

Children's Commissioner for England

Annual Report and Accounts 2018-19

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of the Children Act 2004.**

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1. Introduction by Anne Longfield, Children's Commissioner for England



There are almost 12 million children in England and most of them live healthy, safe and stable lives. These children are growing up in one of the wealthiest countries in the world. The opportunities and experiences that most of them have are beyond the childhood dreams of those of us a couple of generations further down life's path. Yet amongst these children, there are children whose childhoods are in crisis or on the edge of crisis. They may be struggling with

mental health conditions, they may be falling through the gaps in the education system, they may be living in a family where there are serious problems that leave them vulnerable and in need of help. Or they may be growing up in poverty. Often they are 'invisible' to the system that is supposed to be there to help them. Some of them live lives behind closed doors, locked away by the state for their own protection or the protection of others. Others are growing up in a care system that is struggling to meet expectation and demand.

As Children's Commissioner for England, I am here to speak up for all children and to be their eyes and ears in Government, but my priority remains those 2.3 million children with vulnerable family backgrounds. I regularly hear now from schools that they have to wash their pupils' clothes, feed them and sometimes even house them: one primary school head rang my office last year because two of her pupils were sleeping with their mother on a shop floor.

For these children, things have gone very wrong. They need help and it is our duty to provide it, but also to identify where the system is failing and to change it. My office is here to fight for a healthy, stable and safe childhood for every child in England. After all, the United Nations Convention on the Rights of the Child gives all of our children those rights in law.

We hold those principles dear and our mission is to rebalance the power between adults and children so that children's rights and interests are at the heart of the decisions made by government. So, when we uncover a children's mental health service that is failing too many children, we work with NHS England (NHSE) to ensure that their 10 Year Plan includes specific targets that mean more kids will receive the support they need. And when the internet giants refuse to take responsibility for what is hosted on platforms they know are used by children, we pressure the government to introduce a statutory duty of care.

Those are just two of the many issues we have shone a light on over the last year. As well as being a check on the system, I believe working with ministers and MPs achieves results, so I have worked with the Home Office as a member of its Serious Violence Taskforce, with the Chief Medical Officer on advice for families about children's social media use, with the Department for Digital, Culture, Media and

Sport on a duty of care for social media companies, with Ofsted on off-rolling and illegal schools, as well as with NHS England on the development of its long term plan. Our report and documentary on home education has prompted the Department for Education (DfE) to introduce a 'home schooled' register.

Through our Vulnerability Framework, now in its third year, we can also now show policy makers how many young children live in a household where an adult has all three of the most dangerous risk factors for children – violence, alcohol or drug dependence and severe mental disorders. We can tell you how many babies under 1 are in these households and where in the country they are living. Or how the number of children permanently excluded from primary school has doubled in 4 years, while permanent exclusions from secondary schools have increased by two thirds.

Along with our work on children's mental health, on keeping children safe from gangs and criminal exploitation, on children falling out of the school system and our vulnerability framework, we have continued to campaign for children to be given the power, information and the resilience they need in today's digital world. We have looked at how children's data is being shared, and how it could be exploited. We have reported on the importance of play in children's lives and how encouraging our children to play out should be a greater priority. Our special responsibility for children in care has been reflected in our third annual stability index, and the development of our website for looked after children, IMO. We have revealed the shocking number of children who are being kept in isolation in youth custody and argued for changes to Universal Credit to stop families from falling into debt and hunger.

Throughout, we acknowledge that there is plenty of excellent work to support the most vulnerable children by schools, councils and health professionals up and down the country. But often the system is failing or can't cope, and with the 30th anniversary of the landmark Children Act this year, I think it is time to focus on the 'forgotten' part of Section 17 of the Act – the duty of local authorities not just to safeguard children in need but to promote their welfare. The evidence shows that intervention in kids' lives needs to come before problems spiral, in order to be most effective. That's why this year I will produce a manifesto for childhood, to show how a society shaped around the needs of children should look.

I believe that while the world around us changes at a furious pace and each new generation brings new challenges for children and parents, the building blocks of a good childhood have not changed. Secure relationships, a decent home, inspiring schools, and support and encouragement to flourish are the foundations for a rewarding adult life. Yet far too many children are held back – invisible until they hit the headlines. In my last two years as Children's Commissioner I will continue to speak up for those children, and every other child in England, and to fight for their right to the healthy, stable and safe childhoods they all deserve.

A handwritten signature in black ink, appearing to read 'Anne Longfield', with a horizontal line underneath the name.

09 July 2019
Anne Longfield OBE
Children's Commissioner for England

2. What Children and Young People Have Told Us

“[In school] They don’t look at core issues that people have – just look at the behaviour they’re exhibiting and punish or exclude them. They need to be looking more at the roots of the problems.” (Child with special educational needs)

“They don’t really give you chances in mainstream. If you’re doing something wrong, they’ll just send you out straightaway, and I don’t think it should be the case.” (16 year old girl with special educational needs)

“I was put in what’s called isolation. I feel I spent most of my school life [in isolation], I spent one of my birthdays in isolation... I obviously didn’t want to sit and stare at a wall all day. Because no one wants to sit and stare at a wall all day.” (15 year old with autism)

“When you go on to social media, you’ve got like this sort of mask.” (Secondary school child)

“There was this girl last year... She literally tried to kill herself and only then was she referred to CAMHS. Like she had, she showed signs of so many mental health issues before that, she even went to teachers and said, I’m not feeling well, could you please refer me to CAMHS. And you know they said, no, we can’t. And it only took to the point where she’d literally tried to take her own life by drinking bleach that they actually realised.” (Older disabled girl)

“From experience I was picked on because of my ethnicity and because I didn’t fit into social norms at school, which is a society in itself. Bullying is about ignorance, not knowing what difference is and how to understand it.” (Older girl in youth group)

“It’s the increase in knife crime and children not having a place to go...a safe place to go.”(Older child in college)

“I hate walking in town, I just don’t like it, especially like down alleyways and that. I don’t like, especially when I’m on my own. It’s just too scary.” (Older child in alternative provision)

