greater number of children in care. However, outcomes for children and families remain poor. This paper sets out our first actions to address this. We are focused on working with children and families, supported by multiagency teams, to deliver clear plans for each child and support to prevent escalating needs.

Our priority is to keep families together. But for some children, at certain times, the safest place to be is in care. There are pockets of excellent practice where care provides safe, loving and supportive homes. But sadly, there are too many homes that fail to meet this standard. A shortage of homes in the right places means children in care are often moved many miles away from their support network and loved ones. And the increasing number of very high-cost placements for children and young people is putting enormous pressure on local authority budgets. We will drive high and rising standards in care. This government will also never tolerate excessive profiteering. In partnership with local government, we will reshape how placements are delivered. As set out in our manifesto, we will strengthen regulation so that children's social care works in the best interest of all children.

This important new statement marks the first steps of this government's journey towards a children's social care system that delivers the best start in life for the children who most need it. It articulates our vision for the system, and sets out our legislative agenda for this new decade of reform. I thank all staff in the sector for your hard work and dedication, as well as the many committed carers across the country. You are all vital partners in this journey.

Children in social care are too often left feeling forgotten, powerless, and invisible. Our opportunity mission is for them. We are breaking down barriers for them, and delivering services that will support all children to succeed, regardless of their background. I was lucky enough to grow up in a family filled with love. That was my springboard to success. Life shouldn't come down to luck. Success belongs to each and every child. I want to build a country where all children grow up with the love, care and support they need to achieve and thrive. The proposals in this statement bring us closer to that goal.

Bridget Krillipson

The Rt Hon Bridget Phillipson MP, Secretary of State for Education and Minister for Women and Equalities

Our vision for the system

Children's social care has the ability to transform lives. At its best, it allows professionals to spend meaningful time helping families, and enables children to thrive and have the best life chances. It allows extended family members the space and resources to actively participate in a child's upbringing, and provides high quality foster carers, adopters and children's home places which give children who cannot remain at home the space they need to recover from childhood trauma, abuse and neglect. Children's social care also has a vital role in supporting the wellbeing of disabled children and their families: from provision of early help and short-term community-based short breaks to longer-term plans of regular care and support.

Over the last three decades we have seen incremental progress, collective learning and improving practice across children's social care. The introduction of Youth Offending Teams, the Sure Start children's centres, and Every Child Matters kickstarted far greater prioritisation of early intervention and multi-agency working. More recently, we have seen national and local government working to innovate together through the Strengthening Families, Protecting Children (SFPC) programme and the launch of the Families First for Children (FFC) Pathfinder programme. Both of these programmes draw together reforms across family help and child protection. These reforms, as well as more than £700 million additional investment since the publication of the Independent Review of Children's Social Care, have enabled many local authorities to safely reduce the number of children in care and improve the support offer available to families. We have also seen significant improvements in the number of local authority children's services rated 'good' or 'outstanding' by Ofsted, with a 20% reduction in services rated 'inadequate' or 'requires improvement' since 2022. However, we must recognise the challenges that remain.

Firstly, far too many children grow up in poverty and in households that struggle to afford the basic necessities which provide a secure home environment. Some families are particularly vulnerable. For example, poverty rates are higher for people living in families that include a disabled adult or child¹. We must build a country where background is no barrier. Children must have the best start in life irrespective of their family's financial situation. They simply cannot achieve and thrive if they are facing poverty that can leave them going to school hungry or living in unheated homes. That is why we have already established a new Child Poverty Taskforce and are taking a crossgovernment approach to tackling child poverty, alongside expanding free breakfast clubs in every primary school so all children are able to learn and succeed.

The external landscape has also fundamentally changed. There are several factors which might mean children are unable to grow up in a safe and loving home. An increase of online harms, rising mental health challenges, the prevalence of domestic abuse and addiction, extra familial harms, and an increase in serious youth violence, gang culture and knife crime – to name but a few. These factors will form important strands of our better joined up missions-led approach to government. For example, through the Opportunity and Safer Streets missions, we must ensure a cross-government focus on tackling violence against women, and improve national oversight on multi-agency working to protect children. We must also tackle the inequalities that children encounter too. We recognise there is much more to do.

4

¹ The <u>Social Metrics Commission 2023</u> report found that 30% of people in these families are in poverty, compared to 17% of people in families where no one is disabled. Disabled pupils have much lower attainment rates at school than non-disabled pupils and are significantly more likely to be permanently or temporarily excluded, according to the <u>Equality and Human Rights Commission</u>.

Secondly, despite welcome improvements, we still see significant variation in the outcomes and support children and families receive, driven in part by the years of austerity imposed on local government finances, which must be addressed if we are to succeed. It is unacceptable that a child's postcode determines whether they get the support and services they need. And in too many cases unacceptable and unjustified profiteering has made a challenging financial position even worse. It has also contributed to an increasing proportion of funding being spent on statutory and acute services - at the expense of investment in early intervention.

Finally, it must be widely recognised that keeping children safe is everyone's business. From the local taxi drivers who can play a role in helping to identify child trafficking, to the health visitors, A&E staff and local police who help to spot child abuse and forced child labour, to the youth workers that support children's development. Too often this cross-system approach is stymied by poor information sharing and a lack of accountability. Yet history shows effective partnership working enables innovation and prevents barriers to opportunity. The Care Leaver Covenant is a great example of when private, public and voluntary sectors come together to support opportunities for care leavers and is starting to make a difference. We are building a child-centred approach across government and aim to ensure that, on both a national and local level, the system works for each and every child.

Delivering reform for children

As we enter a new Parliament, the time is right to reset the children's social care system. We are delivering a whole-system and child-centred approach to reform, and this will reset how national government works in collaboration with local government and local partners. All of our actions will be guided by four key reform principles, which are summarised below. At Annex A, we also include an overview of the actions we will take under each pillar.

- Firstly, wherever possible, **children should remain with their families and be safely prevented from entering the care system** in the first place. We are focused on working with the whole family, supported by multi-agency teams, to offer a clear plan and support to prevent escalating needs. We will take the evidence from the <u>Supporting Families</u> **programme**, the <u>Strengthening Families</u>, <u>Protecting Children (SFPC) programme</u>, and lessons so far from the <u>Families First for Children (FFC) Pathfinder programme</u>, to further roll out reforms to family help and child protection, working in step with partners. Through future legislation we have an opportunity to embed family group decision making as an offer to all families before care proceedings and ensure more extended family members can play a role in children's lives. We will also take the opportunity, learning from the successes of Youth Offending Teams and other multi-agency approaches, to legislate for new multi-agency child protection teams. This approach will move us closer to creating a decisive child protection system, where partners and agencies work together to share expertise, experience, time and support to keep children safe.
- Second, where children cannot remain at home and it is in their best interests, we should support children to live with kinship carers or in fostering families, rather than in residential care. A reduction in reliance on children's homes will support better outcomes for more children. It will reduce spend on costly children's home provision and ensure that there is capacity and better quality of provision for children who need and benefit from residential care. Building on new legislation to embed family group decision making, we will achieve this through rolling out reforms to better support kinship care, recruit and retain more foster carers, provide increased opportunity for short breaks for disabled children, and provide access to support for both kinship and foster carers. Finally, we must also pay particular attention to ensure homes are available to children in the most complex

circumstances, and that we have foster carers who are properly trained and supported to care for unaccompanied asylum-seeking children.

- Next, it is vital that we fix the broken care market. In 2022 the Competition and Markets Authority, and the Independent Review of Children's Social Care, identified that the levels of profit made in the care placement market were above those that would be expected in a well-functioning market. Placements for children in care foster homes, children's homes and supported accommodation are, first and foremost, homes for young people to live in and we must bring a swift end to excessive and exploitative profit making in a sector which supports our most vulnerable children. We will do this through introducing a range of measures, including through legislation, which will improve competition, regulation and commissioning, as well as shine a light on the levels of profit being made and bring greater visibility to the prices local authorities are paying. We will also ensure we are able to take action in the future to cap profits if these measures do not sufficiently improve the functioning of the market and reduce costs that arise from unnecessarily high levels of profit.
- Finally, we need to invest in the key enablers which underpin the children's social care system including the workforce, better data and information sharing and, as mentioned above, to scale and spread evidence-based programmes which have improved children's outcomes. Legislation gives us the opportunity to do more to drive better information sharing in children's social care including through a new Single Unique Identifier. We will also use legislation to improve the experience and outcomes of children and families by reducing local authority reliance on agency workers in children's social care services. And we will prioritise investment in the recently published Children's Social Care National Framework which sets a clear vision for the outcomes we want the whole system to achieve. Whilst taking this action, we will continue to support local authorities through partnership working to improve how they deliver children's social care through our improvement and intervention work.

We are making a long-term commitment to working together better across organisational boundaries, continuing financial investment, and taking the opportunity we have to legislate where necessary to drive reform forwards.

Taking forward new legislation

Legislation must reflect our ambitious outcomes for children, young people and families. To bring forward our vision for reform we will require changes to the law in some areas. In the following chapters we set out where we expect this to be necessary. We expect that the legislative framework for children's social care will need to change further than the plans we have set out here, including to account for the Law Commission's reviews into Legislation for disabled children and Linkinship care for children. Where we need to change the law further, we are committed to engaging with the sector and those with lived and personal experience of children's social care to discuss this. Below, we set out more details about each of the legislative measures we plan to take forward subject to parliamentary time.

Chapter 1 - legislating to keep families together and children safe, and to remove barriers to opportunity

Summary

- We will help more families to stay together by mandating the offer of family group decision making for every family at the point before it is necessary to initiate care proceedings for a child.
- To keep children safe, we plan to improve the sharing of information across and within agencies by enabling the use of a Single Unique Identifier. To better protect children from harm, we also plan to strengthen the delivery of a local decisive multi-agency child protection model through integrated multi-agency child protection teams, put a new duty on safeguarding partners to ensure education is sufficiently involved in multi-agency safeguarding arrangements, and ensure parents have consent from local authorities to home educate children where there are safeguarding concerns.
- We will remove barriers to opportunity for children and young people in care by extending the corporate parenting duty for children in care to a range of public bodies that provide housing, health, education and employment services.
- We will also extend the duty on local authorities to promote educational outcomes
 for all children with a social worker through the Virtual School Head role. And, to
 reduce the risk of homelessness as a barrier to getting on in life, we will provide
 Staying Close support to care leavers.

Our plans to change the law

Mandating local authorities to offer family group decision-making

Family group decision making (FGDM) is an umbrella term to describe family-led meetings that allow a family network to come together and make a plan in response to concerns about a child's safety and wellbeing². A Family Group Conference (FGC) is a specific model of FGDM which has strong evidence of diverting children from care, as shown by the <u>findings of the randomised control trial conducted by Foundations – What Works Centre for Children & Families</u>. Children whose families were referred for an FGC as part of this randomised control trial were less likely to have had care proceedings issued (59%) compared to those not referred (72%) and were less likely to be in care one year later (36%) compared to those not referred (45%).

7

² A family network is a group of people close to a child made up of relatives and non-related connected people, such as stepparents, siblings, grandparents or close family friends.

The Independent Review of Children's Social Care reported that too often care proceedings commence without a FGDM meeting having taken place and that in some cases too little attention is paid to the inherent strengths of the child's extended family network and wider community. This can contribute to delay in the family court, which can often be the first place extended family members are made aware there is an issue.

We have seen widespread take up of FGDM by local authorities with most now offering a service to some children and families. However, the evidence from Foundations suggests that strengthening the offer of FGDM further will reduce applications for court proceedings as well as prevent children from entering the care system. In doing so, this will improve outcomes for children and families, as well as create significant savings for local government. Building on the excellent practice already offered by many local authorities, through legislation we will ensure every local authority must offer an FGDM meeting to families at the pre-proceedings stage. It will give parents the legal right to be involved in planning and decision making at this critical point, alongside their family network and with the support of coordinators, social workers and other professionals.

Existing statutory guidance, such as Working Together to Safeguard Children and the Children's Social Care National Framework, currently encourages local authorities to consider FGDM meetings, such as FGCs, from the point a family has involvement with children's social care and that they should be repeated as necessary. Identifying and involving family networks also ensures that if a child cannot remain in the care of their parents, alternative arrangements, such as Special Guardianship, can be explored within the child's family network as a priority. To ensure that a family-led alternative plan can be considered before the local authority makes an application to the court, the Independent Review of Children's Social Care recommended a new legal entitlement to FGDM.

We acknowledge that there may be barriers for local authorities in implementing FGDM at scale, including financial constraints and challenges around the recruitment or training of staff. Our ambition is that through investment, better shared understanding of best practice and new legislation, every family will have the right to access this support before circumstances escalate, where it is in the best interests of the child. Where this offer is not in the best interests of the child, the local authority will explain why an offer of an FGDM meeting would not be appropriate to the court and to the child and family wherever possible.

To facilitate local authority implementation and support best practice, we plan to update relevant statutory guidance, drawing on the latest evidence on what works. We will also set out any exceptions to this new duty in legislation and statutory guidance.

Improving data sharing and introducing a Single Unique Identifier

Sharing information in a timely way can help identify and address risks to a child's safety and wellbeing and enable better provision of services to support their health and wellbeing. It enables practitioners to make informed decisions and provide timely interventions. For too long poor information sharing has been identified as a contributory factor to serious child safeguarding incidents and the barriers to improving this are well documented, including in reviews following the death of, or serious injury to, a child. The Independent Review of Children's Social Care and the Child Safeguarding Practice Review Panel report 'Child Protection in England' highlighted that barriers to information sharing need to be broken down, to improve outcomes for children and families.

