



Department
for Education

Government response to Sir Martin Narey's Independent Review of Residential Care

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Ministerial foreword

Children who are looked after by their local authority deserve the very best care that we can give them. I have high ambitions for these children, just as ambitious as those that good parents have for their own children. I want all children, when they are in care and once they have left care to have good health and wellbeing, including recovery from previous experiences; to fulfil their educational potential, leading to employment; and to build and maintain lasting relationships and participate positively in society.

Central to achieving these ambitions is the need for children in care to have stability in their lives: be that stability of placement, relationships or educational experience. We also know that the carer is hugely important to young people achieving these ambitions as they are the ones who spend the most time with the young person on a day to day basis.

This is especially true for children who are placed in children's homes who often have particularly complex needs and challenges which we should take specific care to address. Children's homes provide homes to some of the most vulnerable children in society. Regrettably, their challenges have all too often been compounded by the failure of earlier placements to meet their needs.

Last year the government asked Sir Martin Narey to conduct an independent review of residential care. His report paints a positive picture of the care that children's homes provide. I am grateful to him for his considered report.

I am glad that Sir Martin describes such a positive picture of life for children in children's homes. I agree that they can be the right option for some children, particularly if they are used early, as part of a well thought-through long-term plan, and taking into account children's wishes and needs, or for additional therapeutic support to bring stability to a child's life. We therefore need to ensure that children's homes are of the highest possible standard and deliver the best possible outcomes for the children who call them home.

Sir Martin has made a series of recommendations which, taken together, I am confident will build on the progress already made and lead to sustained improvement to children's homes. I want all those involved in children's homes, in central government, local government, and the wider sector to take Sir Martin's report as a programme of work for the next few years. This response sets out what government will do, but I am clear that to have the impact that Sir Martin suggests then we will need to work fully in partnership with all those who are involved in the work of children's homes.

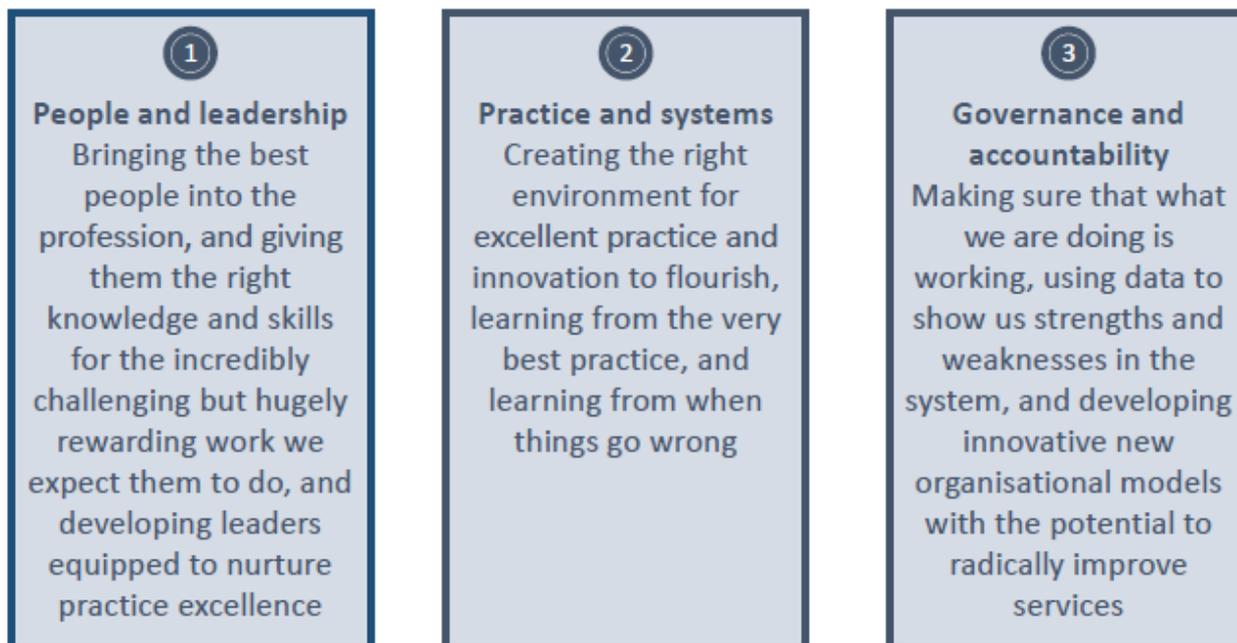
Finally, I want to pay tribute to the thousands of people who work in children's homes up and down the country. They often have a hugely challenging role but they do an incredible job, providing care and support to thousands of children, often with quite intense needs. It is they who spend time getting to know the young people in their care, understanding what makes them tick and supporting them to fulfil their potential. I am incredibly grateful to them.