“I think there should be more community police officers walking around, on bikes because in cars you don’t really hear anything.” (Primary school child)

“The one [message] for the government is that we need to help the environment. If we’re not going to do something soon it’s going to die and there’s going to be nothing left.” (Primary school child)

“I think that we’ve got a whole heap of professionals that are involved in young people’s lives. But in the main they’re sat behind computers doing assessments.” (Older child with care experience)

“My first night in care was very exhausting and confusing as I had no idea of where I was going or heading. I ended up about 18 miles away from where I was living, with no idea of what was going on, honestly, I was extremely confused. I had been left alone with a family of strangers.” (Older child with care experience)

“Now at the age of 18, I really enjoy being Senior Apprentice Participation Worker. I want to give back to other young people who are or have been in care and help them face their issues and trauma as well as celebrate all the amazing things they do.” (Care leaver)

“You should be more proud of yourself. Try to open up more. Try to get along with your carer. The future is in your favour. You can get through. Hold on tight. (Teenager in a message to his younger self)

3. The Performance Report

This section details the Office of the Children's Commissioner (OCC) organisational structure and performance and its key issues and risks.

3.1 Statement by the Children's Commissioner on the performance of her Office 2018-19

- 3.1.1 This reports presents work undertaken during 2018 and 2019 and its impact on children in England, especially the most vulnerable.
- 3.1.2 Independent from Government and answerable to Parliament, the Children's Commissioner has been given a number of unique powers to deliver the role, namely the power to gather data from public sources and the power to enter any premises where children are away from home to learn more about their welfare. The Office of the Children's Commissioner has a staff of 30, including two care leaver apprenticeships.
- 3.1.3 Over the last year, we have strengthened our data gathering, evidence and engagement teams, with a particular emphasis on strengthening our qualitative research capabilities. Our experienced communications specialists and public affairs team continue to highlight the issues affecting children and young people. Together, the work of the Office of the Children's Commissioner continues to have an impact on politicians and policy and decision makers to bring about change and to influence and shape the many debates around improving children's lives.

Key Risks and Issues 2018-19

3.1.4. The key strategic risks during 2018-19 were:

- a) Failure to achieve positive change for vulnerable children;
- b) Failure to effectively deliver our business plan; and
- c) Operational failure.

3.1.5. Implications of these risks were as follows:

- a) Children's risks are not reduced;
- b) There is little impact from our work; and
- c) This could result in OCC being unable to effectively deliver its work.

3.1.6. The Senior Management Team implements an assurance framework to provide audit evidence and assurance on risk mitigation controls. The assurance framework affords the Senior Management Team, Audit and Risk Committee members and internal auditors the opportunity to test the accuracy, completeness and reliability of assumptions made, together with the sources of assurances.

3.1.7 The Audit and Risk Committee reviews, scrutinises and challenges the strategic risk register and provides advice to the Commissioner.

3.1.8 We have consulted widely to produce qualitative and quantitative research data that both informs policy and shapes the direction of our work programme. We have undertaken a comprehensive review of strategic risk to strengthen internal controls; incorporating safeguarding, communications, data protection, governance, finance systems and business support operations. Assurances from audits have been favourable and indicative of the enhancements that have been made over the last year.

3.1.9 The 2019 Tailored Review of the OCC concluded that the work of the organisation is underpinned by proportionate governance arrangements, commensurate with the size, type, accountability and financial risk held by the organisation.

A number of steps were taken to mitigate risk including:

- consulting widely to inform development of our annual programme of activity and ongoing consultation with stakeholders;
- recruitment of a highly skilled wider team to further develop our evidence and strategic capacity;
- a review of key policies around data and information to support implementation of the General Data Protection Act 2018.

Going Concern

3.1.10 The Office of the Children's Commissioner, as a non-departmental public body (NDPB) of the Department for Education, is funded by grant-in-aid. The Department's estimates and forward plans include provision for OCC's continuation and it is therefore appropriate to prepare these accounts on a going concern basis.

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The year in review

2018 - 2019

Strategic objective	Key activities
 Children's wellbeing and digital children	<p>We were concerned about how children's data was being used online without their knowledge. In November, we published 'Who Knows What About Me?' which looked at how vast amounts of children's data is collected as children grow up. The report made a number of recommendations around strengthening data protection laws, transparency around algorithms and called for companies producing apps and toys to inform parents and children that data would be tracked.</p> <p>This year we wanted to make social media companies more accountable for harm experienced by children on their platforms, so we worked with the law firm Schillings to publish a draft statutory duty of care law. This work has impacted on the Government's Online Harms White Paper.</p> <p>We know children are spending longer online from a younger age but physical play remains a critical part of childhood. Our report 'Playing Out' recommended making children's play a public health priority and providing more funding for holiday play schemes.</p>
 Children in care	<p>We often hear from children who are being forced to move from their care placement when they don't want to, so our Stability Index charts improvements or declines in stability in the care system. This year we have given detailed reports to 78 local areas to help them understand how well they're doing compared to other areas, and which groups of children to focus on supporting more. The Stability Index also provides data for the DfE's National Stability Forum for looked after children.</p> <p>We provide representation and advice to children in care and care leavers through our Help at Hand service. This year the service received over 1,200 enquiries. A quarter of those are about care planning, transitions at 18 and care leavers' rights. Issues around homelessness and housing are frequently raised along with resettlement from a custodial sentence and immigration status.</p> <p>We wanted to provide a positive online meeting place for children in the care system. Our digital platform, IMO ('in my opinion') went live last summer. By April 2019 it was receiving over 7,000 views per month and had amassed a social media following of 1,700. Supported by generous donations from, among others, the BBC, Google, Headspace, Audible and Scott Cinemas, IMO offers opportunities, experiences and gifts to support the social and emotional wellbeing of children in care and care leavers but more importantly, it's a way for them to make themselves heard.</p>
 Children behind closed doors	<p>During regular visits to children living in institutions like secure training centres and hospitals we became concerned about the use of restraint and segregation. Our report looking at the use of segregation in youth custody showed an increase in the number of episodes even as the overall number of children detained has fallen. We revealed the average length of period of detention has doubled from 8 to 16 days.</p> <p>In response to shocking stories of children with learning disabilities being locked up in hospitals, in May we published 'Far less than they deserve', a report showing how too many children are being admitted to secure hospitals unnecessarily – in some cases spending months and years of their childhood in institutions far from home, instead of in the community.</p> <p>Far too little is known about children in secure institutions in England. Our report 'Who are they? Where are they?' gathered together for the first time all the data available about children who are locked up. We found there are 1,465 children in England securely detained and that the government are spending around £300m a year on holding them. There are over 200 children locked away but whose whereabouts in the system are 'invisible'.</p>