Subsequent reports, including from the Children's Commissioner for England, have also highlighted that many agencies, especially those outside the education sector, are not aware of crucial data, such as attendance records, which can provide evidence for the whole picture of a child's wellbeing and health. A lack of effective data sharing at the right points can leave families feeling both unclear about what professionals know, and frustrated at having to repeat the same information multiple times. The knowledge gaps can make it harder for professionals to support families, and make it harder for families to be aware of their entitlements and access the support they need.

Tackling information sharing issues across agencies will be a long-term endeavour. One that is rooted in changing the law and in changing practice. In our manifesto we committed to improve data sharing across services to better support children and families by introducing a Single Unique Identifier. We plan to make two legislative changes to start to deliver on this ambition. The first is to introduce provision to enable the specification of a Single Unique Identifier, and the second is to clarify information must be shared for safeguarding purposes.

The use of a Single Unique Identifier (which has also been referred to in the past as a 'consistent child identifier') has been regularly cited as a potential solution to bring together data on children's interactions with different services³. An identifier has potential to increase confidence that practitioners from different agencies are talking about the same child and increase the ease and possibility of linking data together across datasets. We want appropriate agencies and practitioners to spend less time chasing information and more time acting on the full picture of relevant information about the child. This will enable practitioners to provide the right services at the right time to meet the needs of children and families.

We recognise the tangible impact an identifier could have on improving data sharing and linking, but also accept that there are broader cultural changes that need to be tackled for it to have sufficient impact. Barriers to effective implementation include confusion on when to share information, the need for clear leadership to increase practice confidence in the implementation of data and systems reform, as well as sector capacity and resource. Alongside legislating, we will pilot the implementation of the SUI first, so we can establish what works to resolve these challenges for each sector. We recognise that the new SUI must be delivered proportionately and only where it has impact. Our plan is to put provisions in law at the earliest opportunity to allow us to introduce an SUI nationally at a later point. Once we have the evidence from the delivery of

9

-

³ The National Children's Bureau (NCB) has been actively advocating for the implementation of an SUI and the Royal College of Paediatrics and Child Health (RCPCH) has expressed strong support. During discussions on the Health and Care Act, several parliamentarians, including Baroness Tyler, Baroness Walmsley, Baroness Meacher, Baroness Hollins, and Baroness Finlay, advocated for the introduction of an SUI.

pilots to inform secondary legislation, we will define the number for the SUI (expected to be the NHS number), and who will be required to use it.

Importantly, the SUI will work in tandem with wider reform to systems and processes to fully tackle the recurring issue of information sharing. We are committed to undertaking work to tackle system and process challenges, and will seek to make further changes to optimise the way systems can connect and accurately link records. We will bring the sector and their technology suppliers together to develop and agree the standards which will resolve information flow problems that matter to them.

Alongside this, we plan on tackling the perceived legislative and regulatory misconceptions practitioners tell us they face when sharing information. The Independent Review of Children's Social Care outlined that whilst legislation and guidance allow for information to be shared for the purpose of safeguarding, practitioners perceive it as a barrier and find organisational information sharing agreements confusing⁴. As clearly reflected in the Information Commissioner's Office (ICO) 10 step guide to sharing information to safeguard children, it is currently lawful to share information without consent in order to safeguard and protect the wellbeing of children. Data protection legislation (the Data Protection Act 2018 (the DPA 2018) and UK General Data Protection Regulation (UK GDPR)) does not prevent the sharing of information for the purposes of safeguarding children, when it is necessary, proportionate and justified to do so. However, agencies often only feel confident doing this where there are serious child protection concerns.

User research by the Department for Education, the Home Office and the Department of Health and Social Care published in <u>Improving Multi-Agency Information Sharing</u> confirmed this. Research found that practitioners were generally confident in sharing information when there was clear evidence of harm. However, where risk was unknown or unclear, practitioners felt much less confident in sharing information given the complex judgements required in making decisions under the public interest test, which can lead to overcaution. To address this, we will introduce a new duty that provides absolute clarity on the legal basis to share information for the purposes of safeguarding children. The new duty will ensure a focus on safeguarding and provide the impetus for culture change around information sharing.

As set out in the Children's Social Care National Framework, our ambition is that practitioners seek, share, and analyse information proactively, that leaders put clear information sharing structures in place, and that those working with children champion careful consideration of how information and data about their lives is shared across organisations, including thinking about how information sharing impacts minority groups. Through these two intended changes, legislation should provide clarity for practitioners on when and how it is appropriate to share information for the purpose of safeguarding children so that this is no longer a blocker for providing targeted, timely and accurate support to families.

⁴ Independent review of children's social care: final report

Strengthening the role of education within multi-agency safeguarding arrangements

Often, teachers and educators are the ones that spend the most direct time with children, and education leaders can offer valuable insight into trends and concerns at a local level. Schools were the second largest 'referrer' of cases into children's social care after the police in 2023-24, making close to 126,000 referrals nationally⁵. Although education settings are considered relevant agencies in multi-agency safeguarding arrangements, the Independent Review of Children's Social Care, and the Child Protection in England report recommended that education becomes a statutory safeguarding partner, alongside local authorities, police and integrated care boards. The intent behind these recommendations was to ensure that the contribution and voice of education was included when identifying priorities and support for children and families, as well as education settings taking the ownership to sufficiently engage with safeguarding arrangements as set out in Working Together to Safeguard Children. The review found that although some arrangements have worked hard to bring schools to the table, in too many places the contribution and voice of education is missing. Teachers and educators should have a seat around the table in safeguarding decision-making, and so we will mandate consistent and effective join-up between local authority, police and health services with schools and other education and childcare settings (or providers).

Existing safeguarding partners have the infrastructure in place that allows a single point of accountability for the organisations they represent – they can contribute resource, make decisions, and speak on behalf of their sector. The education sector is not set up in this way and therefore there is not currently an organisation or individual who can take on the role of a safeguarding partner. Our goal is to strengthen the role of education in multi-agency safeguarding arrangements (MASAs) to better protect children from abuse, neglect, and exploitation. We aim to build on existing legislation and recognise that the current system needs to change to ensure education is adequately represented both operationally and strategically.

Legislation needs to ensure consistent and effective join-up between children's social care, police, and health services with education. The aim of our legislative change is twofold, to ensure that:

- all education settings⁶, including schools, colleges, early years and childcare settings, and alternative provision, are named as relevant agencies by default so that they are automatically included in safeguarding arrangements in a local area; and
- local safeguarding arrangements include representation from education as an agency at both operational and strategic decision-making levels.

To facilitate implementation and support best practice, we plan to update relevant statutory guidance such as Working Together, to set expectations of safeguarding partners and education based on models we know are working in local areas that involve education effectively in their arrangements. We will draw on the evidence of what works from the Families First for Children Pathfinder local areas and extensive work done with local areas on the implementation of statutory guidance. This legislation will enable consistency across all local areas in how education is involved in local safeguarding arrangements so that families have access to more consistent levels of care and support, and children are protected by more effective multi-agency working.

⁵ Children in need, Reporting year 2024 - Explore education statistics

⁶ Education settings as set out in the Schedule to <u>The Child Safeguarding Practice Review and Relevant</u> Agency (England) Regulations 2018

Strengthening multi-agency child protection

Our ambition is for a child protection system that is decisive and multi-agency with multidisciplinary skills – a system where practitioners have the expertise, experience, time and support to identify actual or likely significant harm quickly and take rapid and effective protective action. We want a child protection system where the rationale for decisions in relation to children is clear, and decisions focus on the needs and best interests of children, involving parents, family networks and others in a transparent and compassionate way.

Evidence shows poor and ineffective multi-agency working is an issue in child protection, when the system has failed to protect children. In addition to information sharing, key problems include: a lack of robust critical thinking and challenge within and between agencies; insufficient specialist skills and capacity; and inadequate multi-agency leadership. The Independent Review of Children's Social Care identified that "health, police, education and other partners must all play a role in child protection to ensure that the needs and risks to a child are fully understood and responded to. This includes sharing critical analysis and challenge across professional boundaries. Poor multi-agency working at child protection is a perennial issue that has been raised in every recent review that has considered child protection, from Laming to Munro and before."

The Child Safeguarding Practice Review Panel report 'Child Protection in England' most recently concluded that "whilst we have a well-embedded concept of partnership working across agencies, enshrined in statutory guidance, in practice, the key ingredients of effective operational delivery are not hard wired into our current arrangements. Trust, shared values, and identity are crucial behavioural factors in frictionless sharing of information between professionals. The current reliance on quickly pulling together a team from across overstretched agencies to think and act together to protect a child every time child protection processes are triggered is certainly inefficient and often ineffective"⁷. It recommended that multi-agency child protection units be established in every local authority area. It is our intention to legislate for this change.

The units will be integrated teams, staffed with multi-agency, experienced child protection practitioners from agencies working to protect children, including local authorities, police, health, and education settings. Other relevant agencies such as probation services, may also be part of the core team. Led by the local authority, these teams will support the delivery of core child protection statutory functions including investigating child protection concerns, decision-making, planning and overseeing support and protection activity. Integrated multi-agency involvement with specialist child protection skills across agencies is critical for these teams to ensure more children are protected at the right time.

Multi-agency child protection teams, based on the Child Safeguarding Practice Review Panel's recommendations, have been a key element of the Families First for Children Pathfinders. In the ten pathfinder areas, multi-agency child protection practitioners from the local authority, police, health, education and other relevant agencies are expected to work together in a much more integrated way with overall responsibility for protecting children from harm, alongside social workers with the highest levels of knowledge and skills in child protection work. We know that by working together, agencies are better able to accurately and quickly identify when children are likely to experience, or are experiencing, significant harm and take decisive and skilled action to address this.

12

⁷ The Child Safeguarding Practice Review Panel report 'Child Protection in England'

We therefore intend to create a new legal duty for local authorities to establish multi-agency child protection teams and require other named agencies to be part of this provision. We plan to align commencement of the duty with the findings from the Families First for Children Pathfinder, so we can include specific expectations in regulations to ensure the multi-agency child protection teams are informed by the evaluation of the Pathfinder programme and provide areas with time to prepare. We will also use this time to engage with all sectors that will be part of the multi-agency child protection teams.

We would expect the teams to include dedicated, highly skilled, suitably qualified practitioners from local authority children's social care, police, education, and health. In addition to the core members, local authorities and their partners will want to include other relevant agencies aligned with local demographics, needs, and patterns of harm including extra-familial harm. We intend that MASAs will have strategic oversight of these teams. Teams will report into and inform strategic level safeguarding arrangements and vice versa.

Home education and child protection

The right to home educate is derived from Section 7 of the Education Act 1996, which states that parents have a duty to ensure that their child receives a suitable education either by regular attendance at school or otherwise, i.e. at home. There is agreement that elective home education is not in itself a safeguarding risk⁸. However, regular attendance at school can be a protective factor for children at risk of or experiencing harm in the home – a conclusion drawn by the Child Safeguarding Practice Review Panel's paper about safeguarding and elective home education.

Parents in England do not currently need consent to home educate, unless the child attends a special school arranged by the local authority. We propose to introduce a new requirement whereby if a child registered at a school is subject to an enquiry under Section 47 of the Children Act 1989, or on a child protection plan, their parent will need local authority consent to home educate that child. If a child in those categories is already being home educated, the Local Authority will have a power to require them to attend school. This will help ensure further help and protection for children suffering or likely to suffer significant harm. This will be further aided by our plans to enable local authorities to consider the home and any other learning environment when determining whether home education is suitable. We are also planning to create a duty on local authorities to have and maintain Children Not in School registers. These measures will create registers of all children not in school in every local authority in England, as well as a duty on local authorities to provide support to families, where it is requested by the parent.

⁸ Safeguarding children in elective home education

Extending corporate parenting responsibilities

'Corporate Parenting' is the term used to describe the local authority's role in caring for and supporting children in care and care leavers, in recognition that these children and young people may not have the family support networks that others rely on throughout their life. The Children and Social Work Act (2017) introduced a requirement on local authorities to 'have regard to' a set of corporate parenting principles when exercising functions in relation to children in care and care leavers. This has resulted in numerous and significant improvements to local authorities' local offers, including Council Tax exemptions, free access to leisure services and help with deposits/rent guarantor schemes. However, while local authorities play a crucial role in delivering services for children in care and care leavers, they do not have all the levers at their disposal to tackle barriers to opportunity to ensure that these children and young people can thrive.

We plan to extend corporate parenting responsibilities to government departments and relevant public bodies to create a culture change in which we realise our shared ambition to support children in care and care leavers. In this role, all "corporate parents" can help to break down barriers to good outcomes for care experienced children and young people in different ways, for example, by: ensuring that relevant policies and services that impact on children in care and care leavers' lives take account of their additional needs and circumstances; taking steps to reduce the stigma or discrimination they face; or providing additional support as a parent or family member might. The examples below illustrate how these corporate parents can create a culture in which they recognise and embrace the role they play in improving the lives of some of the country's most vulnerable children and young people.

These corporate parenting proposals will not change the current legal responsibilities on local authorities to accommodate and care for looked after children, nor the existing requirement for local authorities to support care leavers to transition from care to independent living. These responsibilities are set out in the Children Act 1989.