Edward Timpson MP
Minister of State for Vulnerable Children and Families

The government's vision for children's social care and children in care

1. In 2016 the government set out its ambitions and strategy to reform Children's Social Care. The government's vision is that every child in the country, whatever their background, whatever their age, whatever their ethnicity or gender, should have the opportunity to fulfil their potential. For the around 70,000 children¹ who are looked after this means that their experience of care should prepare them for a future where they are able to fulfil their potential and ambitions.
2. The children and young people living in children's homes are among the most vulnerable in society. Many have special educational needs or disabilities, including social, educational and mental health difficulties and many are victims of abuse or neglect. It is therefore vital that we do everything possible to improve their experience of being looked after in care, helping them to overcome their previous experiences, and setting them up for futures which allow them to achieve their potential.
3. In July 2016 the government published *Putting Children First*² which sets out how the government will deliver reform to children's social care, within the three 'pillars' outlined below.



¹ 70,440 children were looked after at 31 March 2016
(https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/556331/SFR41_2016_Text.pdf)

² https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/554573/Putting_children_fir_st_delivering_vision_excellent_childrens_social_care.pdf

4. In that publication the government provided an initial response to Sir Martin's review of children's residential care, accepting his analysis and welcoming his recommendations.

5. In July the government committed to implementing several of his recommendations:

- using the Children's Social Care Innovation Programme to test innovative ways in which residential care could be used in a more dynamic and creative way to support children and to link seamlessly with other care placements and with other services;
- introducing Staying Close for those leaving residential care;
- inviting local authorities to come together to bid to pilot new larger scale, regional commissioning arrangements;
- undertaking a national stocktake of foster care; and
- clarifying the steps that residential care workers can take to protect children.

6. The following pages set out more detail on each of these and also set out the government's response to the other recommendations in Sir Martin's report. This involves work in each of the three areas of people and leadership; practice and systems; and governance and accountability.

The residential care system

7. Children's homes care for some of the most vulnerable children and young people in the country.

8. Over the last few years we have made significant progress in improving the quality of children's homes. We have:-

- Introduced regulations to strengthen the safeguards for looked after children in children's homes and those placed in children's homes far away from their home area.
- Introduced new regulations which include, for the first time, Quality Standards for children's homes. These specify the outcomes that children must be supported to achieve while living in children's homes. They challenge children's homes to apply their skills and professional judgment to provide high quality, better tailored care, have high aspirations and to achieve positive outcomes for each and every child that they care for.
- Improved qualifications for residential care workers and managers. All of those who started working in a children's home without a relevant qualification from 5 January 2015 are now expected to take the new qualifications. These were designed specifically for residential care workers and will better meet children's needs by ensuring that each new entrant has to demonstrate their competence in core knowledge and skills required by residential care workers.

9. We want to make sure that all residential care homes are doing the best possible job and providing the best possible care and that is why, in October 2015, the government asked Sir Martin Narey to conduct a comprehensive review of children's residential care. Sir Martin focussed his report on the quality of care in children's homes. He did not review the quality of care in residential special schools but recommended that the department look separately at them, and we are pleased to confirm that we have asked Dame Christine Lenehan, Director of the Council for Disabled Children, to carry out a review to include consideration of how residential specialist provision supports children and young people with complex needs, starting early in the new year.

10. Sir Martin's report paints a positive picture of much of the care in children's homes. The government's ambition is that all children's homes provide high quality, stable care which meets the needs of individual children, keeping them safe and enabling them to fulfil their potential.

11. Ofsted's findings support this positive picture. At 30 September 2016, 81% of homes were judged good or better³.

12. Sir Martin's report was published in July and was overwhelmingly welcomed by the sector. We are pleased that Sir Martin's report confirmed a great deal that is good about the experiences of children in children's homes. We are also grateful that he has highlighted the areas where further action is needed to ensure that all children's homes, and the wider system in which they operate, deliver the highest quality care.

13. The main areas of challenge highlighted by Sir Martin were: improving commissioning and obtaining better value for money for local authorities; further reducing unnecessary criminalisation; keeping children safe and managing their behaviour; and providing an alternative to Staying Put for children leaving residential care.

14. Sir Martin made 34 recommendations which the government has divided into nine themes:

People and Leadership

- the children's home and social work workforce
- fostering
- managing the behaviour of children in residential care

Practice and Systems

- the over-criminalisation of children in residential care
- the provision of secure children's home accommodation
- the experience of leaving care from a children's home

Governance and Accountability

- leadership of the residential care sector
- the commissioning of residential care
- accountability and regulation

15. This response sets out the action the government will take in each of these areas in response to Sir Martin's recommendations. Taken together the recommendations in each of these areas set out a programme of work for the next few years which will lead to sustained improvement in the quality of care in children's homes. A summary of government commitments following Sir Martin's review can be found on page 20.

³ <https://www.gov.uk/government/statistics/local-authority-and-childrens-homes-in-england-inspection-outcomes-as-at-30-september-2016>

16. Many of Sir Martin's recommendations are not for government. In these areas we urge those responsible to carefully consider his recommendations and what they can do to implement them. We shall monitor their progress in doing so.