Strategic objective

Key activities



Invisible children

Our annual Vulnerability Framework maps the extent of childhood vulnerability in England. This year we found that 723,000 children are currently receiving statutory support or intervention for any vulnerability - slightly higher than last year's figure of 710,000. We estimate that 2.3 million children are from vulnerable family backgrounds and that 1.43 million children are known to services, while the remaining 829,000 are invisible to services.

We were concerned about the rise in home education, particularly in cases where families feel like they have no other choice. In February we published 'Skipping School', alongside a C4 Dispatches documentary presented by the Children's Commissioner, which looked at how many children have become invisible in the system through "off-rolling" or illegal exclusion. We found there are tens of thousands of children receiving no education at all. Our report called for a home education register, which the Government has now backed.

In response to widespread concern about rising levels of gang violence, our report 'Keeping Kids Safe' estimated there are 27,000 children identifying as a gang member in England, with only a fraction known to social services. Our research looked at the characteristics of children involved in gangs and shows how the warning signs of gang-based violence have been on the rise.

We are concerned that children are not getting the early help they need to avoid problems spiralling into crisis. We used our data-gathering powers to look at how much local areas spend on low level mental health and on speech and language therapy. Both of these reports revealed a postcode lottery of spending - leaving too many children without the support they need.



Putting children at the heart of policy-making

The views of children in England influence all the work we do. Our team speaks regularly to children in primary and secondary schools, pupil referral units, youth custody and in hospitals. Our focus groups and interviews with children in different settings and with different life experiences have been at the heart of our work on special educational needs, homelessness, mental health hospitals, play and children missing from school.

We have continued to shine a light on how the roll-out of Universal Credit has affected families with children, providing briefings to Ministers and MPs. We have heard first hand about how parents have been forced to use foodbanks, and we have shown how councils can use housing benefit data to predict how Universal Credit will impact on households.

We are concerned that pressures on council budgets mean that they are struggling to even fulfil their legal responsibilities towards children in need. We have worked closely with 12 local authorities to understand how much they spend on different groups of vulnerable children in order to inform the Government's next Spending Review. We found councils spend a huge amount of their children's services budget on a few children with acute needs.



"I think that we've got a whole heap of professionals that are involved in young people's lives. But in the main they're sat behind computers doing assessments."

Child with care experience

The Year in Summary

- 3.1.11 Over the last twelve months, we have continued to focus on four key groups of children: ‘invisible’ children, children’s wellbeing and digital lives, children living behind closed doors and children growing up in care.
- 3.1.12 Our work has been reported to Government departments, Ministers and Parliamentarians, as well as reported extensively in the media. The Children’s Commissioner and her office have provided written and oral evidence to a number of Parliamentary select committees over the last year including the Public Accounts Committee, Home Affairs Committee, Health Committee, Ministry of Housing, Communities and Local Government Committee, Science and Technology Committee and Education Committee. We have also responded formally to five government consultations, including the NHS Ten Year Plan, the Internet Safety White Paper, relationships and sex education, home education and the new Ofsted framework.
- 3.1.13 We continue to meet and liaise with a wide range of Government bodies, associations and professionals including Secretaries of State and senior civil servants, the Information Commissioner, the Victims’ Commissioner, Ofsted, the CQC, Police and Crime Commissioners, Directors of Children’s Services, the Youth Justice Board. The Children’s Commissioner is a member of the Government’s Serious Violence Taskforce and the UK Council for Internet Safety and attends the National Stability Forum for children in care. The Children’s Commissioner is a member of the National Preventative Mechanism, a statutory group of organisations which reports to the United Nations on the prevention of torture, and chairs the children’s sub group. The Children’s Commissioner remains a Designated Body for super complaints about aspects of policing (under section 29B(1) and (2)(a) of the Police Reform Act 2002).

3.1.14 Strategic objective: Invisible Children

- 3.1.15 We define ‘invisible’ children as those children with additional needs not in receipt of specialist or statutory services. The Children’s Commissioner’s Vulnerability Framework is the first systematic attempt to gather all the information known about childhood vulnerability, as well as what is not known, in one place. This helps guide the work of the Children’s Commissioner in identifying where further investigation may be required to assess the issues faced by particular vulnerable groups because current data is inadequate. These include knowledge about the numbers of children in mental health or other forms of detention, or the issue of off-rolling, where there are hidden issues facing children invisible to the system. The difficulties experienced by groups of marginalised, excluded, invisible children whose needs are not being recognised or met by local services have hit public consciousness over the past year in a series of shocking incidents where children have been involved in knife crime. Children should not have to hit the headlines before their needs are recognised.