Examples of how corporate parents could meet their corporate parenting responsibilities

- Taking account of the challenges that care-experienced children and young people face when designing and delivering services that impact on them.
- Taking appropriate steps to ensure that children in care and care leavers can gain equal access to and benefit from the services and support they provide.
- Raising awareness of children in care and care leavers' needs and circumstances among those who provide support and services to them.
- Providing opportunities (including employment, work experience and training opportunities for care leavers) that would support better outcomes for children in care and care leavers.
- Providing clear and transparent information on services they provide and on any specific rights and entitlements.

Government departments and relevant public bodies will be named as corporate parents and will be subject to the proposed corporate parenting responsibilities, in so far as it is consistent with their existing functions and to the extent that it is reasonably practicable for them to do so.

Proposed corporate parents

The list of corporate parents will be named in legislation, following agreement from other government departments. We expect named government departments to produce three-year plans and reports to set out how they are supporting children in care and care leavers, and a government-wide overview report will be produced by the DfE every three years to provide a summary of actions taken and progress made across all corporate parents.

Promoting educational outcomes for children with a social worker – through Virtual School Heads

The role of the Virtual School Head was created to champion the education of all children and young people in care within a local authority and to address the considerably lower educational outcomes of children in care. All local authorities have a statutory duty to promote the educational achievement of children in their care and are required to appoint an officer, known as the Virtual School Head, to ensure this duty is discharged.

The Virtual School Head plays a key part in the local authority's role as corporate parent for children and young people in care, acting as the education advocate that parents are for their own children. The Virtual School Head is the lead officer responsible for ensuring that arrangements are in place to improve the educational outcomes of the authority's looked after children, including those placed out of authority, and for championing their progress. Virtual School Heads use their expertise to support these children and young people to overcome barriers to attendance and attainment.

The role of the Virtual School Head has had considerable impact since introduction – galvanising the care and education systems to work together to improve educational outcomes. As a result of their intervention, children in care for 12 months or more now have some of the lowest rates of absenteeism of all children (see Figure 1, below) and of permanent exclusions. This cohort also makes better progress at both Key Stage 2 and Key Stage 4 in comparison with other children in need, and in stark contrast to children on child protection plans. While it is overwhelmingly positive to see children in care succeeding, we want to see the same for all children with a social worker.

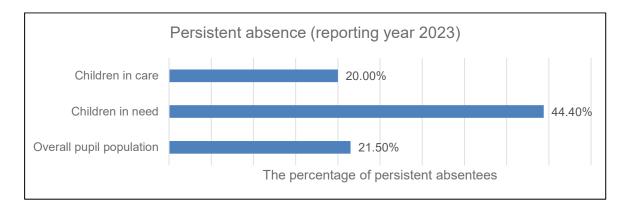


Figure 1 - A chart setting out the percentage of persistent absence for children in care, children in need, and the overall pupil population. Persistent absence in the reporting year 2023 was 20% for children in care, 44% for children in need and 21.5% for the overall pupil population. Note: this chart also relates to children in care 12 months plus to this reporting period too.

That is why the role was extended in 2018 to champion the education of previously looked after children. It was extended again in 2021, on a non-statutory basis to support children on child in need and child protection plans, following a key recommendation from the Review of Children in Need, published in in 2019. This review highlighted for the first time that 1.6 million children needed a social worker between 2012/13 and 2017/18, equivalent to 1 in 10 children. It found that these children had worse educational outcomes than their peers, and that poorer outcomes persist even after social care involvement has ended. We believe that background should be no barrier to education, which is why we expect to make two legislative changes, including: to extend the role again to represent children in kinship families, and to place a new statutory duty on local authorities to promote the achievement of all the cohorts of children represented by the Virtual School Head.

We know that children who grow up in kinship care typically have better outcomes than children who grow up in other types of non-parental care. However, their outcomes still fall behind children with no social worker involvement. We want to act quickly to go further to improve the attainment of these children. As part of our approach to championing support for kinship families, as of September 2024 the role of the Virtual School Head has been extended even further to include children in kinship arrangements.

We also plan to change the law to place a statutory duty on local authorities to promote the educational achievement of children on child in need plans, child protection plans and in kinship arrangements. This legislative change will mean that local authorities will have a duty to appoint an officer of the local authority who is responsible for promoting the educational achievement of these children. In practice, we expect this role will be undertaken by the Virtual School Head.

This legislative measure will bring consistency to the deployment of the role of Virtual School Heads nationally, and will mean that all these cohorts of children will receive consistent support no matter which local authority they live in. Virtual School Heads will champion attendance, attainment and progress and will ensure that children with a social worker and those in kinship care are in school, safe and are learning. Education provides safety and stability for these children and provides support and relieves pressures on families often facing multiple challenges in life. We will continue to collect data on the role to inform our understanding of what helps Virtual School Heads to be most effective in supporting children with a social worker and children in kinship arrangements. In time, we hope to see similar evidence of progress for these cohorts as we have seen with children and young people in care.

We will also consider whether the extensions to the role of the Virtual School Head should include a requirement to support all children leaving custody. This is a small group of children that faces significant barriers to education, including on their release from custody, but at present only those with care status benefit from the expert support and championing of the Virtual School Head.

Providing Staying Close support to care leavers

A secure and stable home gives young people the foundation they need to get on in life. All children and young people deserve the security of a safe home, and support to thrive as they move into adulthood. Nationally, we see young people often stay at home with their parents until their mid to late twenties⁹. When young people do make the step into independent accommodation, where they can, parents and families often act to support their children during this transitional phase, by providing pastoral as well as financial help, whether that's help with housing deposits, purchasing white goods or supporting with budgeting and bill management. We have heard that many care experienced young people are not getting this continuity of support, particularly from age 18 when they leave care to live more independently.

Expert reviews have shown that many care leavers face barriers to securing and maintaining affordable housing. An unacceptable number of young people end up in crisis and experiencing homelessness shortly after leaving care. Care leavers are overrepresented amongst those sleeping rough. Combined Homelessness and Information Network (CHAIN) data 2020 shows that 11% of all rough sleepers aged 25 and under in London are care leavers. We must tackle this to secure a better future for these young people.

That is why, alongside other cross-government work to review and remove barriers to accessing housing for the most vulnerable groups, we intend to legislate to ensure all local authorities consider whether each former relevant child (up to age 25) in their area requires a package of support known as 'Staying Close support' and if their welfare requires it, provide that support. Staying Close support could include the support to find and maintain suitable accommodation/move-on accommodation for young people in residential or similar care placements, alongside a package of practical and emotional support from someone who they know and trust, just as a family would during this transitional time. Importantly, all the support and care given under Staying Close should be tailored to the needs of the young person, to help develop their confidence and skills for independent living, and for their emotional health and wellbeing.

Staying Close was first introduced as a pilot in 2018, working in collaboration with the third sector. Evaluation of the initial pilots showed Staying Close found promising evidence the programme can support better outcomes for care leavers. The evaluations found that in the pilot areas there were clear improvements in outcomes including: a 20% improvement in mental health outcomes, a 13% reduction in the number of young people who were NEET and a 21% reduction in anti-social behaviour. The independent evaluations also found that Staying Close supported young people to develop and build the skills needed to prepare for independent living. Meanwhile, feedback showed that young people's life skills had improved after six months of participating in the project. There was also evidence that young people felt happier in themselves, had better stability in their accommodation (most had lived in their house-share for six months or more) and there was increased participation in activities, whether education, employment or getting involved with other activities in the project. The Centre for Homelessness Impact (CHI) is currently undertaking an evaluation to further assess Staying Close's impact and is due to report in early 2025.

17

⁹ Milestones: journeying through modern life - Office for National Statistics

Since 2018, the Staying Close provision has expanded. The programme is now run in 47 local authorities and by the three original charities. We want to go further and widen its impact, so we intend to legislate so all local authorities consider whether each former relevant child (up to age 25) in their area requires a package of support known as 'Staying Close support' and if their welfare requires it, provide that support. It is our intention that this remains a broad framework of support, so that local authorities can consider care leavers' needs and views and ensure their choices are central to the decision-making process. We recognise that local authorities will need time to establish the Staying Close support programme within their local areas, and so we propose that the provisions will come into effect three years after legislation is made. There will be barriers to overcome to roll out the programme nationally, including to ensure there is sufficient staffing to support delivery. That is why during these 3 years we will support local authorities to set up the programme in their area, with both practical and financial support, including through the networks we have with current partners.

Chapter 2 - legislating to make the care system childcentred, and to tackle profiteering

Summary

- Some children need their local authority to step in and provide another form of care because it is in their best interests. When residential care is needed it should be a positive experience for children in care and give them the best start in life. We need to make sure those providing care are held to account for the quality of the homes they provide to make this vision a reality. This chapter sets out how we will boost the number of good quality homes, both through legislative and non-legislative changes, so children receive the homes they deserve.
- It needs to be easier to open more good quality homes where they are most needed to enable children to maintain relationships close to their communities. We are already investing in children's homes, including secure provision, but we want to go much further to remove barriers to creating new high-quality provision in the right places. We will break down planning permission and location assessment barriers, to establish new homes in areas where they are most needed. We will diversify the types of providers in the placements market by encouraging non-profit providers back to the market. And we will make sure the provision being built matches what the evidence tells us about the needs of children. Namely, there is a gap in provision for children who are deprived of their liberty, and so we will amend legislation to provide a statutory framework to place children in a new type of accommodation.
- However, it's not only about the volume of homes in the country. We also need to make sure there is the right level of accountability for the quality of homes children grow up in and ensure they are regulated and inspected. We are working with Ofsted as they look to update the Social Care Common Inspection Framework. We are also working with Ofsted and CQC in response to 'Safeguarding children with disabilities and complex health needs in residential settings'.
- We want to raise the standards and professionalism of staff and managers in children's homes. As announced in the Ofsted Big Listen response, we will work with Ofsted to improve the re-registration process when a manager moves to a different children's home, and to make sure expectations on providers are clear and unambiguous.
- To ensure the right quality of homes we need to address the rising number of homes that are unregistered and operating unlawfully, as well as ensure group level accountability for provider groups that provide multiple homes. Unregistered homes are out of sight to Ofsted, and so we have no visibility of the level of care and support provided to children living in these homes. We want to give Ofsted greater powers to tackle persistent use of unregistered provision by giving them the power to issue civil penalties against providers of unregistered settings.

Our plans for reform, and to change the law

Making it easier to open the right kinds of homes which meet children's needs

The planning process, reforming registration and location assessments

We recognise that planning permissions and the need to register a children's home can be challenging to overcome when establishing new residential provision where it is needed. That is why we will work with Ofsted to consider a fast-track route for the registration of selected new children's homes, ensuring that the type of providers we are encouraging back into the market – as set out below – can establish new homes more quickly where they meet the entry criteria and checks specified by Ofsted.

Alongside this, in partnership with the Ministry for Housing, Communities and Local Government (MHCLG) we are looking at options to reform the planning process to enable providers to more easily set up homes where they are most needed. MHCLG has recently consulted on changes to the National Planning Policy Framework to make it explicitly clear that local planning authorities must consider the need for children's homes as one of the types of specialist housing in their areas. We will look to go further and work with MHCLG to consider potential legislative options or further changes to support the delivery of small children's homes. Any planning changes taken forward will be coupled with the strengthened location assessment helping to ensure the right homes are provided in the right places.

Additionally, according to Ofsted, 25% of all children's homes are located in the North West of England, compared to 6% in London, 7% in the South West of England, and 8% in the East of England. This regional imbalance of homes means that there are not enough homes to meet local need. As a result, some children are – contrary to their care plan and their overall wellbeing – placed away from their home which breaks vital relationships with family, friends, education, and places they know. That is why, as part of Ofsted's registration assessment for new provision, we are going to strengthen the location assessment¹⁰ by including a requirement for an application to register a children's home be accompanied by an endorsement from the relevant children's services team that they have determined that there is a local need for the proposed children's home. This will give local authorities a greater say on the type and quantity of provision they need in their area, and will allow Ofsted to refuse registration where provision is deemed not needed.

Making the best use of existing homes

It's important that where we have registered homes, we are able to make the best use of them. Our workforce census in 2023 showed that the average number of places in children's homes was 4.2 and that almost 1 in every 4 places were unoccupied. For many homes, this might be a temporary vacancy (whilst they are waiting for a child referral), a deliberate decision so that they have capacity to accommodate a child or young person at short notice, or space is needed to maintain stability in the home so that the needs of children can be met. For example, a child's behavioural or mental health needs, may need fewer children and young people to be living in the home at the same time. Children must live in a home that is appropriate for them and can meet their specific needs, and not just somewhere that has a space. The Registered Manager of the home is

¹⁰ As set out in guidance from Ofsted (<u>Introduction to children's homes</u>) - a location assessment must show the steps taken to make sure that the home is needed locally, is in the right place and is safe, and promotes positive opportunities for children.

accountable for ensuring the safety of all the children and young people living there and making the decision to accept a child into the home.

However, our workforce census also showed the stark challenges around recruitment and retention in children's homes; 28% of homes who responded cited the reason for unoccupied beds was insufficient staff due to recruitment and retention issues. There are also wider challenges such as adequate provision of community and multidisciplinary services which residential homes rely on. We will continue to support local authorities to meet their sufficiency duty through a programme of capital investment to maintain existing capacity and expand provision in both secure and open children's homes.