17. In order to deliver the changes that Sir Martin envisages, all those involved in the commissioning and provision of care in children's homes will need to work together. Only by working in partnership will we be able to tackle the trickiest issues and deliver a sustained improvement in the quality of care for the country's most vulnerable children.

People and leadership

The children's home and social work workforce

18. As children's primary carers, the residential care workforce plays an essential role in achieving the government's vision for children in care. It is only through their work we can achieve our ambitions for children. Ofsted's judgment that 81% of children's homes are 'good or better'⁴ is a reflection of the great work they do. However, this work is not easy. We must ensure the workforce is equipped, and has the freedom and support, to make the right decisions for the children in their care, and the power to parent in the way any good parent would.

19. In January 2015 we introduced new and improved entry qualifications for residential care workers. These are mandatory and all staff are expected to complete them within two years of starting work. We are pleased that Sir Martin found that the diplomas provided adequate baseline knowledge for staff to understand how to care for children and are helping to professionalise the residential care workforce. However, he raised concerns that there may be a variability in the quality of delivery, especially where the course is primarily delivered online. We think this is a valid concern and we will work with awarding bodies to review the delivery of these qualifications where online learning methods are used.

20. Sir Martin highlighted the positive impact of further training and development approaches such as the RESuLT programme which has been developed by the National Implementation Service. The department will ensure that commissioners have the information that they need regarding evidence based programmes and approaches which are likely to prove effective in developing staff.

21. In November 2015 the Scottish government announced that, by 2018, all new and existing residential care workers would need to be working towards degree level qualifications. However, Sir Martin was unable to find any evidence that an entirely graduate workforce would further improve the quality of homes. We are confident our qualifications equip residential care workers to support children to achieve positive outcomes and agree a graduate qualification is not a necessity. Nevertheless, we will monitor the impact of Scottish reforms to see whether they lead to better outcomes for children.

22. Sir Martin found that one of the greatest workforce challenges is recruiting staff who are able to withstand the demands and sensitivities of working in a residential

⁴ <https://www.gov.uk/government/statistics/local-authority-and-childrens-homes-in-england-inspection-outcomes-as-at-30-september-2016>

setting. To further improve the quality and reliability of the workforce we will commission and disseminate qualitative research on best practice on recruiting staff. This will include advice on how to identify employees who can withstand the challenges of working in demanding environments.

23. Sir Martin also found that encouraging social work students to spend part of their placement within residential homes would prompt students to consider residential care as a career and stimulate a greater understanding between workforces. We accept this key recommendation and we will work closely with the proposed regulator for social workers, Social Work England (the establishment of which is currently before Parliament within the Children and Social Work Bill), and social work training providers, to explore this proposal. Further to this, we will consider how we can set an expectation that residential care homes are managed by social work graduates. However, we agree with Sir Martin's view that exceptional non-social work graduates can make good managers and we will incorporate this into future considerations.

Fostering

24. Sir Martin acknowledged the close relationship between residential and foster care and said a fundamental review of fostering was overdue and should be a priority for the department. In Putting Children First we announced a National Fostering Stocktake. This will be a comprehensive review which aims to achieve a deeper understanding of the current picture of fostering provision and how it can be improved.

25. The government has five main aims for the stocktake:

- to build on our existing understanding of the current foster care system so that we have an up to date analysis of the current state of the system and the issues and challenges facing it;
- to hear from children who are looked after by foster carers what they want and need in order to achieve the best outcomes;
- to learn from the evidence what good practice looks like in foster care (both in England and internationally) and to spread this practice nationally;
- to understand what needs to be done to improve outcomes for children placed in foster care and to overcome the issues and challenges facing the foster care system; and
- to identify a series of next steps for government (and the sector) to bring about sustained improvement to foster care, which will lead to improved outcomes for looked after children.

26. The government has begun this work by embarking on a thorough analysis of the available data and statistics and commissioning a literature review of all the available evidence relating to foster care. These will be completed in early 2017. Further information, including the launch of a call for evidence, will be published in early 2017.

27. Sir Martin found that models of care, such as No Wrong Door - which provides an integrated service for the most complex and troubled young people, ensuring that all of their needs are addressed within a single team of trusted and skilled workers - could bridge the gap between fostering and residential care to enable children, who may have previously rejected fostering placements, to be placed in family settings. We will continue to use the Children's Social Care Innovation Programme, including through our targeted funding opportunities⁵, which we launched on 3 November, to fund creative approaches to providing high quality care and outcomes for children.

28. As Sir Martin recommends, if the evaluation of No Wrong Door is positive then this good practice will be analysed and disseminated through the fostering stocktake. We will also promote other models that the Innovation Programme has found to be effective, for example, the Mockingbird Family Model.