- 3.1.16 This year's third annual vulnerability framework produces estimates of rates of vulnerability by local area. These figures show our estimates of the numbers of children living in households where there are issues of domestic abuse, parental mental ill-health, or drug/alcohol dependency. The data will be available in the form of interactive maps on our website, along with the underlying data for download.
- 3.1.17 Our analysis of aggregate vulnerability finds that 723,000 children are currently receiving statutory support or intervention for any vulnerability. This is slightly higher than last year's figure of 710,000. This year we have refined our measure of the number of children with complex family needs. We estimate that 2.3 million are from vulnerable family backgrounds. Due to some methodological changes, this number is not quite comparable to our figure of 2.1 million from last year.
- 3.1.18 We have also refined our assessment of the scale of unmet need among this group of 2.3 million children. Our vulnerability report estimates that 1.43 million children are known to services, while the remaining 829,000 are invisible to services. This works out to more than a third of children from vulnerable family backgrounds.
- 3.1.19 Within the 1.4 million children who are known to services, we have also estimated how many children receive different levels of support. We estimate that around just under half of this group – 669,000 children – are receiving formal support, including around 397,000 receiving statutory support through children's social care. The rest of this group – some 760,000 children – may be receiving early help or other light-touch support, or may simply be identified to services without receiving any meaningful support.
- 3.1.20 Across children's social care, special educational needs (SEN) support and the criminal justice system, we see that the intensive services and interventions provided by the state are becoming increasingly concentrated on smaller groups of children with the most complex needs. For example, the report shows how rates of children referred to children's social care (per 10,000 children) have increased from 448 in 2012/13, to 490 in 2017/18. Those who do become a Child in Need are now slightly more likely to be on a child protection plan than previously.
- 3.1.21 The proportion of children receiving any SEN support has fallen from roughly 20% in 2009/10 to 15% in 2017/18 – but the proportion with SEN statement or Education, Health and Care (EHC) plans has remained flat at around 3%. These children are therefore a growing share of those who receive any SEN support. And while the size of the youth custody population has fallen, it has become a cohort that is more violent on average. The proportion of children in youth custody who had committed a violent offence has risen from 21% in 2012 to 40% in 2018.
- 3.1.22 However, there remain significant data gaps around the support provided to children who do not meet the thresholds – for example children who do not qualify for child protection plans, SEN statements, EHC or EHC plans.

- 3.1.23 Similarly, our data allows us to identify certain vulnerabilities which have become less prevalent over time, for example, the number of children cautioned or convicted of a criminal offence has fallen by 75% from 2008 to 2018, and the proportion of children aged 16-17 who are not in education, employment or training (NEET) has steadily fallen over time, from 9% in 2005 to 4% in 2018. However, the fact that it is not zero, despite the school leaving age now being 18, is still a cause for concern.
- 3.1.24 Having established this data framework for children, our priority is now to embed intelligent data at the heart of decision-making. Through a new initiative called Data for Children, with partners including the Official for National Statistics and the Economic and Social Research Council, we want to improve the quality and use of the data that Government and others hold about children. At the moment, far too many children fall through the gaps in existing data and too much vulnerability is hidden or invisible by current measurement. By linking national data, it will be possible to get a richer understanding of the household contexts of children.
- 3.1.25 This knowledge will create a vital resource about vulnerability in childhood that will help Government and society better meet need and address specific policy problems, as well as undertaking scientific research to understand causes of children's outcomes. In time this will enable us more accurately to report on trends in vulnerability and need, help society and government ensure that children's needs are better met, that children's views are heard with impact and that provision for children and families has fewer gaps, resulting in fewer invisible and missing children and improvements to the wellbeing and welfare of children through more efficient service provision, better join up of services and a greater focus on children's wellbeing.
- 3.1.26 Our report 'A Crying Shame', published in October 2018, exposed the gap in services for babies and young children living in households where the so-called 'toxic trio' of parental drug and alcohol abuse, severe mental illness and domestic violence are present. These children are known to be at particular risk of abuse and neglect, yet we estimate there are tens of thousands of young children living in households where such risks are present.
- 3.1.27 Some 30,000, including 3,300 babies under 1, are not on child protection plans. Analysis from the Department for Education last year found 1.1 million children – almost 1 in 10 – were known to children's social care over a 3 year period and classified as at risk of abuse or neglect, dealing with domestic violence or parental ill health or substance abuse (or all three), or in a family classified as being in "extreme stress". However, the commitment in the Conservative manifesto to examine the support available to these 'children in need' was shrunk to a review of their educational outcomes. This review showed that the support being offered to these children is not doing enough to help as only a quarter of children in need reach the expected standard of development at primary school, while average attainment at the end of secondary school is half that of the rest of the population.

- 3.1.28 We have been calling for a better deal for children with mental health problems, including ensuring that all children can access support and that funding for children's mental health rises as a proportion of overall spending. We were pleased to see these commitments in the NHS Long Term Plan. We now want to see faster action on waiting times and access to early support, such as counselling in schools.
- 3.1.29 Our latest vulnerability report shows the proportion of children aged 5-15 with any mental health issue has increased very slightly, from just under 10% in 1999 to just over 11% in 2017. Rising prevalence of emotional disorders has been mostly, but not entirely, offset by falling prevalence of behavioural disorders. There has been a faster increase in the prevalence of mental health issues among girls aged 11-15: from 9% in 1999 to 13% in 2017. This has been driven by an increase of more than 50% in the prevalence of emotional disorders, especially anxiety and depression.
- 3.1.30 In order to shine a light on access to early help, last year we issued a statutory information request where we asked for every Clinical Commissioning Group (CCG) Accountable Officer, Director of Children's Services (DCS) and Director of Public Health to tell us how much they spend on non-specialist mental health services: a use of our data-gathering powers to map provision which has never been mapped before. The results showed significant variation in spending, with many areas also seeing spend per child fall, in spite of rising demand and an overall increase in funding.
- 3.1.31 Our report 'Early access to mental health support', reveals just £14.15 per child is spent on non-specialist mental health services in England, with the amounts varying according to the generosity of local authorities and NHS clinical commissioning groups: a classic postcode lottery.
- 3.1.32 We are sharing the data we collected with Public Health England, NHS England and the Department for Education – the bodies who should be monitoring this provision and working with them to encourage them to gather this information themselves in future, in order to hold the system to account and to ensure that children are receiving the services they need. Until it is collected by central Government, we will continue to collect it ourselves, with a second data collection planned for 2020-21. We are pleased that Simon Stevens, Chief Executive of NHS England, has personally pledged to Parliament that NHSE will work with us on this and we will update Parliament on progress during the year.
- 3.1.33 Our 2018/19 Children's Mental Health Briefing published in November 2018 showed that despite some improvements, on the ground progress remains frustratingly slow, meaning too few children are getting help from CAMHS, with long waiting lists and high numbers turned away. To assess progress against the NHS' stated targets and to enable proper scrutiny of local decisions, we will repeat our Mental Health Briefing in 2019/20 to see whether local areas that performed poorly have improved.