Diversifying the market and managing new entrants to the market

The overwhelming majority of children's placements are provided by private sector providers. The growing prevalence of private providers, coupled with an overall shortage of appropriate places, means that local authorities are in many cases being charged excessive amounts. We will explore options to rebalance the market by encouraging new providers, for example, charities and voluntary sector providers and ethical investors, and by reducing barriers to creating and maintaining affordable provision.

We recognise that a major barrier to establishing new residential provision is the initial set-up cost. To encourage non-profit providers back into the market, national government will act as an enabler. We will work with providers, investors, and the sector at large to support them with innovative funding mechanisms – for example, social financing models like social outcomes partnerships – to break down barriers to setting up new residential care. As set out above, we will continue to support local authorities to meet their sufficiency duty through a programme of capital investment to maintain existing capacity and expand provision in both secure and open children's homes. In the Autumn Budget 2024 we announced £90m for 2025/26 which includes a multimillion-pound package of funding to create 200 additional open children's homes beds. This will provide high quality, safe homes for some of our most vulnerable children, including those who may need to be deprived of their liberty. This funding was secured to help tackle the challenges in supporting children with the most complex needs, and we expect the extra capacity will reduce local government reliance on costly emergency provision and improve outcomes for children by providing them with more suitable placements.

We want new provision to be established by providers who are motivated to deliver high quality outcomes for children in care in a financially sustainable manner. Therefore, we will explore introducing a requirement that any new provider wishing to enter the market must be owned and domiciled in the UK, including corporate owners and majority shareholders. In addition to working with MHCLG and others on reforming the planning and location assessment processes, we will also work in partnership with Ofsted, and other stakeholders where appropriate, to work out the practicalities of managing new entrants to the market and the requisite changes to secondary legislation that this will require.

Introducing a community-based approach to provision for children that can be deprived of their liberty

There is a gap in provision for children deprived of their liberty, due to challenging behaviour and complex mental health needs, often linked to trauma. This can result in children being placed in unregistered or otherwise unsuitable homes. In recent years, we have seen a steep rise in the number of children deprived of their liberty under the inherent jurisdiction of the High Court. We have commissioned research to build understanding for this cohort, including mapping the child's journey, and in the meantime we are acting in recognition that these children are some of the most vulnerable in our society and we must do all that we can to keep them safe and help them get on

well in life. We want new forms of provision to address the rising need for suitable homes and intend to change the legislation so that it supports this new type of provision.

To facilitate the use of such new provision, we will amend primary legislation to provide a statutory framework for LAs seeking to place children in a new type of accommodation, where they may be deprived of their liberty, but where the accommodation is not explicitly designed according to the same design specification as current Secure Children's Homes. For some children, and for a limited period, accommodation under the Secure Children's Home model will be most suitable. Other children would best be supported in provision that is able to respond more flexibly to their changing and fluctuating needs (i.e. in provision that can reduce restrictions at times when it is safe for the child), as well as provide the crucial therapeutic care and, when necessary, restriction. This new legislation will ensure that, where a secure children's home cannot meet a child's needs, there are clear criteria for when children may need to be deprived of liberty and mandatory review points to ensure that no child is deprived of liberty for longer than is required to keep them safe.

The changes to legislation are only one part of a significant programme of work to help ensure the wider system is set up to provide these children with the right place to live, which offers the right level of care, and that can truly meet their needs and keep them safe. DfE is working with NHS England, as well as with partners across national and local government, to support social care and health partners to commission joint care across sectors, which delivers integrated, consistent, and collaborative practice for these children and young people.

Drawing on the best evidence, including the voice of children, input from professionals and commissioned research, we will, in collaboration with NHS England, pilot a new, community-based approach to pathways and provision which provides treatment and care, bringing in professionals from children's social care, health, justice and education. This will enable the system to deliver specialist care and accommodation for children who have complex needs, which has the potential to reduce both local authority reliance on costly unregistered placements and immediate and lifetime costs to the health and justice systems.

The Office of the Children's Commissioner has recently published a report, commissioned by the Department for Education, which sets out the views and experiences of children who have been deprived of their liberty, their parents and the professionals that support them. We have also recently commissioned independent research on how the system works, its current impacts and how we could do things differently to achieve better outcomes for children and young people. We plan to publish this research in summer 2025. We will draw on these reports to support the development and testing of evidence-based models of safe, therapeutic care that delivers integrated, consistent, and collaborative practices for these children and young people. In addition, we will issue further guidance and resources that are informed by evidence, existing good practice, and, importantly, by what children, young people and their parents and carers say they want and would find helpful.

We will work directly with the South East Regional Care Co-operative to test an integrated assessment, commissioning and delivery model, including input from health, justice and children's social care professionals, and evaluate the effectiveness of the approach.

Improving accountability for the quality of homes

Strengthening Ofsted's enforcement powers

Children in residential settings are some of the most vulnerable in the country and need high quality care and support that they can trust to be in their best interests, and meet their needs. This is why it a legal requirement for children's homes to register with Ofsted; it means the managers are checked, the homes children live in can be inspected to ensure they are suitable and compliant with the regulations, children are safe, and where there are failings, those responsible can be held to account.

Despite it being a local authority's duty to ensure that they have sufficient, registered places for children to live, local authorities' reliance on private providers means they have a limited ability to shape their local market. The lack of appropriate and affordable homes in the right places for children means that we are seeing a worrying trend in the rise of the use of unregistered provision – most notably in children's homes and supported accommodation, but Ofsted have also seen it in independent fostering agencies and residential family centres. Often these settings are wholly inappropriate places for vulnerable children to live in, and sometimes children are living there for extended periods of time. In 2023-24 Ofsted opened cases on 1,109 potentially unregistered settings and found that 887 (87%) should have been registered (compared to 370 in 2022-23). We suspect there are more unregistered settings operating than Ofsted have received intelligence about, but at a minimum this shows that nearly 1000 children were placed in unregistered settings in 2023/24 alone.

We must work with local authorities to ensure that there are the right homes, in the right places for children, and that the registration system works to protect children wherever they need to live. This is why we are supporting local authorities to meet their sufficiency duty by investing in new placements and opening up to 560 additional beds by March 2029. Where local authorities are using unregistered places, they tell us it is because they cannot find a suitable place in registered provision to meet the child's needs. We strongly believe in the principle that any setting accommodating children in care should always seek to register with Ofsted – if new provision has been stood up very quickly, it should be registered as soon as practicable. Ofsted will work with settings through the registration process, providing advice where needed, and we are working with them to expand their existing priority application process. Our wider reforms across children's social care seek to divert children away from residential care where their needs can be better met in family environments – we're recruiting new foster carers, and investing in kinship and family help so that children can stay with their families and receive more support in the community.

However, we must also act against those who are persistently seeking to avoid being held to account for the support and care, or lack of, that they provide to children, who can charge excessive amounts to local authorities who don't have sufficient places, and who knowingly repeat this behaviour multiple times, and across the whole country. Whilst Ofsted already has some enforcement powers to tackle unregistered settings and agencies, it is clear that Ofsted needs alternative options. We are therefore strengthening Ofsted's enforcement powers so they can issue civil penalties by way of a monetary fine against providers of unregistered settings. These are as an alternative to criminal prosecution and will allow Ofsted to act at pace to tackle more unregistered settings, in a proportionate way (i.e. a single offence may warrant a financial penalty, whilst a repeat, or very serious offence may warrant prosecution). The Care Standards Act 2000 contains further offence provisions for which Ofsted can prosecute 11 – these may be subject to the new civil sanctions regime. This is logical and brings consistency to Ofsted's enforcement powers.

¹¹ Care Standards Act 200, Section 22A, 24-28 and 29

Improving the quality of placements through a provider oversight scheme

The Child Safeguarding Practice Review Panel published its <u>Phase 1</u> and <u>Phase 2</u> reports on safeguarding children with disabilities and complex health needs in residential settings, in response to the case of unacceptable abuse of the children living in homes managed by the Hesley Group. The findings highlighted that systemic and organisational weakness can cause the conditions for harm¹². We plan to legislate to ensure these conditions are not created, by increasing the transparency of governance arrangements of independent provider groups that own multiple children's homes and other children's social care provision, and by giving Ofsted stronger powers to hold these providers to account. We want to see cases of abuse eradicated, and where quality issues are found, for the legislation to enable Ofsted to act quickly and decisively to prevent harm. Such changes will mean that Ofsted will be better equipped to act in instances where poor quality of care exists across settings.

Ofsted's current registration and enforcement powers are limited to individual registered providers, such as the provider of an individual children's home. Ofsted's current inspection framework, the <u>Social Care Common Inspection Framework</u> (SCCIF), applies to inspections of individual homes and focuses on the care and experience of the child¹³. A poor inspection result can lead to enforcement actions. The reach of current inspections is limited when quality issues are identified that exist across multiple settings owned by the same provider group. Where there is weakness in organisational structures, under the current framework Ofsted must inspect each individual setting and it cannot act at scale to improve the quality of provision and keep children safe. We want to make changes to the framework to empower Ofsted to be able to drive improvements to the quality of care for children more quickly.

It is important that we update the legislative framework to reflect the current placements market. Private provision has increased – 83% of children's homes are now privately owned – many of which are owned by larger provider groups who run multiple homes and influence decisions relating to the care of many children. Some groups own over 100 children's homes. Currently, Ofsted cannot hold these provider groups to account for any weaknesses across their organisation, despite their overarching influence in the care of children, both in individual homes and across the wider sector. We will change the regulatory framework so that where there are quality issues across several settings owned by the same provider group, Ofsted can hold provider groups to account for these.

Ofsted will be able to request an improvement action plan in which provider groups will be required to detail the actions that they will take to resolve any identified issues. Ofsted will have the ability to enforce the development of the improvement action plan, and the measures detailed within it. This should help to resolve issues quickly at a higher level in the organisation, before they spread or escalate.

¹² Safeguarding children with disabilities and complex health needs in residential settings: phase 2 report (page 86)

¹³ The Social Care Common Inspection Framework (SCCIF) provides a common approach to inspecting various social care services in England.

Government will also strengthen Ofsted's enforcement powers to hold provider groups to account where necessary. The measures will be proportionate, and it is expected that they will only be used when absolutely necessary. Enforcement could include a civil penalty by way of a monetary fine or Ofsted being able to restrict growth of the provider group, by refusing further registrations based on non-compliance of provider oversight requirements or place applications on hold where actions to resolve concerns are not fully implemented by the provider group. Once issues are resolved, registration of additional homes will be allowed.

Ensuring inspection reflects the makeup of the children's homes market

Working with Ofsted as they change their inspection frameworks

Ofsted have responsibility for inspection in children's social care through their framework for inspecting local authority children's services (ILACS) and their Social Care Common Inspection Framework (SCCIF). Understanding the effectiveness of the services that local authorities provide, and the quality of the provision for children is critical for driving high and rising standards.

As we move forward with our reform activity, we will continue to work with Ofsted to rebalance inspection and regulation to align with the direction of children's social care reform and the legislative measures set out in this statement. This includes working with Ofsted in response to the Big Listen to ensure inspection is a constructive force in the sector that champions good practice, empowers leaders and practitioners, and drives improved outcomes. Inspection needs to continue to focus on the areas that matter most to children and young people and reflect the outcomes that are included in the National Framework.

Improving the Ofsted registration process for children's homes managers and registered managers of other establishments and agencies

We know that the manager of a children's home plays a crucial leadership role in delivering this care and want to support people working in these roles. We are aware that the current process when a registered manager moves to a different children's home is costly and time-consuming. It creates a burden on people working within this profession. In their recent report, the Competition and Markets Authority noted the registration process made opening new provision slow and costly, which can add delays to opening new provision.

We will work with Ofsted to improve the re-registration process when a manager moves to a different children's home, to reduce the administrative burden on the individual manager, provider and Ofsted. This will aim to accelerate the process, so managers can take up new positions more efficiently and providers can deploy managers to locations where they are needed.

Ensuring expectations for residential care are clear and unambiguous

We know that in children's homes and supported accommodation, there are examples of skilled and passionate staff, who go above and beyond for the children and young people they work with. We believe that through the design of national policy there needs to be a greater focus on factors which influence the experience of children in residential care, ensuring that for those who need it, residential care is a place where all children thrive. This includes how we ensure that everyone is ambitious and hold high standards for the children they care for and support, how providers respond to the needs of different groups of children, how effectively Ofsted and CQC can both assess and act in response to areas of concern and celebrate best practice, and how the voices of children in care are heard more loudly. We will engage with partners in the sector and those with lived experience to shape this programme of work alongside our proposals to legislate to make sure our work meets the diverse and changing needs of children in care, paying particular attention to how a child's identity shapes their experience of care.

Improving local authorities' ability to shape the market

Shaping the market through Regional Care Cooperatives

Building on recommendations by the Competition and Markets Authority, and the Independent Review of Children's Social Care, the government will enable local authorities to set up Regional Care Co-operatives (RCCs) to plan and commission children's social care places regionally. We are currently working with two RCC pathfinder areas, in Greater Manchester and the South East, to support the delivery of this regional approach under current legislation. These pathfinders have been working closely with the Integrated Care Boards, youth justice partners, and others in their area to deliver the following set of minimum requirements:

- Carrying out regional data analysis and forecasting future needs of homes for children in care, in partnership with health and justice.
- Developing and publishing a regional sufficiency strategy setting out current provision and action to fill gaps.
- Market shaping, working as one customer with providers to address local needs, improve value for money and commission the care places required from external providers.
- Recruiting foster carers through a regional recruitment support hub and improving the support offer to both new and existing foster carers.
- Developing new regional provision where gaps have been identified. The Department is providing up to £5m capital funding per pathfinder to support this, and RCC members are also pooling sums of their own funding alongside this.
- Creating the leadership and governance arrangements necessary to allow the RCC to make swift decisions and invest sums of money over the long term.