Managing the behaviour of children in residential care

29. Sir Martin found that many providers are not confident in the use of restraint and are especially concerned about the propriety of restraining a child to prevent him or her from leaving the home at night. He also found that staff in children's homes are uneasy about exercising appropriate protections such as locking external doors, setting curfews or setting normal day-to-day boundaries as any good parent would. They worry too about how robust practice will be viewed by Ofsted.

30. In *Putting Children First* we were clear that we want residential care workers, like all carers, to have the confidence to take decisions that are in the best interests of children. This is especially true when those decisions relate to protecting children from risk. It is vital that staff feel confident in their ability to prevent children putting themselves in potential danger even where there may not be an immediate risk of harm.

31. Our statutory guidance is clear – matters of restraint require the exercise of confident professional judgment and this can only be done by those on the frontline. As we said in *Putting Children First* we will supplement this by working with experts, including the Chief Social Worker, Isabelle Trowler, to create additional practical advice and guidance for residential care workers – to give them more certainty and to empower them to take decisions in the best interests of the children in their care. This is a priority for us and we are working closely with Ofsted on the development of this advice.

⁵ <http://springconsortium.com/launch-of-an-innovation-programme-targeted-opportunity/>

Practice and systems

The over-criminalisation of children in residential care

32. We welcome Sir Martin's recognition that children's homes, on the whole, have worked to address previous problems of over-criminalisation of children in their care, where children's home staff would unnecessarily involve the police in minor incidents. We also welcome his view that the fact that children in homes are more likely to be subject to criminal proceedings is a reflection of the challenges this group face, including their experiences prior to becoming looked after, rather than an indication of the quality of care they receive. The government is clear that unacceptable behaviour, particularly when repeated, or when immediately serious, is properly referred to the police. What we want to see further reduce is any involvement of the police in circumstances where, when measured against the behaviour of children living in a family home, such involvement would appear unnecessary.

33. Criminalisation of children in homes fell from 2013 to 2015⁶ and we agree with Sir Martin that strong multi-agency arrangements such as the South-East protocol promote best practice. The South East protocol, between ten Local Authorities and four police services, aims to reduce prosecution of children in care wherever possible. The protocol sets the expectation that staff and carers of children in care strive to manage challenging behaviour internally, but where not appropriate police should consider discretionary and informal resolutions or diversionary tactics to prevent prosecution. We will work with the National Police Chiefs' Council (NPCC) and Association of Directors of Children's Services (ADCS), as well as other stakeholders, to co-produce a national concordat, drawing on the experience gained through the South East protocol, further to reduce offending and any residual, unnecessary criminalisation of children in care. In parallel, the department will also set out in practice guidance the role a good children's home takes to avoid unnecessarily criminalising young people, including the use of restorative justice and working with the police. Through this, and the concordat, we will set out how positive relationships and good practice can help resolve conflict and avoid police involvement in incidents that would not require a response had they occurred in a family home. We will make both these resources available during 2017.

34. We recognise that the police need flexibility in recording incidents to help avoid unnecessary criminalisation of children in residential care. However, we do not believe changing crime recording rules is required to achieve this as the system already gives police the flexibility necessary. In December 2015, Ministers agreed to the creation of a new crime outcome ('outcome 21') for cases where police officers record a crime but use

⁶ <https://www.gov.uk/government/publications/looked-after-children-in-residential-care-analysis>

their discretion to judge that formal action is not in the public interest. This gives officers the discretion necessary to deal with incidents in a way that avoids unnecessarily criminalising children. We will work with the NPCC to highlight and clarify to frontline officers the existing discretion available to them. The guidance provided by the Disclosure and Barring Service is also being reviewed to ensure that crimes allocated this new outcome are only subject to disclosure later in life in exceptional circumstances.

The provision of secure children's home accommodation

35. As Sir Martin's report confirms, secure accommodation has a place in the care system and allows us "to take chaos out of a child's life and to keep them safe." We remain confident that secure placements can be the best option for a small number of children that repeatedly put themselves or others at serious risk of harm.

36. Secure Children's Homes (SCHs) provide specialist care for some of the most vulnerable children across the country. Children are placed in the homes by local authorities following the granting of a secure accommodation order from the courts, known as a welfare placement, or by the Youth Justice Board when placed on remand or following a custodial sentence, known as a youth justice placement. Secure provision is expensive and demand for places varies between local authorities. This has led to closure of secure homes and, as a result, a loss of beds, with local authorities regularly reporting difficulties in obtaining welfare placements.

37. In order to understand the issues surrounding supply and demand and to get a national picture of the needs of the children placed on welfare grounds, we set up a National Coordination Unit in May 2016. With the data gathered by the unit and drawing on feedback from the sector, we are developing options for how secure places can be better planned, co-ordinated and joined up at national level, to better meet the needs of young people needing secure accommodation. We will also work with the Residential Care Leadership Board, discussed in paragraph 49, to explore how we might incentivise new providers and consider alternative models of secure provision.