- 3.1.34 We also used our data-gathering power this year to survey local areas and find out about speech and language support - who spends what, where services are underfunded, and how long children are having to wait. One in 25 primary school children has speech and language additional needs, and this can affect much more than their education – it has a proven long term impact on mental health and employment.
- 3.1.35 The report, 'We Need To Talk', finds that over half of areas in England that reported spend (57%) saw a real-terms decrease in spending between 2016/17 and 2018/19. This comes despite the Government's ambition in its Social Mobility Action Plan to tackle the 'word gap' in the early years.
- 3.1.36 It also finds that the total reported spend by councils and CCGs on SLT services in 2018/19 was around £166m, or £10.12 per child. However, there are substantial variations between different regions of the country. The top 25% of areas spent at least £16.35 per child, while the bottom 25% of areas spent 58p or less per child. Amongst children with an identified speech and language need, the top 25% of local authorities spent at least £291.65 per child, with the bottom 25% of local authorities spending £30.94 or less.
- 3.1.37 The report also shows that spending on speech and language therapy (SLT) services is actually falling in many parts of the country, with only 1 in 4 areas (23%) seeing a real-terms increase in spend per child between 2016/17 and 2018/19. Nearly 3 in 5 areas (57%) saw a real-terms fall in spend per child. Almost two-thirds of areas (63%) saw local authority spend per child decline in real terms while over three quarters of areas (77%) experienced a decline in CCG spend per child in real terms.
- 3.1.38 The report finds that only half of health and local authorities in England are jointly commissioning services, even though they are expected to do so for children with identified special educational needs. This is concerning, as it means that local areas are not joining up all the different information that they hold and are unable to ensure that they are providing services for all children in the area who need them, and that none are falling through the gaps.
- 3.1.39 The Children's Commissioner calls for local areas to be held to account for the support they provide for children by collecting expenditure data on an ongoing basis. We will seek to work with other statutory bodies in order to collect this data. If this is not achieved within the next two years, then we will endeavour to repeat this exercise and will also publish the figures for each council and CCG.
- 3.1.40 This year, we have also spoken to children and families with special educational needs who have been excluded from school. Their stories highlighted the frustrations felt by families who are not getting access to the help they need in time to prevent exclusion from school and even after exclusion occurs.
- 3.1.41 We have continued to shine a light on children who are falling through the gaps in education. In February we published our report 'Skipping School', which

described how many children have become invisible in the system through the practices of off-rolling or illegal exclusion. Our report was published alongside a C4 Dispatches documentary presented by Anne Longfield, into the same subject. 'Skipping School' notes that while there are many parents who make a positive philosophical choice to educate their children at home, and do an excellent job, this is not always the case. There are tens of thousands of children in England receiving no school education and many of them are 'off-grid'.

- 3.1.42 The report called for a compulsory home education register, stronger measures to tackle off-rolling, more support for families who do home educate, a greater oversight of home schooled children and decisive action against unregistered schools. Later this year, we will collect data from all councils in England and publish it, school by school, identifying which schools have high numbers of children being withdrawn into home education. Following the publication of our report, the Government announced the introduction of a register of children who are schooled at home and more support for parents who are home-schooling – both recommendations made in our report. Over the last year, the Children's Commissioner has also accompanied Ofsted on a series of inspections of unregistered and suspected illegal schools.
- 3.1.43 We will continue to shine a light on the problem of rising exclusions and off-rolling from the school system. Whilst exclusions have risen 67% since 2012/13, there is no evidence behaviour patterns have changed. The children who are being excluded are highly vulnerable: half of them have mental health problems, a similar number also have special educational needs or disabilities (SEND). All this suggests that schools' tolerance of disruptive behaviour and the underlying causes (including poor mental health and SEND) are reducing.
- 3.1.44 The analysis we published this year found that this is only happening in a small minority of schools. We found that just 10% of schools in England are responsible for a staggering 88% of all exclusions. If we narrow our analysis to London, we find exactly the same pattern: 10% of schools in the capital accounting for 88% of exclusions. Our previous sample research in 11 local authority areas found a similar pattern – 10% of schools were responsible for the majority of off-rolling. The statistics show a minority of schools which appear far too willing to get vulnerable children out the door, but also show schools in areas where there are gangs and schools serving children with high-levels of need, which are doing everything they can to keep these children close.
- 3.1.45 This year we published qualitative research that gave voice to the experiences of children with SEND who had been excluded from school. The report highlights issues around the lack of early support and the need for appropriate diagnoses and assessments as well as reminding us that children with SEND can often be put in isolation and be subjected to both official and unofficial exclusions. Not only were children and parents left counting the cost of the emotional impact of these decisions, they were clear that they felt exclusion from school had hindered their education.

- 3.1.46 We will continue to challenge the schools that see vulnerable children as a problem to be passed on while celebrating those working with vulnerable children to give them the stability and support missing elsewhere in their lives.
- 3.1.47 Children excluded from school are more at risk of getting involved in criminal activity and violence. Our report 'Keeping Kids Safe: Improving safeguarding responses to gang violence and criminal exploitation' was published in February 2019, to coincide with a summit hosted by the Children's Commissioner involving Police and Crime Commissioners, senior police officers, Ofsted and chairs from local authority children's safeguarding boards.
- 3.1.48 The report was an in-depth study looking at children in England who are members of gangs. We estimate that there are 27,000 children identifying as a gang member, only a fraction of whom are known to children's services. An estimated 34,000 children know a gang member who has experienced serious violence in the last year. The research looks into the characteristics of children involved in gangs and shows how a number of early warning signs of gang-based violence have been on the rise in recent years.
- 3.1.49 As part of our research, 25 Local Safeguarding Children Boards in high risk areas were asked about their response to gang violence and criminal exploitation, including estimates of the numbers of children in gangs or at risk of being drawn into gangs. The responses showed many areas had no information at all. The report calls on Government to make child criminal exploitation a national priority and to put more emphasis on early years support for families.
- 3.1.50 Following on from our research, we are working with several police force areas to understand best practice in terms of identifying children at risk. We will share this learning nationally through the Serious Violence Taskforce, which Anne Longfield was invited to join in 2018, and encourage ministers to lead this work with police forces and local services throughout the country. Our aim is to ensure that the successors to local safeguarding boards will be much better placed to lead the response to these serious threats to children.
- 3.1.51 When a family ends up in financial difficulty there is a risk that they will lose access to stable housing and end up in temporary accommodation. Our report to be published later this year has found that too many children are living in families at risk of falling into temporary accommodation. We heard from families living in hostels, B&Bs and other forms of temporary housing such as shipping containers - who were dealing with cramped and unhealthy conditions, violence happening on their doorsteps and we spoke to children who didn't have safe spaces to play.
- 3.1.52 Following on from last year's work on what we spend on children, we have worked closely with 12 local authorities to understand how much they spend on different groups of vulnerable children, in order to inform the Government's Spending Review. We have found that councils spend a huge amount of their children's services budget on a small number of children with acute needs,