We expect RCCs to gain economies of scale and harness the collective buying power of individual local authorities. They will facilitate greater collaboration with relevant partners (including health and justice) to improve services for children in care. Furthermore, RCCs will develop expertise in areas such as data analysis and forecasting, as well as targeted marketing, training, and support for foster carers. Working collectively with improved specialist capacities should allow for greater innovation so that local areas are better able to deliver services for children in care. For example, both pathfinders are trialling measures to boost the regional workforce for children's homes in response to local and regional recruitment challenges.

We plan to legislate to enable groups of local authorities to set up RCCs, encouraging them to do so in partnership with health and justice. The legislation will learn from the experience to date of setting up the two pathfinders. It will set out the RCC functions, which will be similar to the requirements for the pathfinders to deliver transformational change to the care system. This will be the minimum required of the RCC but local authorities are free to decide if they want the RCC to take on a greater range of functions. Our plan is that the legislation will create an RCC function to support local authorities to meet their statutory duties to accommodate looked after children and ensure sufficient accommodation for looked after children for example in the case of failure of local authorities to establish an RCC if necessary, for example in the case of failure of local authorities to perform their own statutory functions effectively, and to intervene if an RCC is not delivering services to a required standard. The legislation will also give Ofsted (and other inspectorates) the power to inspect RCCs. We know that any new inspection programmes will need careful consideration in partnership with the sector once RCCs have become established.

Alongside the RCCs programme, we are also working with local areas to improve their local and regional capacity for commissioning, forecasting, and market shaping activities. This programme will support areas in forecasting their future placement needs more accurately, and better understand the overall number of children likely to come into the care system and the different types of placements they might need. The programme is working primarily with RCC pathfinders in the first instance to spread identified good practice and put RCCs on a firm footing to be as effective as possible in these areas of practice. The programme will also support local authorities more widely through seminars and online learning materials so all areas can improve their ways of working.

Regulating the placements market to ensure financial stability and tackle profiteering

Bringing transparency to the costs of homes

We want to ensure that local authorities are supported to better understand, shape and commission placements that suit the needs of children in their area and bring transparency to the cost of placements. Currently, there is a gap in the data around the underlying costs of different types of children's social care provision. It is difficult to access the data that individual local authorities hold on the prices paid for private placements and their cost breakdown, and there is often only piecemeal sharing of this data across some local authority groupings ¹⁶.

These gaps create challenges for assessing whether prevailing price levels in the sector are appropriate. Local authorities need more shared cost information to inform their commissioning practices and enable them to negotiate effectively with providers to secure the best placement for children at the lowest possible cost. We will engage with the sector to bring about greater cost and price transparency which will aid local authorities in challenging profiteering providers, as well as enabling greater central government oversight of the placements market.

27

¹⁴ <u>Section 22A of the Children Act 1989</u> states that when a child is in the care of a local authority, it is their duty to provide the child with accommodation.

¹⁵ Section 22G of the Children Act 1989 places a general duty on local authorities to ensure there is enough accommodation in the local area to meet the needs of children that it looks after.

¹⁶ Competition and Markets Authority Final Report

Introducing a financial oversight scheme to ensure financial stability

To promote the stability of placements, we will introduce a new financial oversight scheme led by the Department for Education. The scheme will increase financial and corporate transparency among the most 'difficult to replace' providers, allow for an accurate, real-time assessment of financial risk, and provide advance warning to local authorities of likely provider financial failure, so they can take swift action and minimise disruption to children.

Currently, local authorities have no way of knowing if a provider of placements for children is at risk of failing financially. If a large or 'difficult to replace' provider did fail, it could lead to them closing their provision suddenly, causing huge disruption to children who could lose their home. This could leave local authorities having to find appropriate placements for a significant number of children at very short notice, making it challenging to meet their statutory duties. In addition to this, the ownership structures of some of the biggest companies that provide placements for children and young people in care can often be complex and opaque. We also know that some providers, especially those owned by private equity, can carry very high levels of debt¹⁷. The current system leaves open the risk of provider financial difficulty and the likelihood of business failure going undetected.

To participate in this market, we believe providers and their owners must be more accountable for how their business impacts the lives of the vulnerable children who live in their provision or who access fostering agency services. In their study into the children's social care market, the CMA recommended that government create a proportionate statutory financial oversight scheme that could operate in a similar way to the Care Quality Commission's (CQC) current market oversight role. As a result of the Southern Cross failure in the adult social care sector in 2011, which led to the closure of care homes at very short notice (at its peak, Southern Cross owned or operated over 700 care homes across the UK), CQC's Market Oversight Scheme was set up under the Care Act 2014 to assess the financial sustainability of potentially difficult to replace adult social care providers. If a provider within the Scheme is considered likely to cease to provide a service because of business failure, the CQC will notify the relevant local authorities. This allows action to be taken by local authorities to ensure adults who use these services continue to have their care needs met. CQC's Market Oversight Scheme's purpose is not to prevent business failure, nor does it have a role in monitoring the financial sustainability of the entire adult social care market. We have been working closely with CQC to learn from their oversight scheme. This learning will inform the development of a tailored scheme that responds to the children's social care placements market.

Although Ofsted can request financial information at the time of inspection from children's homes and fostering agencies, registered providers are not required to submit ongoing, regular financial information or undergo rigorous financial checks. Moreover, Ofsted is not at present set up to conduct regular, forensic financial monitoring ¹⁸.

Currently, local authorities and national government do not have the powers to obtain detailed information that give a full, live picture of the financial health of a provider and their owners. There are also few requirements on providers to plan what they would do in the event of financial distress to responsibly manage market exit and minimise disruption to children in their care.

¹⁸ The Care Standards Act 2000 (Registration)(England) Regulations 2010

¹⁷ Competition and Markets Authority Final Report

To deliver an effective financial oversight scheme, we will:

- set criteria for the most 'difficult to replace' providers to become subject to the scheme.
- require information from providers, up to the parent company level, to enable the Department to carry out ongoing assessments of the financial viability of the totality of the organisation.
- work closely with Ofsted to effectively bring together financial, corporate performance and quality indicators to inform an overall assessment of risk.
- introduce requirements for providers to have in place a contingency plan with assurances that providers have the appropriate cash reserves and will allow the necessary time to enable orderly transitions to new ownership, or to wind down operations in a well-planned manner if they need to exit the market.
- introduce an advance warning system to support local authorities to meet their statutory duties
- notify Ofsted of concerns where they can play a role in evaluating the impact of any financial concerns on the quality of children's experiences.
- introduce enforcement mechanisms to ensure compliance and cooperation with the requirements of the scheme from providers up to the parent company level.

Creating a mandatory notice period for market exit

To complement the advance warning system, as part of the financial oversight scheme detailed above, we will explore introducing a new requirement for all providers to give both hosting and placing local authorities sufficient notice if a provider makes the commercial/business decision to actively exit the market. While it may not always be possible to predict financial failure in advance, we think it is appropriate that all providers operate their businesses responsibly, including ensuring a managed wind-down that allows sufficient time where they have decided to close or reduce provision. This ensures providers who operate placements for some of our most vulnerable children are more accountable and give more consideration to the impact of their decisions on the children in their provision.

Regulating the placements market further

As set out, we know that the placement market is not functioning properly and costs to local authorities are rising unsustainably. In addition to the CMA's 2022 report, evidence from the Association of Directors of Children's Services¹⁹, the Local Government Association²⁰, and Ofsted inspection, shows that children's social care budgets are under significant pressure, largely due to rapidly increasing placement costs for children in care. Local government spending on looked after children has increased from £3.1 billion in 2009/10 to £7 billion in 2022/23. We know that some providers are making unjustified levels of profit.

¹⁹ Safeguarding Pressures | ADCS

²⁰ High-cost children's social care placements survey | Local Government Association

If the reforms detailed throughout this chapter, do not have the anticipated impact in tackling profiteering across the children's homes placement market, we will not hesitate to take legislative action to prevent private providers continuing to make excessive profits from publicly funded services for some of our most vulnerable children. We plan to introduce powers for the Secretary of State to cap the level of profit which can be made from children's social care placements through secondary legislation in the future. We will allow time for our other market reforms to rebalance the market first and will only step in to cap profits if this does not happen. We expect that the secondary legislation needed to bring about a cap would include provisions for a limit on the level of profit that could be made in each financial year from the provision of specified children's social care placements. We plan to further engage with the sector before any such a measure is introduced.

Introducing a regulation-making power to govern LA use of agency workers within children's social care services

The Independent Review of Children's Social Care identified that the engagement of agency social workers is costly and a barrier to providing stable professional relationships for children and families²¹. In recent years, use of agency social workers has risen in local authorities delivering children's social care. There were 7,200 agency social workers in post on 30 September 2023, the highest since the data series started in 2017 and representing an increase of 6.1% from 2022. While agency social workers can play a role in allowing the children's social care sector to manage fluctuations in demand and fill in for staff that are temporarily absent, they should not replace a permanent workforce.

Work has already started to reform the use of agency child and family social workers in local authority delivery of children's social care. Between February and May 2023, a <u>consultation</u> focused on introducing national rules through statutory guidance, under section 7 of the Local Authority Social Services Act 1970 (LASSA)²². There was broad support for its <u>proposals</u>²³. Then, between January and February 2024, a further technical consultation sought views on the detail of the statutory guidance 'Agency Rules for Local Authority Children's Social Care', which again received broad support. The final statutory guidance was published on 12 September 2024 alongside the Government's response to the consultation, and the guidance comes into effect on 31 October 2024²⁴.

However, statutory guidance is as far as we can go within the current legislative framework to address the rising use of agency staff in children's social care. That is why we intend to legislate to allow us to go further than statutory guidance in regulating the use of agency, to drive the right conditions for children's social work practice. We also want to look wider than local authority engagement of children and family social workers at local authority engagement of other agency workers in children's social care. Currently, the statutory guidance introduced this year applies solely to child and family social workers. However, we know that driving the right conditions for lasting relationships with children and families does not stop at social workers.

²¹ The Independent Review of Children's Social Care (page 188-189)

²² Child and family social workers: agency rules statutory guidance

²³ Child and family social worker workforce

²⁴ Child and family social workers: agency rules

The updated Working Together statutory guidance confirms that a range of lead practitioners can carry out section 17 work with children and families and we are keen that any future regulations do not create perverse incentives for the wider workforce. In the responses to the 'Child and Family Social Worker Workforce' Consultation in 2023, concerns were shared that limiting the agency rules to only child and family social workers may result in unintended consequences: for example, we heard that there may be a potential risk of agency growth in other parts of the children's social care workforce not subject to the same regulatory framework.

Fundamentally, creating the right conditions to allow those who work in children's social care to thrive and give the best support to children and families relies on a stable, effective, and supported workforce. Therefore, we are proposing a regulation making power that will enable us to strengthen the rules on how local authorities procure and manage temporary workers within children's social care services. The intention is that this regulation making power would also be used to make regulations which may apply similar provisions to those already introduced by statutory guidance to a broader cohort of agency workers within children's social care²⁵. This will ensure the supply of temporary workers in children's social care is directed towards supporting children and families while retaining workforce sustainability.

The regulation making powers we plan to bring forward will extend to local authorities in England only. The powers are likely to include the ability to make regulations on governance arrangements to ensure, for example, local authorities retain oversight and clear accountability over social work practice delivered, over workers' pay and labour costs, and over quality assurance provisions such as minimum experience requirements and pre-employment checks. It is our intention to engage with the sector ahead of introducing secondary legislation, on the detail of the regulations. If introduced, the regulations and related guidance will replace the guidance 'Agency Rules for Local Authority Children's Social Care'²⁶. We are not seeking further data collection powers relating to the use of agency workers in children's social care as we already have powers in this regard²⁷.

²⁵ Child and family social workers: agency rules

²⁶ Child and family social workers: agency rules

²⁷ The data collection on the agency child and family social work is under <u>Section 83 of the Children Act</u> <u>1989</u> and <u>Section 251(1)(b) of the Apprenticeships, Skills, Children and Learning Act 2009</u>.

Glossary of Terms

Abuse - a form of maltreatment of a child or young person. Somebody may abuse or neglect a child by inflicting harm, or by failing to act to prevent harm. Harm can include ill treatment that is not physical as well as the impact of witnessing ill treatment of others. This can be particularly relevant, for example, in relation to the impact on children of all forms of domestic abuse, including where they see, hear, or experience its effects. Children may be abused in a family or in an institutional or extra-familial contexts by those known to them or, more rarely, by others. Abuse can take place wholly online, or technology may be used to facilitate offline abuse. Children may be abused by an adult or adults, or another child or children.

Act - an Act of Parliament creates a new law or changes an existing law. An Act is a Bill that has been approved by both the House of Commons and the House of Lords and been given Royal Assent by the Monarch. Taken together, Acts of Parliament make up what is known as Statute Law. Definition taken from UK Parliament.

