

Children in Care

In the attached note, the Policy Unit suggest that large financial savings could be made if children who are currently looked after in Local Authority Community Homes were sent instead to independent boarding schools. They would then need to be looked after by paid 'part-time parents' during the holidays.

The potential savings calculated by the Policy Unit are very large, though I do wonder whether their idea could cause a lot of resentment among other parents, who not only provide a normal family life but also pay their children's school fees out of their own pockets.

It would also be interesting to find out why the costs of keeping a child in the Local Authority Community Home are so much greater than preparatory school fees. For most (though not perhaps all) children the degree of supervision required must be similar.

Would you like the Policy Unit to pursue these ideas further?

Yes - it would - and would be very diff with the children who would be different -

No.

Dms

mt,

DAVID BARCLAY

18 April 1984

18 April 1984

MR TURNBULL

CHILDREN IN CARE

There are 95,000 children in care in England and Wales. 70,000 of these are either boarded out, or left with guardians, or put into special schools and homes for the handicapped. The remaining 25,000 are in local authority Community Homes. Some of these are 'difficult cases' who have been confined to care because of heinous misdeeds. But most - about 15,000 - are fairly normal children, often more sinned against than sinning. They attend ordinary schools and use the Community Home only as an ersatz household.

The costs of keeping these relatively normal children in Homes are extremely high. A fairly thrifty authority like Hampshire spends about £10,000 per child per year, and high-spending Thameside manages an astonishing £12,195. To this, one must add the £1000 or £1500 that is spent on the child in school - making a total of between £11,000 and £13,500 per child per year.

The DHSS are aware of the extravagance, and are trying to diminish it by increasing the number of children sent to foster parents. But there are not enough suitable full-time foster-homes on offer. We believe that another possible solution deserves to be explored: the children might be sent to respectable independent boarding schools during term time, and then farmed out to part-year foster-parents during the school holidays. A good prep-school costs about £3,000 pa, and one might well find part-time parents willing to take on a child for, say, £100 a week or £2,000 for the whole holiday period. One might, in other words, save roughly £7,000 per child per year, and at the same time give the children a far better education. The total savings might eventually amount to as much as £100 million pa.

We are in contact with a highly respectable charity that is interested in promoting such a scheme, and we have tentatively asked DHSS to let us visit a number of Homes, so that we can get a feel for the character of the problem. But, before going any further, we would like to know whether the Prime Minister considers that the idea is worth pursuing. If she is in favour, we would begin serious study soon after Easter.

Oliver Letwin
OLIVER LETWIN

MINABV