and that a shortage of places in specialist children's homes and foster provision is pushing up costs for this cohort.

- 3.1.53 One local authority reported to us that they were spending 5% of their budget supporting eight children, leaving less than 1% of their budget to support over 500 children accessing early help. There is also a growing number of children with very high special educational needs, in particular those with autism spectrum disorder, and the cost of providing school places and much needed wider care for this group inevitably adds to funding pressures on other services.
- 3.1.54 Our work in these areas is highlighting where money is spent but also showing where there are big opportunities to support children more effectively in targeted early help for families. In the hard-pressed world of children's services we cannot afford to spend money badly. This analysis informs our work on the Government's Spending Review, for the first time putting the needs of children at the heart of national decision-making around spend.

3.1.55 Strategic Objective: Behind Closed Doors

- 3.1.56 The Children's Commissioner has powers under Section 2E of the Children Act 2004, to enter any premises other than a private home, to speak to children and observe the standard of their care. We regularly visit children in young offender institutions, secure training centres and secure children's homes, and long-stay patients in NHS secure units, to understand their experiences and inform our policy work.
- 3.1.57 Our report looking at the use of segregation in youth custody in England and Wales published in October 2018 showed an increase in the number of episodes even as the overall number of children detained has fallen. The report shows the average length of periods of detention has doubled from 8 to 16 days, with seven out of ten episodes of segregation in Young Offender Institutions (YOIs) lasting over a week. The number of episodes of segregation in Secure Training Centres (STCs) has also risen and is now (on a pro rata basis) approximately 33 times higher, though it is likely this is influenced by changes in how data is recorded.
- 3.1.58 It is clear that the lack of transparency in the recording of segregation needs to be corrected. Figures for the number and average length of periods of segregations are not published at all for YOIs, and for STCs and Secure Childrens Homes (SCHs) only the number of separations is recorded in the Youth Justice Statistics. Figures for all segregations of young people should be collected centrally and included in the Youth Justice Statistics. We will continue to campaign for improved transparency and accountability across the whole system.
- 3.1.59 To coincide with the publication of our report, the Children's Commissioner appeared before the Human Rights Select Committee to give evidence as part of their investigation into the use of restraint and segregation in youth custody.

The Select Committee's final report cites our work and makes a number of recommendations which we also called for in our report.

- 3.1.60 After hearing repeated concerns over failures in resettlement planning for young people leaving YOIs and STCs, this year we have worked with institutions to help ensure that children leaving custody get access to appropriate accommodation. This project is helping us to identify the barriers to effective reintegration into the community – housing, mental health and educational support. Our focus on resettlement provision for looked after children released from custody has found a system bedevilled by administrative confusion and buck-passing, with Young Offender Institutions and Secure Training Centres blaming local authorities for failing to provide adequate accommodation in time for release, LAs blaming YOIs and STCs for failing to provide adequate information in time, and all of them blaming CAMHS for failing to offer the community support needed for many of these children to be released safely. A system built around bureaucratic boundaries which is additionally hamstrung by funding cuts and service constraints is not meeting the needs of this highly vulnerable cohort of young people.
- 3.1.61 We will also continue our programme of visits to children in the criminal justice estate. Where possible, we have continued to take influential policy-makers with us on these visits.
- 3.1.62 We have undertaken research this year to try to answer the question of how many children are living in secure settings in England and where they are accommodated. The report, "Who are they? Where are they? Children locked up" gathers together for the first time all the data currently available about some of the most vulnerable children in England – those living in secure children's homes, youth justice settings, mental health wards and other residential placements, either for their own safety or the safety of others. The report seeks to identify who these children are and where they are living, the costs of keeping them locked up, whether these institutions always meet their complex needs and whether different decisions could have been taken to prevent these children being locked away. It reveals there were 1,465 children in England securely detained in 2018, of whom 873 were in held in youth justice settings, 505 were in mental health wards and 87 were in secure children's homes for their own welfare. However, this number is likely to be an underestimate due to gaps in the data.
- 3.1.63 The report also shows how we spend around £300m a year on 1,465 children in England – excluding what we spend on those 'invisible' children whose settings we don't have information about. There are an additional 211 children whose Deprivation of Liberty has been authorised by a court, who are locked away but whose whereabouts in the system is invisible. These are children who do not show up in the published data because they don't fit into any of the categories for which there is published data. This number is also likely to be an underestimate. We do not know where these children live or how long they have been there. Even for those children we know about, there is only limited information about how long children stay in secure settings, how long they wait

for a place, whether they face delays in the transfer of care to the community and what happens when they leave.