Adoption agencies - the focus of all adoption agencies is on placing children successfully into adoptive families. These are families who the agency recruits, assesses, prepares and supports, so that they will meet the children's needs and enable them to develop and achieve throughout their lives. The services maintained by local authorities are described in section 3(1) of the Adoption and Children Act 2002. Local authorities place children with adoptive families recruited and approved by themselves, by other local authorities or by voluntary adoption agencies that must register with Ofsted. Adoption agencies may also provide birth records, counselling and intermediary services to adoptees and birth relatives.

Child in need - is defined in section 17 of the Children Act 1989 as a child who is unlikely to reach or maintain a satisfactory level of health or development, or their health or development will be significantly impaired without the provision of children's social care services, or the child is disabled.

Looked after child - Section 22 of the Children Act 1989 defines a looked after child as one in the care of the local authority or provided with accommodation by the local authority. A child provided with accommodation under section 20 of the Children Act 1989 is looked after once they have been in local authority accommodation for 24 hours. In this document we use the term 'children in care' or 'care experienced young person' interchangeably to mean the legally defined 'looked after child' as we have heard that is the language preferred by young people.

Child protection - part of safeguarding and promoting welfare. This refers to the activity that is undertaken to protect specific children who are suffering, or are likely to suffer, significant harm.

Children - anyone who has not yet reached their 18th birthday. The fact that a child has reached 16 years of age, is living independently or is in further education, is a member of the armed forces, is in hospital or in custody in the secure estate, does not change their status or entitlements to services or protection.

Children Act 1989 - the Children Act 1989 sets out what local authorities, courts, parents and other agencies in England should do to safeguard children.

Children's homes - the Care Standards Act 2000 provides that 'an establishment is a children's home if it provides care and accommodation 'wholly or mainly' for children. 'Wholly or mainly' means that most, or all, of the people who stay at a home must be children.

Children's Homes Regulations - the Children's Homes (England) Regulations 2015 cover children's homes; children's homes that provide short break care; secure children's homes; and residential special schools or boarding schools who accommodate children for more than 295 days per year.

Children in care - in this document, the term 'children in care' refers to all children whose care is being provided by the local authority. Legislation uses the term 'looked after children' to refer to children who are being cared for by the local authority, whether that is accommodated by the local authority or in the care of the local authority by virtue of a court order. Legally, the language of 'children in care' does not include children accommodated and looked after under section 20 of the Children Act 1989. However, children and young people often tell local and central government that the term 'looked after children' is unhelpful, and we have made the deliberate choice to prioritise the use of 'children in care' throughout this document to refer to all children, regardless of the legal provision under which they are being cared for by the local authority, except where we need to be explicit about the legal cohort we are referring to.

Child Protection Plan (CPP) - support for a child where there is reasonable suspicion that the child is suffering, or likely to suffer, significant harm.

Children's Social Care National Framework - the Children's Social Care National Framework is statutory guidance for local authority children's social care. It sets out the purpose and principles of children's social care and the outcomes that should be achieved for children, young people and families so that they grow up and thrive with safety, stability and love.

Competition and Markets Authority (CMA) - the <u>Competition and Markets Authority</u> is an independent non-ministerial government department, which helps people, businesses and the UK economy by promoting competitive markets and tackling unfair behaviour.

Corporate parent - the term used to describe the local authority who has the responsibility to support children in care and care leavers in a way that other children are supported by their parents. The existing corporate parenting 'principles' are set out in section 1 of the Children and Social Work Act 2017.

Deprivation of Liberty - the term 'deprivation of liberty' comes from Article 5 of the European Convention on Human Rights (ECHR), which provides that everyone, of whatever age, has the right to liberty. Article 5 of the ECHR protects everyone's right to liberty by setting out the limited circumstances in which a deprivation of liberty is allowed and requires strict safeguards to be in place for those who are deprived of their liberty. The family courts can authorise a child's deprivation of liberty via section 25 of the Children Act 1989 (and section119 of the Social Services and Well-being Act (Wales) 2014), which authorises the placement of looked after children in a registered secure children's home, subject to meeting the criteria outlined in section 25. Alternatively, the inherent jurisdiction of the high court can be used to authorise the deprivation of liberty of a child in an alternative placement, when none of the other statutory mechanisms apply (i.e. there are no places available in secure children's homes or the criteria under s.25 are not met). There are additional routes to deprivation of liberty outside of the family court, including the provision under the Mental Health Act 1983.

Domestic abuse - the Domestic Abuse Act 2021 introduced the first ever statutory definition of domestic abuse (section 1 of the Act). The statutory definition is clear that domestic abuse may be a single incident or a course of conduct which can encompass a wide range of abusive behaviours, including a) physical or sexual abuse; b) violent or threatening behaviour; c) controlling or coercive behaviour; d) economic abuse; and e) psychological, emotional or other abuse. Under the statutory definition, both the person who is carrying out the behaviour and the person to whom the behaviour is directed towards must be aged 16 or over and they must be 'personally connected' (as defined in section 2 of the 2021 Act). The definition ensures that different types of relationships are captured, including ex-partners and family members. Section 3 of the Domestic Abuse Act 2021 recognises the impact of domestic abuse on children (0 to 18), as victims in their own right, if they see, hear or experience the effects of abuse.

Early help - in the current system, early help is non-statutory multi-agency support provided by local authorities and partners to children and families. Early help is often delivered within universal services at lower levels of need.

Elective home education - a term used to describe the practice of a parent providing a child's education at home full-time, or at home and in some other way that a parent chooses (for example, a tuition centre) instead of choosing to send the child to school.

Extra-familial harm - children may be at risk of or experiencing physical, sexual or emotional abuse and exploitation in contexts outside their families. While there is no legal definition for the term extra familial harm, it is widely used to describe different forms of harm that occur outside the home. Children can be vulnerable to multiple forms of extra-familial harm from both adults and/or other children. Examples of extra-familial harm may include (but are not limited to): criminal exploitation, such as county lines and financial exploitation; serious violence; modern slavery and trafficking; online harm; sexual exploitation; child-on-child (non-familial) sexual abuse and other forms of harmful sexual behaviour displayed by children towards their peers; abuse, and/or coercive control, children may experience in their own intimate relationships (sometimes called teenage relationship abuse), and the influences of extremism which could lead to radicalisation

Family network - a group of people close to a child, made up of relatives and also non-related connected people (where connected people has the same definition used in The Care Planning, Placement and Case Review (England) Regulations 2010 – relatives, friends and other persons connected with the child). A family network could include stepparents, siblings, aunts, uncles, cousins, grandparents, or close family friends.

Family Help - a service that is coordinated by local authorities for families who need a higher level of support than can be provided solely through universal services and where it is beneficial for the child and family to work closely with a Family Help Worker. This service will be for families to engage with and will support children and families that are currently in targeted early help, child in need (including disabled children) and child protection.

Foster care - when children enter care, many are placed with an approved foster carer. Foster carers will have responsibility to care for the child and must be approved by the local authority or an independent fostering agency.

Fostering agencies - are defined in section 4 of the Care Standards Act 2000. Local authority fostering agencies and independent fostering agencies (IFAs) recruit, prepare, assess, train and support foster carers. Independent fostering agencies are private companies or charities. They are registered with Ofsted and provide placements to children and young people with foster carers approved by them. IFAs work closely with local authorities to deliver these placements.

High Court - the High Court of Justice in London, together with the Court of Appeal and the Crown Court, are the Senior Courts of England and Wales. It deals at first instance with all high value and high importance civil law (non-criminal) cases, and also has a supervisory jurisdiction over all subordinate courts and tribunals, with a few statutory exceptions.

Law Commission - the statutory independent body created by the Law Commissions Act 1965 to keep the law of England and Wales under review and to recommend reform where it is needed.

Legislation - legislation is a law or a set of laws that have been passed by Parliament. Legislating is the act of making a new law.

Local area - the 'local area' is the geographical area of the local authority. This includes the local authority, CCGs, public health, NHS England for specialist services, early years settings, schools and further education providers.

Location Assessment - an assessment completed as part of Ofsted's children's homes registration process which considers the proposed location for a children's home, whether it is suitably located, accessibility of local services, and any safeguarding concerns. Regulation 46 of the Children's Homes Regulations (England) 2015 introduced a requirement for providers or managers to 'review the appropriateness and suitability of the location of the premises at least once in every calendar year'.

Multi-agency working - work across organisations to safeguard children including effective information sharing, joint decision-making and co-ordinated interventions.

Multi-agency safeguarding hub (MASH) - a team which brings together agencies (and their information) to identify risks to children early and to respond with the most effective, joint interventions. The Hub team enables the multi-agency safeguarding team to carry out a joint initial assessment, research and the referral of vulnerable children to services.

Multi-agency safeguarding arrangements - Local organisations and agencies that provide services for children and families to work together to discharge their duties to safeguard and protect the welfare of children. The way that these organisations and agencies work together is known as a multi-agency safeguarding arrangement (MASA). The safeguarding partners oversee the functions of the MASA and are responsible for its delivery and effectiveness. The MASA must help to ensure that information about a child and their family is shared effectively, risk of harm is correctly identified and understood, and that children and families receive targeted services that meet their needs in a co-ordinated way.

Multi-disciplinary working - a range of practitioners and professionals from different backgrounds working together to enable the best outcomes for children.

National Planning Policy Framework (NPPF) - first published on 27 March 2012 and updated on 24 July 2018, 19 February 2019, 20 July 2021, 5 September 2023 and 19 December 2023. This sets out the government's planning policies for England and how these are expected to be applied.

The Office of the Children's Commissioner - promotes the rights, views and interests of children in policies or decisions affecting their lives. They particularly represent children who are vulnerable or who find it hard to make their views known. Office of the Children's Commissioner is an executive non-departmental public body, sponsored by the Department for Education.

Ofsted - the Office for Standards in Education, Children's Services and Skills, who inspect services providing education and skills, and inspect and regulate services that care for children and young people.

Parent - our definition of parent (as it relates to the working definition of kinship care—this is not a legal definition) includes:

- 1. 'any birth parent, with or without parental responsibility for the child'.
- 2. 'any stepparent, with or without parental responsibility for the child, who is in a subsisting relationship with the birth parent'.
- 3. 'any adoptive parent who prior to the making of the adoption order in respect of the child was not a 'friend or family member' as defined in this Act'.
- 4. 'any parent by virtue of section 42 or section 43 of the Human Fertilisation and Embryology Act 2008, whether or not they have parental responsibility for the child'.

Pathfinders - the programmes to test how reforms should be implemented and manage the associated risks, before wider roll-out (subject to various approvals and funding).

Providers - the institutions, organisations or agencies that provide services to the relevant children and young people.

Regional Adoption Agencies (RAAs) - bring together specialised adoption professionals from local authorities across a region, providing expertise and support at every stage of the adoption process. RAA's offer a new, innovative, and collaborative approach to recruiting adopters, finding families for the children with a plan for adoption in their region and providing long-term adoption support for families.

Regional Care Cooperatives (RCCs) - the organisations or arrangements between local authorities that we intend will plan, commission and deliver care places regionally.

Safeguarding - the broad set of actions that are taken to promote the welfare of children and protect them from harm. This includes protecting children from abuse and maltreatment; preventing harm to children's health or development; ensuring children grow up with the provision of safe and effective care; and taking action to enable all children and young people to have the best outcomes.

Safeguarding Partners - a safeguarding partner in relation to a local authority area in England is defined under the Children Act 2004 as: (a) the local authority, (b) an integrated care board for an area any part of which falls within the local authority area, and (c) the chief officer of police for an area any part of which falls within the local authority area. The three safeguarding partners should agree on ways to co-ordinate their safeguarding services; act as a strategic leadership group in supporting and engaging others; and implement local and national learning, including from serious child safeguarding incidents. To fulfil this role, the three safeguarding partners must set out how they will work together with any relevant agencies as well as arrangements for conducting local reviews.

Section 17 - section 17 of the Children Act 1989 is a general duty on local authorities to safeguard and promote the welfare of "children in need" in their area.

Section 47 - under section 47 of the Children Act 1989, where a child is the subject of an emergency protection order or is in police protection or there is reasonable cause to suspect that a child who lives, or is found, in their area is suffering or is likely to suffer, significant harm, the local authority must make or cause to be made enquiries to decide if any action must be taken to safeguard or promote the child's welfare

Secure Children's Homes - Secure Children's Homes accommodate children and young people who are remanded or have been sentenced for committing a criminal offence; and those whose placement there is authorised by a court because if kept in any other description of accommodation, they are likely to injure themself or others or because they abscond from other types of accommodation and are at risk of significant harm if they abscond. Secure Children's Homes are children's homes for vulnerable young people aged between 10 and 20. These homes restrict children's liberty to ensure their safety. Secure Children's Homes are run by local authorities, voluntary organisations, or are privately run.

Social Work England - a specialist regulator focused on enabling positive change in social work.

Supported accommodation - is defined in the Care Standards Act 2000 (Extension of the Application of Part 2 to Supported Accommodation) (England) Regulations 2022. Supported accommodation provides accommodation with support for 16- and 17- year-old looked after children and care leavers, to develop their independence as they approach adulthood.

The Child Safeguarding Practice Review Panel - An independent expert committee that was set up to identify, commission and oversee reviews of serious child safeguarding cases across England. The Panel brings together experts from social care, justice, policing, health, education and the third sector to provide a multi-agency view on cases which they believe raise issues that are complex, or of national importance.

Unregistered provision - Section 11 of the Care Standards Act 2000 provides that it is unlawful for any person to carry on or manage an establishment or an agency (as defined in Section 4 of the Care Standards Act 2000) without being registered with Ofsted. Any provision therefore that is required to be registered, but is not is called 'unregistered provision'.