38. Sir Martin found that single bed homes, and two bed homes with a single resident, are sometimes used as an alternative to secure placements. These placements are likely to cost substantially more than a secure bed and we do not know how effective they are at delivering good outcomes for some of the more challenging children in care. We will work with Ofsted and the Association of Directors of Children's Services (ADCS) to investigate the apparent rise in single placement homes and whether this correlates with the decline in the number of secure places. We will also consider the effectiveness of these placements.

39. We agree with Sir Martin that we need to establish a common understanding of the role and purpose of secure care. We expect the Residential Care Leadership Board to lead a dialogue on this issue with the sector, drawing on input from a range of

stakeholders including people with experience of care, providers, commissioners, other government departments and academics.

The experience of leaving care from a children's home

40. In 2014, through the Children & Families Act, the government introduced Staying Put. This requires local authorities to support young people to remain with their former foster carers to age 21 where both the young person and carer want the arrangement to continue. The key benefit of Staying Put is the continuity it provides in the young person's care arrangements, including where they live, and it continues the relationship between the young person and their primary carer. It means that young people who Stay Put are able to make a more gradual and supported transition to independence, which is more like the experiences of their peers in the general population. It avoids the young person experiencing a 'cliff-edge' at age 18, when they move from care straight into independent living.

41. Young people in residential care are not eligible for Staying Put and many continue to face a significant drop in support when they reach 18.

42. As Sir Martin found in his report, many children's homes do already offer support to those leaving their care. We already hear stories of young people returning to the home for breakfast on their way to work or for Sunday dinner. However, for too many young people this is not their experience on leaving residential care and they can eventually find themselves feeling isolated and abandoned.

43. Young people whose final placement is in residential care are more likely to have had greater instability while they are in care which can make it harder to make a smooth transition to adulthood. Young people in children's homes are also more likely to be living away from their local communities and outside of their placing local authority. 37% of children in children's homes were placed over 20 miles from home and outside their local authority at 31 March 2015, compared to 14% of all looked after children.⁷

44. To provide greater support and a gradual transition to independence, Sir Martin recommended that, subject to piloting, the government should implement Staying Close to offer an alternative to Staying Put for those leaving residential care. In *Putting Children First* the government accepted this recommendation and committed to piloting, and then rolling out, Staying Close.

⁷ <https://www.gov.uk/government/statistics/children-looked-after-in-england-including-adoption-2014-to-2015>
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/534263/Looked_after_childre_n_in_residential_care_analysis.pdf

45. Sir Martin is clear, and we agree, that Staying Close needs to be more than a loose offer of support. He set out that it should bring some structure to the informal arrangements that some homes already offer. He compared it to the experience of going to university where most young people continue to receive support alongside their growing independence. As recommended by Sir Martin we have been working closely with Ed Nixon and Ian Dickson (co-chairs of the Every Child Leaving Care Matters campaign) and other stakeholders to develop Staying Close, and are committed to continuing that work as we progress to piloting in the new year.

46. For the pilots, we will not prescribe specifically how Staying Close should be achieved and delivered as we are keen to use the piloting process to test key aspects of Staying Close, including how existing statutory roles and duties are best delivered alongside any arrangement, and the implications for children's homes inspection. However we are setting out some key principles that should underpin the design of Staying Close arrangements. In particular, there are three key elements to Staying Close:

- the continuity that it provides for the young person, particularly continuity of existing relationships between the young person and those who care for them in the children's home;
- provision of suitable and sustainable accommodation; and
- the young person and the home both want to pursue a Staying Close arrangement and this is in the best interests of the young person.

47. In addition, Staying Close should:-

- Be more than a loose offer of support and sporadic contact, such as the opportunity to return to the home for a meal or to do laundry; although that should be part of the offer. It should mirror, as far as possible, the way that parents support their own children to move into independence and adulthood. This should be led by the particular needs and preferences of each young person.
- Have a clear offer, or even contract, setting out the support that is available between the home, young person and local authority. Each organisation and person involved in Staying Close should have a clear understanding of what is expected of them and what they can expect of others.
- Be available to all young people leaving care whose final placement is in residential care aged 16, 17 or 18; where both the young person and the home want a Staying Close arrangement. The length of time that the young person has been living in the home should not be a barrier to accessing Staying Close, although those who have been there for a shorter period may not wish to continue those relationships.
- Involve planning early with the young person to make sure that any future Staying Close arrangement provides the right support. Leaving care is a process, not an event, and the planning and transition period should reflect the individual needs, views and wishes of the young person as far as reasonably possible.

48. We are inviting local authorities, through the Children's Social Care Innovation Programme, to bid to run pilots that we expect to begin in 2017. We will use the pilots to gather evidence of what works before introducing more widely.

Governance and accountability

Leadership of the residential care sector

49. Many of Sir Martin's recommendations will be challenging to deliver, and will require providers, commissioners, local authorities and other public services to work together to ensure that they have the collective impact that Sir Martin believes is possible.