- 3.1.64 In May 2019, we published 'Far less than they deserve: Children with learning disabilities or autism living in mental health hospitals'. The report shows how too many children are being admitted to secure hospitals unnecessarily – in some cases spending months or even years of their childhood in institutions when they should be in their community. It warns that the current system of support for those with learning disabilities or autism is letting down some of the most vulnerable children in the country. The report also found shocking evidence of poor and restrictive practices including sedation, with some children telling the Children's Commissioner of how their stay in mental health hospital has been traumatic, and parents too often left feeling powerless to do anything to intervene.
- 3.1.65 The report reveals the numbers of these children identified in mental health hospitals is increasing – despite government targets to slash the numbers of people with a learning disability or autism in hospital. 250 children with a learning disability or autism were identified in a mental health hospital in England in February 2019, compared to 110 in March 2015. Nearly three quarters of these children have autism but not a learning disability.
- 3.1.66 Around 1 in 7 have a learning disability only, and another 1 in 7 have both. We also discovered children are being detained in hospital for too long. Data provided to the Children's Commissioner's Office by NHS Digital shows that on average, children with autism and/or a learning disability had spent 6 months (184 days) living in their current hospital, and 8 months (240 days) in inpatient care in total. Around 1 in 7 children had spent at least a year in their current hospital spell with their current provider; all could have returned home if support was available.
- 3.1.67 Sadly, children in mental health hospitals are usually being placed far from their family and home, making it very difficult for families to visit. Data provided to the Children's Commissioner's Office reveals that 95 children were staying in a ward known to be more than 50 km (31 miles) from home. This accounts for roughly half of the children for whom the distance from home was actually recorded. 55 children (nearly a third) were in a ward known to be more than 100km (62 miles) from home. Nearly 1 in 4 children (60 children) had a total length of stay of at least 6 months and were in a ward at least 50 km (31 miles) from home. Around 1 in 10 children (25 children) had a total length of stay of at least a year and were in a ward at least 100km (62 miles) from home.
- 3.1.68 The report also finds the quality of care in hospitals is highly variable. Some families told the Children's Commissioner about the excellent support their children had received, but others had shocking stories to tell. Others said the physical care needs of their children had been neglected, with one family saying their son had not been washed for six months while in hospital. Many parents feel they are being shut out of decisions about their children's care and are not always informed about incidents involving their children. Others told how serious incidents had happened in hospital without families being told.

Some families had even faced gagging orders where they had been prevented from speaking out about their children's care.

3.1.69 Strategic objective: Children's wellbeing and digital lives

- 3.1.70 Over the last year, we have built on the success of our 'Growing up Digital' and 'Life in Likes' reports, with new projects aimed at ensuring that children have the resilience, information and power to engage online.
- 3.1.71 Our report 'Who Knows What about Me?' published in November 2018 looks at how vast amounts of children's data is collected as children grow up, which often the child and parents are unaware of. The report found children's data footprints begin from the very moment when their parents proudly upload that first baby photo to social media. On average, by the age of 13, parents have posted 1300 photos and videos of their child to social media. The amount of information explodes when children themselves start engaging on these platforms: on average children post to social media 26 times per day – a total of nearly 70,000 posts by age 18. The report considered the way this may shape children's lives now and in the future. With the rise of artificial intelligence, algorithms and profiling, children may find that information shared about them during childhood has a significant impact throughout their lives. What if sensitive information about their mental health on social media limits their access to health insurance? What if they can't get a job or university place because an educational app said that they were behind when they were just 4 years old?
- 3.1.72 The report made a number of recommendations around strengthening data protection laws, transparency around algorithms and called for companies producing apps and toys to inform parents and children that data would be tracked. It also called for schools to teach children about how their data is collected and used and how to take control of their data footprint. The report was accompanied with our guide for parents on how to protect children's data.
- 3.1.73 The report also called for a statutory duty of care that would make social media companies accountable for harms experienced by children on their platforms. In February 2019, working with the law firm Schillings, we published a draft statutory duty of care law that showed how a duty of care can redress some of the balance of power between children and tech companies. During our meetings with tech companies this year, we have heard them say that protecting children on their platforms is difficult. They say sometimes to try to avoid protections they have put in place, children lie about their age to gain access to platforms they are not technically allowed to be on. As the proposed duty of care makes clear, this does not absolve companies of their responsibility. We have called for significant sanctions when social media companies fail to meet their duties, including General Data Protection Regulations (GDPR) style fines alongside a public statement on the platforms setting out what has gone wrong, what fine they have been given and what they are doing to fix it.

- 3.1.74 Our work on children's wellbeing and digital lives has impacted on the Government's Online Harms White Paper. Their proposals for a statutory duty of care is a big step forward and we hope it will be a turning point where the digital world is reimagined to make it a place children can have confidence in. We hope the Government will be decisive and bold and that any new regulator will have strong powers to represent children.
- 3.1.75 While we know that children are spending longer and longer online from a younger age, physical play remains a critical part of childhood. It helps children process their emotions, and build friendships and resilience. The fact that play therapy is frequently used to treat children who have experienced complex trauma, such as violence and conflict in war zones, is testament to the power of play and its critical role in supporting mental health. In August 2018 we published a report, "Playing Out", looking at how we can encourage children to spend more time playing out, at a time when just one in four boys and one in five girls do the recommended sixty minutes of activity each day.
- 3.1.76 Children told us that a preoccupation with technology, the need for parental supervision to go outside and a lack of quality facilities prevented children from being active. Holiday, sports and play clubs are effective antidotes, but many children told us they were too expensive – especially those from disadvantaged backgrounds. This leaves children with little to do outside of school or over the school holidays.
- 3.1.77 Our report made a number of recommendations to Government, including putting out of school activity at the heart of its plans to reduce obesity and reducing the bureaucracy in getting financial help for childcare after school and during school holidays. We have called for more funding for holiday play schemes, making children's play a public health priority and we want local areas to think more strategically about how to promote play and work with local venues to maximise the use of existing facilities.

3.1.78 Strategic Objective: Children in Care

- 3.1.79 The Children's Commissioner has a particular responsibility to children in the care system. Our Help at Hand service is provided by the Children's Commissioner for England to provide advice and representation primarily for children and young people living away from home. It supports, advises and makes representations on behalf of children who are in care, or are care leavers, or are otherwise working with local authority children's services, or are living away from home in some other provision such as residential school, hospital or youth custody.
- 3.1.80 The primary purpose of Help at Hand is to ensure that all decisions and plans made for children living away from their families, are made taking their views and wishes into account and in their best interests, whilst ensuring their rights are maintained. Although we receive enquiries from parents and professionals, as well as directly from young people, we always seek to talk directly to the child or young person so that we are accurately representing their views, wishes and feelings.