Working Together - Working Together to Safeguard Children (2023) is statutory guidance on inter-agency working to safeguard and promote the welfare of children. It clarifies and builds upon the core legal requirements, making it clear what individuals, organisations and agencies must and should do to keep children safe. It seeks to emphasise that effective safeguarding is achieved by putting children at the centre of the system and by every individual and agency playing their full part.

Young Offender Institutions - a type of custodial setting that children may be placed in if they are sentenced to or remanded in custody. Young offender institutions are for boys aged 15 – 17 and young adult men aged 18 – 21. There are five young offender institutions (YOIs) in England and Wales.

Annex A – a summary of our actions to reform children's social care

We will give families the support they need, keep children safe, and break down the barriers to opportunity for children in care and care leavers by:

- Rolling out a single offer of help and protection for children and families experiencing multiple and complex challenges. Lead practitioners with appropriate knowledge and skills will support families, working seamlessly with a reformed child protection system, when the fiscal situation allows. This offer will be underpinned by whole-family working, engagement of and support for family networks, evidence-based interventions and mechanisms to enable effective multi-agency leadership and practice.
- Strengthening the role of 'education' in multi-agency safeguarding arrangements and providing national direction to the child protection system through reviews to the multiagency safeguarding statutory guidance entitled 'Working Together to Safeguard Children'.
- Improving multi-agency data sharing across services by bringing forward plans to deliver and implement a Single Unique Identifier to support children and families.
- Responding to the Law Commission's review of the legal framework governing social care
 for disabled children in England and taking forward actions to ensure the law is fair and
 allows children with disabilities to access the support they need.
- Removing barriers to opportunity for children in care and care leavers through a crossgovernment programme of work to improve outcomes across education, training, and employment, housing, mental health, and relationships.
- Extending corporate parenting responsibilities to a wider range of public bodies so that they
 consider their needs when designing and delivering services for children in care and care
 leavers.
- Extending the duty on local authorities to promote educational outcomes to all children with a social worker through the statutory Virtual School Head role.

We will empower family networks and offer secure and loving homes through kinship arrangements by taking the following actions:

- Bringing forward legislation that requires local authorities to offer family group decision
 making at pre-proceedings, before decisions are taken on whether a child should go into
 care, to empower family-led solutions in response to concerns about the safety and
 wellbeing of the children.
- Legislating to place a statutory duty on local authorities to promote the educational achievement of children in kinship arrangements, building on the non-statutory extension of the Virtual School Head role from September 2024.
- Publishing updated Kinship Care statutory guidance which sets out how local services should support children in kinship care and their families.

- Delivering a £40 million package to trial a new kinship allowance to test whether paying an allowance to cover certain costs – like supporting a child to settle into a new home with relatives – can help increase the number of children taken in by family members and friends.
- Continuing the delivery of the Family Network Pilot which is testing flexible funding and
 practical support for extended family networks to help keep families together and children
 out of care.
- Providing a training, information and advice offer so kinship carers across the country know where they can get support to provide loving homes for their kin, and funding peer support groups across England for all kinship carers so we can build a community of support for kinship carers.
- Appointing a National Kinship Care Ambassador who will advocate for kinship children and carers across government and work directly with local authorities to improve services.
- Engaging the Law Commission to undertake a review into the legal orders and statuses
 underpinning kinship care arrangements and provide recommendations to government to
 ensure that the legislative framework is fair, modern, and meets the needs of its users.

We want all placements to be secure, high-quality and designed with children's interests in mind, including by:

- Investing in and promoting the use of the Adoption and Special Guardianship Support Fund for eligible adoptive and eligible kinship families so children can access therapeutic support where they have experienced trauma.
- Providing funding for Adoption England to support Regional Adoption Agencies (RAAs) to improve recruitment, matching and post adoption support while promoting consistency by setting national standards in adoption practice across the country.
- Investing an additional £15m to boost the number of foster carers to offer children a stable
 environment to grow up in. This will make sure every local authority has the offer of a
 regional fostering recruitment hub to help raise awareness about fostering and offer
 prospective carers support from the start of their fostering journey and also improve the
 support offer to existing foster carers.
- Introducing a provider oversight scheme to increase Ofsted's existing powers to ensure provider groups are held responsible for the quality of the children's homes and other children's social care provision that they own.
- Enhancing Ofsted's enforcement powers so that they can fine providers illegally operating
 unregistered children's homes, so we can make sure children are safe, and placed in homes
 that are properly regulated by Ofsted.
- Undertaking joint work with NHS England to develop integrated, multi-agency community
 provision to provide care and/or treatment where restrictions that amount to deprivation of
 liberty can be imposed.
- Improving our data on placements to give local authorities the information they need to assess need in local areas and assess longer-term demand for placements.

- Enabling local authorities to set up Regional Care Co-operatives (RCCs), working in partnership with health and justice stakeholders. RCCs will carry out regional data analysis, develop regional sufficiency strategies, and develop regional provision.
- Boosting the supply and diversity of placements by encouraging non-profit providers back into the market to reduce costs and provide placements which better meet children's needs closer to home.
- Creating a fast-track route for the registration of some new children's homes to make it easier for homes to be set up where they most need them.
- Introducing a financial oversight scheme to increase financial and corporate transparency among the most 'difficult to replace' providers, increase provider contingency planning for financial failure, and provide an early warning system to local authorities.
- Exploring introducing registration requirements for companies that provide placements to children to ensure they have responsible tax practices and are domiciled in the UK.
- Introducing powers for the Secretary of State to cap provider profits from the provision of children's social care places in the future in the event that excessive profiteering is not brought under control.

To drive the change, we want to see in the system, we will take actions across enablers like leaders, multi-agency working and the workforce to:

- Embed the Children's Social Care National Framework (National Framework) and align
 policy with these expectations for practice, driving the whole national system to focus on the
 highest aspirations for children and families. We will also deliver a Dashboard to have a
 real-time picture of how the system is moving towards embedding the outcomes in the
 National Framework.
- Galvanise local leaders to drive improvements in their region, with a focus on outcomes, through work with the Local Government Association, through Regional Improvement and Innovation Alliances (RIIAs) and other sector-led programmes such as Sector Led Improvement Partners (SLIPs)²⁸. We will continue to intervene in local authorities where Ofsted have found poor social care practice, to drive service improvements to keep children safe.
- Enable strategic multi-agency working by supporting statutory safeguarding partners across local authority, police and ICB with multi-agency national facilitators and use safeguarding partnerships yearly reports as an accountability and learning tool to improve the system.
- Support safeguarding partnerships to prevent or reduce the risk of recurrence of serious harm or abuse, through the sharing of data and evidence from the Child Safeguarding Practice Review Panel.

²⁸ Get support from children's social care sector-led improvement partners

- Enable learning from data and take forward digital solutions to build a better understanding
 of children, young people and families and to create better support for individuals and
 communities.
- Address the drivers which cause delays in the family court, and improve the experience of children and families, by improving pre-proceedings practice and investing in developing local solutions.
- Support, champion and empower the social work workforce through recruiting and retaining social workers, and professional development programmes. The work social workers deliver for children and families is essential and deserves to be recognised and supported. We know a key part of retention will be about improving the offer of support social workers receive so we will populate a national virtual hub with resources to support local authorities with best practice on retaining social workers, including improving working conditions.
- Implement statutory guidance published on local authority use of agency child and family social workers to reduce the impact of workforce instability on children and families, improve quality and reduce costs, and underpin the agency rules with a new regulation making power which will create a legally binding framework in relation to the use of agency workers in children's social care which local authorities must adhere to.
- Work with Ofsted in response to the findings of their Big Listen, to explore how
 improvements to their frameworks can ensure inspection is a constructive force in the sector
 that champions good practice, empowers leaders and practitioners, and drives improved
 outcomes.
- Work in partnership with MHCLG, to ensure we have systematic and strategic join up in how local areas are funded and supported to deliver effective services. We will work to address some of the burdens placed on local authorities by consolidating small grants wherever possible and distributing funding as effectively as possible.





CHILDREN AND FAMILIES OVERVIEW AND SCRUTINY COMMITTEE - 4 MARCH 2025

CHILDREN'S INNOVATION PARTNERSHIP

REPORT OF THE DIRECTOR OF CHILDREN AND FAMILY SERVICES

Purpose of report

1. The purpose of this report is to provide the Committee with an update on the Children's Innovation Partnership (CIP), with a particular focus on the residential redesign.

Policy Framework and Previous Decisions

- 2. Local authorities are responsible for the most vulnerable children living within its borders. There is a duty of sufficiency that requires local authorities and Children's Trust partners to ensure that, through direct provision or commissioned services, a range of services and placements sufficient to meet the needs of all children in care are available locally or that there is a plan in place to move towards that position. This duty is carried out in accordance with the Children Act 1989.
- 3. The Children Act 2004 and Children and Social Work Act 2017 allocate duties to local authorities to ensure that children are safeguarded and their welfare is promoted. This legislation underpins the work of the Children and Family services with respect to looked after children, children in need and children in need of protection.
- 4. The Council also aims to provide the right service at the right time (including placement/care), as set out in the Placement Sufficiency Statement and Market Position Statement 2024-2027 the Continuous Improvement Plan (Achieving Excellence through Purposeful Practice).
- 5. A report providing information regarding CIP was last present to Children and Families Overview and Scrutiny on 5 March 2024.

Background

6. Demand for Children and Family Services continues to increase with growth of £41.3m projected over the period of the MTFS to meet the Department's needs, arising from demographic growth and an increased need for social care. Poor market sufficiency and an inflexible market approach combined with excess demand for beds has led to a seller's market. Nationally it became increasingly difficult for local authorities to influence the market.

- 7. The other variable that has a big impact on placement weekly costs and the budget are the level of needs of each child and young person. Again, these are not easy to predict accurately but there is a national trend of older children presenting with an increasingly complex range of emotional and behavioural needs resulting in breakdowns of family-based placements and children's homes (such as residential homes) being able to command bespoke fees including additional support and waking night premiums.
- 8. The average weekly cost per residential placement increased from £4.8k per week (budgeted average cost financial year based on previous trends 2023) to an average of £5.8k per week in February 2024 and now exceeds £6k per week. The increasing cost of new placements compared to those placements ending is further compounding the financial pressures being projected.
- 9. Although there are a number of private providers operating children's homes in Leicestershire, often children are not prioritised for these homes. Partly because the provider must match children's needs and because providers receive multiple referrals a week and can opt to provide care for children with less complex needs.
- 10. Without access to local children's home provision, Leicestershire children can be placed a distance from their homes in private, more costly provisions which impact on the children's access to their communities, their families, professionals like their social worker and disruption in other areas like health intervention and education provision.
- 11. In response to these pressures, the Department embarked on a transformation programme The Children's Innovation Partnership (CIP) in partnership with Barnardo's. This Partnership was established in December 2018, with considerable focus on redesigning children's (residential) home provision.
- 12. In the context of the increasing costs of private children's home care, the drive to establish inhouse homes through a partnership with Barnardo's remains relevant and a proportionate response to the increase in complexity of child need and mounting MTFS challenge.

<u>Leicestershire Homes</u>

- 13. In 2019, Barnardo's supported Children and Family Service to complete a significant analytical project that included commissioning information, the voice of families, children and staff. This led to a decision to initiate CIP Residential Redesign Phase 1, with agreed capital investment for two homes.
- 14. Following successful bids for Department of Education matching-funding for capital investment, phases two and three were initiated to address continued demand and escalating costs for children's home care.
- 15. There are now four homes open across Leicestershire. Welland House which is a parent and baby assessment home, opened in January 2024. The aim of the home is to provide a supportive environment for parents with young children where they can focus on the needs of that child or children and learn to be the very best parents they can be. Often these are families on the brink of parent-child separation and the placements are ordered by the court for a period of assessment. Welland House has

three self-contained flats, each comprising of a bedroom, bathroom and kitchen area, staff rooms and communal rooms.

- 16. The Old Post Office and Marjorie House, both of which support children with Emotional, Behavioural and Developmental needs and Jarvis House an Emergency and Assessment home.
- 17. There are a further three homes that are awaiting Ofsted Registration, which are on track to be open by April 2025. These are Gwendolyne House, a home for children with Emotional, Behavioural and Developmental needs, Hope's Place a contextual Safeguarding home and Elmslie House a home that will provide overnight short breaks. The final home, Ivan House, is a new build and it its final stages of completion. The home will open in July 2025.
- 18. Demand and profile modelling exercises continue to be undertaken in order to provide a refresh of the needs of Leicestershire children in care. This ensures that the development of the homes and their intended purpose, continues to be a priority. This demand modelling is informed by residential use, costs, types of provision and profile of children's needs.

Resource Implications

- 19. The total capital investment for the eight homes is £6.180m. £4.188m of which is investment from The Council and £1.991m from the Department for Education.
- 20. The financial benefit of each home varies, depending on the type of home and its purpose. The forecast benefits from the homes total £2.250m across the MTFS. Once a home is operational, the actual financial benefit is carefully monitored.

Conclusions

- 21. The report outlines the ongoing demand and children's home market pressures on the financial budget and the Department's ability to provide local care for children.
- 22. The report outlines action taken by the Department to mitigate these risks through the Children's Innovation Partnership, and the ongoing need for the partnership to focus on children's home provision.

