

Independent children's services alliance responds to Spending Review 2015

The Children's Services Development Group (CSDG) has called for urgent reform of the commissioning of children's services in order to produce better outcomes for looked-after children and ultimately save the state money.

In its representation to the Spending Review 2015, CSDG said that lack of rigour in commissioning by Local Authorities and a fundamental conflict of interest between their commissioning and provision arms can lead to children not being placed in the most suitable placement for them. This often leads to placement instability and ultimately poorer outcomes for the child, which cost taxpayers more in the long run through welfare, healthcare and criminal justice costs.

CSDG spokesperson, Lizzie Wills, said:

"By failing to commission services effectively, local authorities are costing the state more in the long run through multiple failed placements and ultimately worse outcomes for young people. CSDG are calling on the government to address this through urgent reform of commissioning structures to benefit both the young people in its care and the public purse."

CSDG highlighted evidence from the National Audit Office that outcomes for looked-after children have not improved for well in excess of five years. Care leavers are still much more likely to be not in education, employment or training (NEET) and remain over-represented in the homeless and adult prison populations. Not only is this bad for the young people, it also costs the state significantly more in expenditure on areas including the justice system, the NHS and welfare.

Placement stability is often an indicator of outcomes for looked after children. There is ample evidence that instability in education, home-life and relationships can adversely impact the life chances of the most vulnerable children in our society.

To reduce placement instability and promote better outcomes CSDG are calling for a more rigorous commissioning process which looks to find the best possible placement for a child first time. CSDG believes that a national outcomes framework would promote this by helping commissioners make placement decisions based on meaningful metrics rather than single year budgets or short-term assessments of affordability.

In its representation to the Spending Review, CSDG called for:

1. Multi-year budgets for local authorities to encourage strategic, longer-term planning;
2. Introduction of a national outcomes framework to benchmark all providers of children's services and facilitate better commissioning;
3. Separation of local commissioner and provider functions;
4. Commissioning of children's services on a level playing field across the public, voluntary and independent sector based on true cost-value comparisons;
5. Central government assistance for local authorities to map demand and existing capacity for specialist services within the system;
6. Support for a transparent, sustained dialogue between commissioners and providers to help facilitate joint working within the system.

ENDS

Notes to Editors:

1. For more information, please contact Catriona MacMahon at catrionamacmahon@westminsteradvisers.co.uk or on 0203 102 3621.
2. [CSDG](#) is an alliance of independent providers of care and specialist education services for children and young people with complex needs. Members include Acorn Care & Education, Foster Care Associates, National Fostering Agency, Options Group, Priory Group, SENAD Group and Witherslack Group.
3. To see CSDG's most recent report, which called for the introduction of a National Outcomes Framework, *Collaborating for better outcomes: final report form the Children's Services Taskforce*, please use this link on CSDG's [website](#). This report was published jointly with the Local Government Information Unit (LGIU).