50. Sir Martin recognises that effective sector leadership will be essential for achieving the level of change necessary to ensure we have a thriving residential care landscape that meets the needs of the children and young people it serves. In particular, he recommends that government supports the sector through the creation of a Residential Care Leadership Board to speed up implementation of the necessary improvements and ensure they happen consistently across the country.

51. In line with this recommendation we intend to create a Residential Care Leadership Board to lead the implementation of a range of Sir Martin's recommendations.

52. We envisage that the Board will drive change in the sector, working closely with local areas and stakeholders to ensure there is a shared improvement agenda that is owned and driven by the sector as a whole. We also expect the Leadership Board to advise and feed back to the government on progress, and the government will support the Board to develop a focussed programme of work which will set out clearly where it has an advisory function and where its role is around driving delivery.

53. The Board will bring together representatives from a range of backgrounds, including commissioners, providers, academics, and DfE officials and, importantly, those that represent the views of children and young people.

54. The government's long-term ambition is for sector leadership that drives more stability and permanence for looked after children. As Sir Martin has set out a clear programme of work to improve the residential care sector we want to create a vehicle to lead on the implementation of his recommendations first. Over the next year, and particularly at key milestones such as the completion of the national fostering stocktake, we will consider whether it is sensible to widen the scope of the Residential Care Leadership Board to bring together effective oversight and leadership of other elements of the children in care system.

The commissioning of residential care

55. Strong sector leadership will be particularly important for driving the recommendations Sir Martin makes in relation to commissioning. The annual cost of

caring for all children in residential care is around £1 billion per year. The cost for those in children's homes specifically is about £750m a year. It is critical that this substantial investment ensures that children receive the best possible care for the money spent, as well as delivering value for money for the taxpayer. Sir Martin found that improved commissioning, on a larger scale, could play an important role in extending placement choice and driving down costs.

56. In *Putting Children First* we were clear that we agree with this analysis and committed to using the Children's Social Care Innovation Programme to support local areas to develop commissioning arrangements that could lead to significant savings, wider placement choice and better outcomes for children. We have opened a targeted funding opportunity via the Innovation Programme to test new commissioning arrangements that bring together local authorities and providers to achieve better outcomes and improve the experiences of looked after children. We are welcoming bids which trial the formation of new regional consortia and those that blend the use of residential care with other placements and services to better support children. Within these new commissioning arrangements, we will encourage local authorities to consider using innovative services, including Linkmaker, to match children with the best placement for their needs. Improving commissioning arrangements will allow local authorities and consortia to provide greater stability for providers and ease new entry and expansion into the market. We will also work with the Department for Communities and Local Government to consider how planning practices can support effective local planning for new children's homes.

57. Ultimately, the implementation of many of Sir Martin's recommendations around commissioning relies on commissioners, providers and other local partners taking ownership for improving practice, and increasing dialogue and collaboration between partners on the commissioning and provider side. We expect the Residential Care Leadership Board to play a strong role in engaging with the wider sector to support the development of new approaches and ensure learning and best practice are shared and implemented.

Accountability and regulation

58. Sir Martin made a series of recommendations regarding Ofsted's inspection and regulation of children's homes. The majority of these are for Ofsted to consider. Eleanor Schooling, National Director, Social Care, at Ofsted, has responded directly to Sir Martin setting out Ofsted's response. A copy of her letter is attached as an annex to this document, in which she welcomes the report and recommendations and sets out what action Ofsted has taken and will take in response to the recommendations.

59. Sir Martin recommends that Ofsted should introduce "arrangements which will mean that, save in exceptional circumstances, homes achieving a good or outstanding rating will be inspected only once a year". He found that the frequency of inspection may

stifle innovation as it discourages homes to step outside their established routines and trial new ways of working.

60. We know from Ofsted's annual reports that the quality of children's homes has improved significantly in recent years. We agree with Sir Martin's analysis that this recommendation will allow good and outstanding providers to exercise their professional judgment and continue to deliver high quality outcomes for those in their care whilst reducing the administrative burden of inspection. The government is currently consulting on this proposal (consultation runs from 13 December 2016 to 17 January 2017) and a response to that consultation will be published in early 2017.

61. Sir Martin also recommended that the department discuss with Ofsted how arrangements for Regulation 44 visitors might be improved. Regulation 44 visitors are independent visitors who visit a children's home each month, and provide an additional check on quality. Sir Martin suggested that there might be scope to better link their work with Ofsted, and that we should explore whether Ofsted might have a role in approving and/or requiring the replacement of such visitors. We will discuss this with Ofsted.

62. Sir Martin expresses concern that the description 'Requires Improvement' has led to changes in the practice of commissioners who no longer place children in homes that are judged 'Requires Improvement', even though those homes remain adequate and, in some instances, might be the best placement for their individual needs. As Eleanor Schooling's letter to Sir Martin indicates, Ofsted will make arrangements to clarify their advice to local authorities to address those concerns. The government welcomes that. At the same time we are clear that local authorities should aspire to provide and commission children's homes that are consistently rated as good or outstanding and they should continue to seek to attain that standard for every home in which a child is placed. Over three quarters of children's homes are judged by Ofsted to be good or outstanding⁸, but we want to see that proportion continue to grow.