Background papers

23. Children's Innovation Partnership, 5 March 2024: https://democracy.leics.gov.uk/ieListDocuments.aspx?Cld=1043&Mld=7478&Ver=4

The Placement Sufficiency Statement and Market Position Statement 2024-2027: https://democracy.leics.gov.uk/documents/s186147/Appendix%20- <a href="https://democracy.leics.gov.uk/documents/gov.uk/documen

The Continuous Improvement Plan (Achieving Excellence through Purposeful Practice):

https://www.leicestershire.gov.uk/sites/default/files/2024-04/Achieving-Excellence-through-purposeful-practice.pdf

Circulation under the Local Issues Alert Procedure

24. None.

Equality Implications

- 25. This model has been developed with the key driver of improving outcomes for children through finding the right placement first time, reducing placement breakdown, providing in-county provision, consistency of support and flexible provision.
- 26. This model is anticipated to have a positive result in terms of outcomes for children, so it is not anticipated that there will be a negative impact on any protected characteristics.

Human Rights Implications

27. There are no human rights implications arising from the recommendations in this report.

Other Relevant Impact Assessments

- 28. Health implications local children's home provision will reduce disruption to services, ensuring children and young people who need to be in children's homes can access and have continuity of clinical care.
- 29. Education implications local children's home provision will ensure children and young people continue, where it is right to do so, to access their local schools and colleges.
- 30. Environmental implications local children's home provision will see a reduction in travelling for a range of professionals who are required to visit the home and see the child as part of their statutory duties; and will reduce the distance families travel to maintain contact and a relationship with their children.

Officer(s) to Contact

Nicci Collins

Strategic Lead for Commissioning, Transformation and Planning

Telephone: 0116 3054504

Email: Nicci.Collins@leics.gov.uk

Sharon Cooke

Assistant Director, Targeted Early Help and Children's Social Care

Telephone: 01163055479

Email: Sharon.cooke@leics.gov.uk



CHILDREN AND FAMILY SERVICES OVERVIEW AND SCRUTINY COMMITTEE – 4th March 2025

QUARTER 3 2024/25 PERFORMANCE REPORT

JOINT REPORT OF THE CHIEF EXECUTIVE AND DIRECTOR OF CHILDREN AND FAMILY SERVICES

Purpose of the Report

1. The purpose of this report is to present the Committee with an update on the Children and Family Services Department's performance for the period October to December 2024 (Quarter 3).

Policy Framework and Previous Decisions

2. The Children and Family Services Department's performance is reported to the Committee in accordance with the Council's corporate performance management arrangements.

Background and Overview

- 3. The following report and accompanying data aim to report on the priority areas identified by the Children and Family Services Departmental Plan. The plan identifies ambitions and measures to monitor progress. The current performance data is appended and has been refreshed to concentrate on indicators where updated data is available for Quarter 3.
- 4. Quartile positions are added where comparative national data is available. Comparative data is not available for all indicators.
- 5. From nine measures reported that have a national benchmark, one is in the top quartile, four are in the second quartile, three are in the third quartile and one is in the bottom quartile.

<u>Helping children in Leicestershire live in safe, stable environments and have</u> secure attachments

- 6. Local Authority comparisons used in this section are most recent figures published by the government for end of year benchmarking of performance in 2023/24.
- 7. The percentage of Child Protection cases reviewed within timescales was 90.7%. at the end of Quarter 3, with 284 of 313 children having all reviews on time within the last 12 months. This is a decrease compared to the Quarter 2 figure of 92.7%

- (291 of 314) and continues to place Leicestershire in the third quartile of all local authorities by published benchmarks.
- 8. The percentage of children becoming subject to a child protection plan for a second or subsequent time in the year to date increased to 24.5% at the end of Quarter 3 compared to 23.0% at the end of Quarter 2. In this quarter 41 children began a second or subsequent child protection plan, an increase from 28 reported in the preceding quarter. Leicestershire continues to be placed in the second quartile of local authorities compared to most recent national results published for 2023/24. This continues to be an area of focus for the service and regular audits are completed to understand any themes around the circumstances leading to repeat periods of child protection planning.
- 9. The percentage of re-referrals to Children's Social Care within 12 months was 26.2% at the end of Quarter 3 which is similar to 26.3% at the end of the previous quarter; 441 children were 're-referred' within Quarter 3. Leicestershire continues to be placed in the fourth quartile of local authorities.
- 10. The percentage of assessments completed within 45 days to the end of Quarter 3 was 85.2%, a slight increase compared to performance at the end Quarter 2 (84.5%). Within Quarter 3, 1,300 assessments were completed, with 1,130 within timescale. Leicestershire continues to be placed in the second quartile of local authorities using most recent comparisons.
- 11. The percentage of Care Leavers aged up to 21 in Suitable Accommodation was 93.8% at the end of Quarter 3 (288 out of 307 young people). This is an increase from the end of Quarter 2 (92.4%) and now places Leicestershire in the top quartile of local authorities using available comparisons.
- 12. The percentage of Care Leavers aged up to 21 in Education, Employment or Training improved to 59.9% at the end of Quarter 3 (184 out of 307 young people). This is an increase from the end of Quarter 2, 49.3%, and now places Leicestershire in the second quartile at the end of Quarter 3. The service continues to provide careful oversight to the care leaver indicators and is driven by a corporate commitment for creating mentoring and apprenticeship opportunities for care leavers.
- 13. The percentage of Children in Care at the end of Quarter 3 who had a dental check in the preceding 12 months was 75.0% (546 children), a decrease from 78.9% reported for the previous quarter.
- 14. The percentage of Children in Care at the end of Quarter 3 who had an annual health assessment within the preceding 12 months was 83.9% (611 children). This is a decrease from 84.4% reported for the previous quarter.

<u>Helping children and their families build strength, resilience, confidence, and capacity</u>

15. Due to ongoing work following system changes, specifically relating to Capita/ Synergy, it is not possible to report the total numbers worked with by Targeted Family Help.

- 16. The Children and Families Services Departmental Plan states the intention to ensure that the needs of young people are identified as early as possible so that timely and appropriate support is provided in the right setting, therefore reducing the risk of needs escalating at the same time as ensuring children and young people's best outcomes are achieved.
- 17. The number of children in mainstream schools in Leicestershire with an Education and Health Care Plan (EHCP) was 2,566 at the Autumn term 2024 school census. This is 108 children lower than at the Summer term 2024 school census (2,674). The Autumn term 2024 school census EHCP numbers are the highest recorded for this school census term since the phasing in of the 2014 SEN Code of Practice changes were completed.
- 18. The number of children in mainstream schools in Leicestershire without an EHCP but in receipt of SEN Support was 13,165 at the Autumn term 2024 school census. This is 209 lower than the Summer term 2024 school census (13,374). The Autumn term 2024 school census SEN support numbers are the highest recorded for this school census term since the phasing in of the 2014 SEN Code of Practice changes were completed.

People are safe in their daily lives

19. Local Youth Justice statistics are regularly reported to the Youth and Justice Management Board. The latest report was presented at the December 2024 board and was reported in the Q2 Scrutiny Report. Local data is currently unavailable for Use of Custody and Re-offending, although Ministry of Justice figures are available in the report.

Help every child to have access to good quality education to ensure they achieve their maximum potential

- 20. The percentage of primary schools rated Good or Outstanding for leadership and management was 92.1% (209 out of 227 inspected schools) at the end of Quarter 3. This represents a 0.5% increase from Quarter 2 2024/25. This figure is within the third quartile of local authorities and is 1% below the England average, which has continued to increase to a new highest ever level (93.1%), and 1.2% lower than the average for Statistical Neighbours (93.3%), which is close to its highest ever level.
- 21. The percentage of secondary schools rated Good or Outstanding for leadership and management was 90.9% (40 out of 44 inspected schools) at the end of Quarter 3. This represents an increase of 6.8% from Quarter 2 2024/25 and is Leicestershire's highest performance since September 2017. This performance is within the second quartile of local authorities nationally. Leicestershire's performance is 2.3% higher than the average for England, which at 88.6% is a new highest ever level of performance, and 1.1% higher than the average for Statistical Neighbours (89.8%), which is also the highest ever performance figure for this group.

- 22. The percentage of pupils educated in Good or Outstanding schools for leadership and management was 92.0% at the end of Quarter 3 (approx. 92.5k out of 100.5k pupils). This is an increase of 3.5% from Quarter 2 2024/25 (88.5%) and is Leicestershire's highest level of performance since April 2017. This figure is within the third quartile of local authorities nationally. Leicestershire's performance is 0.5% lower than the average for England (92.5%), and 1% lower than the average for Statistical Neighbours (93.0%). Both the national and the average Statistical Neighbour performance are at new record levels.
- 23. The number of children Electively Home Educated (EHE) was 1,178 at the end of Q3 2024/25. This is an increase of 155 students (15.2%) compared to the end of Q3 2023/24 (1,023 students).
- 24. The trend has been driven by two factors: firstly, having experienced a period of enforced home schooling during the pandemic, some parents have opted for EHE as a lifestyle choice and have chosen to continue this even when schools reopened. The second factor has been ongoing health concerns which could be for the child, vulnerable parents, or general safety concerns. The numbers will continue to be monitored closely.
- 25. The percentage of young people (16-17) in Leicestershire not in education, employment, or training (NEET) at the end of Q3 2024/25 was 0.97% (151 students). This rate was a slight increase on the end of Q2 2024/25 (0.92%), but well below the target of less than 2.1%.

Conclusion

- 26. The report provides a summary of performance at the end of Quarter 3 2024/25, covering the period October to December 2024.
- 27. Details of all metrics will continue to be monitored on a regular basis throughout the year and any subsequent changes will be notified in future reports.

Background Papers

Keeping Children Safe, Helping Families Thrive:
https://assets.publishing.service.gov.uk/media/67375fe5ed0fc07b53499a42/Keeping_Children_Safe__Helping_Families_Thrive_.pdf

Circulation under the Local Issues Alert Procedure

None.

Appendix

Children and Family Services Department Performance Dashboard Quarter 3, 2024/25

Officers to Contact

Jane Moore, Director - Children and Families Service

Tel: 0116 305 2649

Email: Jane.Moore@leics.gov.uk

Sharon Cooke, Assistant Director - Children's Social Care

Tel: 0116 305 5479

Email: Sharon.Cooke@leics.gov.uk

Alison Bradley, Assistant Director - Education, SEND and Commissioning

Tel: 0116 305 8825

Email: Alison.Bradley@leics.gov.uk

Emma Jones, Business Partner - Business Intelligence Service

Tel: 0116 305 7526

Email: Emma.j.Jones@leics.gov.uk

Alex Lea, Business Partner - Business Intelligence Service

Tel: 0116 305 6803

Email: Alex.Lea@leics.gov.uk



137

CFS Overview & Scrutiny Dashboard

Progress Summary				RAG Rating Summary					Quartile Summary				
Improve	No Change	Worse	N/A	Green	Amber	Red	N/A	1st	2nd	3rd	4th	NA	
8	1	5	3	2	6	1	8	1	4	3	1	8	

Strategic Plan OutcomeAreaSearch IndicatorAIIAIIAII

Area	Indicator	Latest Data	Period	Previous Data	Perform. DOT	Target	RAG	Quartiles
Early Years	Eligible 2 and 3-year olds taking up their FEEE in a high-quality provision	97.3%	Autumn Term 2024	98.3%	1	NA	N/A	NA
Education	Eligible 2 year olds taking up their FEEE	71.3%	Autumn Term 2024	66.0%	1	NA	N/A	NA
	Eligible 3 year olds taking up their FEEE	95.1%	Autumn Term 2024	92.9%	1	NA	N/A	NA
	Children Electively Educated at Home	1178	Q3 2024/25	1023		NA	N/A	NA
	Primary schools rated 'Good' or 'Outstanding' for leadership and managem	92.1%	Q3 2024/25	91.6%	1	NA	A	3rd
	Pupils in Good or Outstanding schools for leadership and management	92.0%	Q3 2024/25	88.5%	1	NA	A	3rd
	Secondary schools rated 'Good' or 'Outstanding' for leadership and managem	90.9%	Q3 2024/25	84.1%	1	NA	A	2nd
SEND	Children in mainstream schools in receipt of SEN Support (without EHCP)	13165	Autumn Term 2024	13374		NA	N/A	NA

	Children in mainstream schools with EHCP	2566	Autumn Term 2024	2674		NA	N/A	NA
Social Care	Assessments completed within 45 days	85.2%	Q3 2024/25	84.5%	1	>90.3%	A	2nd
	Care leavers EET	59.9%	Q3 2024/25	49.3%	1	>54.0%	G	2nd
	Care leavers in suitable accommodation	93.8%	Q3 2024/25	92.4%	1	>92.0%	G	1st
	Child protection cases which were reviewed within timescales	90.7%	Q3 2024/25	92.7%	1	>97.2%	A	3rd
	Children becoming subject to a CPP for second or subsequent time	24.5%	Q3 2024/25	23.0%	1	<20.8%	A	2nd
	Children in care who have had dental checks within last 12 months (at end of period)	75.0%	Q3 2024/25	78.9%	1	NA	N/A	NA
	Children in care who have their annual health assessment within last 12 months (83.9%	Q3 2024/25	84.4%	1	NA	N/A	NA
	Re-referrals to CSC within 12 mths	26.2%	Q3 2024/25	26.3%	\Rightarrow	<18.7%	R	4th

This page is intentionally left blank