⁸ <https://www.gov.uk/government/statistics/local-authority-and-childrens-homes-in-england-inspection-outcomes-as-at-30-september-2016>

Next steps

63. The government is very grateful to Sir Martin for his report which will help shape our programme of work until the end of this Parliament. We are confident that successfully implementing his recommendations will lead to savings for local authorities, a more collaborative sector, a confident workforce, and most importantly, better care for children and young people living in children's homes.

64. Our immediate next steps are to progress the work we have begun on some of the key recommendations from Sir Martin's review. These are setting up a Residential Care Leadership Board, continuing the national fostering stocktake, issuing practical advice and guidance on restraint, and, via the Children's Social Care Innovation Programme, piloting variations of Staying Close, encouraging local authorities and other partners to come together to develop new and better commissioning arrangements for residential care placements, and supporting more dynamic and creative way to better support children and link seamlessly with other care placements and services.

65. We will publish policy briefs setting out in more detail the approaches we want to test via the Innovation Programme, on the Spring Consortium website⁹. We will assess all expressions of interest and award successful bidders funding to pilot different approaches to Staying Close and trial new commissioning arrangements. These approaches will then be rigorously evaluated before they are rolled out.

66. We are currently developing the terms of reference for the Residential Care Leadership Board. The Board will drive forward the delivery of recommendations that require cross-sector engagement and advise and feed back to the government on progress. We also anticipate that the board will play a key role in monitoring the implementation of Sir Martin's recommendations.

Summary of commitments

People and leadership

- We (the department) will work with awarding bodies to review the delivery of residential care qualifications where online learning methods are used.
- We will ensure that commissioners have the information that they need regarding evidence based programmes and approaches which are likely to prove effective in developing staff.

⁹ <http://springconsortium.com>

- We will monitor the impact of Scottish qualifications reforms to see whether they lead to better outcomes for children.
- We will commission and disseminate qualitative research on best practice on recruiting staff.
- We will work closely with the proposed regulator for social workers, Social Work England, (the establishment of which is currently before Parliament within the Children and Social Work Bill), and social work training providers, to explore proposals that social work students spend part of their placement in children's homes and the expectation that children's homes are managed by social work graduates.
- We will undertake a national fostering stocktake.
- We will continue to use the Children's Social Care Innovation Programme to fund creative approaches to providing high quality care and outcomes for children.
- We will promote models of care that the Innovation Programme finds to be effective.
- We will work with experts, including the Chief Social Worker, Isabelle Trowler, to create additional practical advice and guidance on the use of restraint.

Practice and systems

- We will work with the National Police Chiefs' Council (NPCC) and Association of Directors of Children's Services (ADCS), as well as other stakeholders, to co-produce a national concordat, drawing on the experience gained through the South East protocol, further to reduce offending and any residual, unnecessary criminalisation of children in care.
- We will set out in practice guidance the role a good children's home takes to avoid unnecessarily criminalising young people, including the use of restorative justice and working with the police.
- We will work with the National Police Chiefs' Council to highlight and clarify to frontline officers the existing discretion available to them in dealing with incidents to avoid unnecessarily criminalising children.
- We are developing options for how secure places can be better planned, co-ordinated and joined up at national level, to better meet the needs of young people needing secure accommodation.
- We will work with the Residential Care Leadership Board to explore how we might incentivise new providers and consider alternative models of secure provision.
- We will work with Ofsted and ADCS to investigate the apparent rise in single placement homes and whether this correlates to the decline in the number of secure places. We will also consider the effectiveness of these placements.
- Through the Residential Care Leadership Board, we will engage in a dialogue to develop a common understanding of the role and purpose of secure care.
- We will pilot different models of a 'Staying Close' offer for those leaving residential care. We will use the pilots to gather evidence of what works before introducing more widely.

Governance and accountability

- We will develop a Residential Care Leadership Board to drive change in the sector, working closely with local areas and stakeholders to ensure there is a shared improvement agenda that is owned and driven by the sector as a whole.
- To facilitate the improvement of local and regional commissioning we have opened a targeted funding opportunity, via the Innovation Programme, to test new commissioning arrangements.
- We will work with the Department for Communities and Local Government to consider how planning practices can support effective local planning for new children's homes.
- We are currently consulting on the proposal that, save in exceptional circumstances, homes achieving a "good" or "outstanding" rating will be inspected only once a year.
- We will discuss with Ofsted how Regulation 44 arrangements might be improved.

Annex

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23 August 2016
Sir Martin Narey

Eleanor Schooling
National Director Social Care

Dear Sir Martin,

Your independent review of children's residential care in England

Thank you for your in-depth review and your report which has brought to prominence many issues facing the residential care sector today.

We at Ofsted welcome the report, the range of evidence and recommendations made. In particular, we welcome the very strong message that residential care can be positive for children.

We acknowledge and thank you for the time that you took to discuss various matters with us and explore our views. We appreciate your opinion in your report that Ofsted carries out a difficult role well, and the chapter on Ofsted has given us much to think about. I have set out below some of the actions we have taken and will take in response to your recommendations relating to Ofsted.

Recommendation 18: I urge Ofsted to introduce arrangements which will mean that, save in exceptional circumstances, homes achieving a good or outstanding rating will be inspected only once a year.

The frequency of inspections is prescribed in regulations which are a matter for the DfE. However, Ofsted would support such a change as this is in line with our more proportionate approach to inspection, provided we have the ability to return more quickly to a children's home where we have concerns. We are in discussion with the DfE and support their intention to consult on this change.

Recommendation 19: I urge Ofsted to ensure that dialogue between homes and inspectors is the norm before, during and after inspection and that inspector performance assessment takes account of this requirement.

We encourage our inspectors to have dialogue with providers and provide advice when considered appropriate, and will continue to do so. However, Ofsted is the regulatory body for children's homes and as such we have to ensure that our relationships with providers recognise this and do not stray into operational activity.

We would find this difficult to have as a performance management measurement as some providers do not wish to engage and the very large providers communicate at a national level. However where there is a concern or complaint about inspector conduct whilst on inspection, this is always thoroughly investigated.

Recommendation 20: I urge the new Her Majesty's Chief Inspector of Education, Children's Services and Skills to review the practice of using one or two word judgments when inspecting children's homes. They can do a disservice to some thoughtful reporting.

As the new Chief Inspector does not start in her position until the end of the year we are not in a position to respond to this recommendation at present. However, we do have some concerns that if we moved to provide narrative judgments we would struggle to meet recommendation 18. Without graded judgments it would be less clear which homes are judged good and outstanding and, therefore, it would be more difficult to know which to only inspect once a year.

Recommendation 21: Commissioners should abandon blanket policies that rule out placements in homes which, essentially, are satisfactory. And Ofsted should no longer encourage authorities only to place children in good or outstanding homes.

We will ensure that reports for inspections of local authorities under the single inspection framework (SIF) do not state that they should only place in good and outstanding children's homes. We have reviewed published SIF reports to evaluate what has been written in respect of this matter. Where some have referred to local authorities only placing in good or outstanding homes these were simply factually accurate statements and were not intended to imply a policy position from Ofsted. However we acknowledge that this may be interpreted as a policy position. We intend to emphasise this in our next 'DCS Update' communication with Directors of Children's Services. We also made this clear at the recent ADCS conference in Manchester.

Recommendation 22: I urge Ofsted to clarify – very loudly – the reality that a requires improvement verdict means that a home is an adequate home.

As you may be aware we intend to introduce a Common Inspection Framework for all our regulated and inspected settings from April 2017. As part of the development work for this framework we will investigate whether we could amend the wording in reports so that the full name of that judgment is 'requires improvement to be good'.

Recommendation 23: I urge Ofsted to be more alive to the fact that a decision to place a child against the home manager's will, while best avoided, may sometimes be the right decision. They should be cautious about second-guessing such decisions.

Although we do not believe that this recommendation entirely relates to us as we have no role in placement decisions and these are for the providers themselves, we will review our guidance to ensure that inspectors are clear on their role in respect of admissions to children's homes.

Recommendation 24: Providers may want to consider whether it is appropriate for the manager necessarily to own what is essentially a veto on a placement. The Children's Homes Regulations state that the registered person must ensure that children are only admitted to a home if their needs are within the range catered for in the statement of purpose. In most instances, the manager is identified as the registered person. But the regulations allow either the manager or the provider to fulfil that role.

We have no comment to make as this recommendation is for providers.

Recommendation 25: I urge Ofsted to re-visit their inspection framework and acknowledge that, exceptionally; the use of restraint on particularly challenging children might not reduce over time.

This will be considered as part of the review of the grade descriptors for the introduction of the 'Social Care Common Inspection' framework.

Recommendation 26: I recommend that the Department for Education discuss with Ofsted how arrangements for Regulation 44 visitors might be improved, including whether Ofsted should have the power to approve the appointment and/or require the replacement of such visitors.

We are happy to discuss with the department how the arrangements for independent visitors could be improved. As you are aware, any changes to Ofsted's role would have resource implications. We would be concerned that this could add a layer of bureaucracy - it is for the provider to ensure that they employ suitable people. We would welcome an amendment to the regulations to state that independent visitors must have the appropriate skills and experience to carry out the role.

Yours sincerely

A handwritten signature in black ink, appearing to read "Eleanor Schooling", enclosed in a thin black rectangular border.

Eleanor Schooling

National Director, Social Care



Department
for Education

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