- 3.1.81 Help at Hand seeks to resolve issues co-operatively with those responsible for children's care and well-being, ensuring the children's views are listened to and their legal rights adhered to. Help at Hand always works in an open and problem-solving way with local authorities and other bodies to achieve the best solution for the child or young person with the least possible delay and disruption. However, where authorities are not responsive or are not ensuring children's rights and entitlements are adhered to, matters can be escalated to Director level and in extreme circumstances shared with Ofsted or the relevant regulator.
- 3.1.82 In 2018/19 there were 1,253 enquiries for advice and assistance or representation. This was 20% fewer than the previous year, but two thirds more than in 2016/17. Of these enquiries 59% were answered by the provision of advice and other assistance to young people or their representatives, while 41% required representation to the responsible authority (usually the relevant local authority children's services) to resolve the matter.
- 3.1.83 The majority of enquiries concern children in care and care leavers who are at the centre of the remit of the Help at Hand service.
- 3.1.84 A quarter of issues above are about care planning, transitions at 18 and care leavers' rights. Issues about homelessness and housing are prevalent and are a reflection of the uncertainty faced by young people approaching the age of 18, leaving care or older care leavers who struggle to find and maintain accommodation. Issues about education increased in the latter half of the year, following OCC publicity about special educational needs and off-rolling. Many of these issues involved young people living at home and not in care, but not receiving 25 hours a week education.
- 3.1.85 Issues relating to resettlement from a custodial sentence and immigration status are becoming more common.
- 3.1.86 We have also established a new digital platform for children in care, IMO ('in my opinion'). IMO went live as a digital platform in June 2018. By April 2019 it was receiving over 7,000 views per month and had amassed a social media following of 1,700. Supported by generous donations of goods and services from, among others, the BBC, Google, Headspace, Audible and Scott Cinemas, IMO serves as a meeting point for children in the care system and care leavers, offering opportunities, experiences and gifts to support their social and emotional wellbeing but more importantly, a way for them to make themselves heard.
- 3.1.87 It is our aim to raise society's ambition for children in care, hence we want to make IMO a platform for great job, university and apprenticeship opportunities for care leavers. We have agreed with the Office for Students to collaborate to improve access to higher education for this group of teenagers over the next year, using IMO. All content on the site is directly created by looked after children or care leavers, and includes blogs, vlogs, poetry, art, animations and podcasts. Regular user-led campaigns and competitions are run on the

platform, including a writing competition sponsored by the AA with a first prize of 40 hours of driving lessons.

- 3.1.88 IMO is available as a forum for policymakers to consult children in the care system. As a new digital platform, we are incubating it and have taken on an additional member of staff to manage and develop it. In 2019-20, we will explore the potential for spinning off IMO into a social enterprise run by children in care and care leavers on a sustainable financial basis. However, we recognise the fragility of a new digital platform and will look for other models to expand its potential and secure its success, such as a team of young people with care experience running it semi-independently supported by staff from the CCO.
- 3.1.89 Our third annual Stability Index, to be published in August 2019, will show where there have been improvements or declines in stability in the care system. It will also put stability figures from every local area in England into the public domain, via downloadable open data and interactive online maps. This year we have given detailed reports to 78 local areas to help them understand how well they are doing compared to other areas, and which groups of children they might need to focus on supporting more. We have also shared underlying data with a couple of local authorities so that they can identify and review the cases where children had a lot of instability, in order to provide better support in future.
- 3.1.90 The Stability Index now provides data for the Department for Education's National Stability Forum for looked after children. We would like the Government to adopt the Index as an official statistic, and in the meantime will share LA-level figures with Ofsted. We will be working with the Department for Education this year to encourage them to produce this data themselves in future. We will continue to attend regional Children in Care Council meet-ups around the country to learn directly from looked after children and ensure we can represent their interests to policymakers.
- 3.1.91 Strategic Objective: Putting children at the heart and the start of policy-making**
- 3.1.92 This year we have continued to shine a light on how the roll-out of Universal Credit is affecting families with children and have provided briefings to ministers and Parliamentarians. While more people are in work than ever before, one in three children in this wealthy country of ours grows up poor. Many of them have working parents, sometimes holding down several jobs. Yet they are barely managing. A child growing up in poverty is less likely to succeed at school, less likely to find a good job with prospects for advancement and less likely to do well in life; more likely to suffer health problems and to die at a younger age. We have continued to argue that we should not just accept that poverty will cascade down from generation to generation. Councils and national Government already have the information they need to step in, household by household, to help families, to ensure that Universal Credit is an enabling and supportive system, not a punitive and destructive one.

- 3.1.93 We have heard first-hand from children how their parents have been forced to visit foodbanks while they wait five weeks for the first UC payment, and have visited schools where there are foodbanks to feed hungry children whose parents can't afford to buy basic supplies and groceries. We have regularly published the experiences of someone who works in a food bank in an area transitioning to Universal Credit, highlighting the impact on children.
- 3.1.94 We have met with the Secretary of State to discuss improving Universal Credit and have collaborated with the Policy in Practice organisation to look at how councils can use housing benefit data to predict how Universal Credit will impact on individual household finances and predict if families are going to struggle with housing costs and debt. Their research for our Office predicts that the number of children living in families that have a monthly deficit will double in some areas because of the combined impact of Universal Credit, the two-child limit and the benefits cap. The study finds that a quarter of children in sampling would be hit by these measures and that almost half of low-income households examined were affected.
- 3.1.95 We are continuing to campaign to improve Universal Credit. We welcome the Government's decision to scrap the extension of the two child benefit cap to those on Universal Credit, but it is only the start. We need a system that gets rid of the delays and pays families quicker.
- 3.1.96 With children's services funding under enormous strain, and the Troubled Families programme due to end in 2020, it is essential for central Government and LAs to understand better the pressures on funding. This year we have worked closely with 12 local authorities to understand how much they spend on different groups of vulnerable children, in order to inform the Government's Spending Review. We have found that councils spend a huge amount of their children's services budget on a few children with acute needs, and that a shortage of places in specialist children's homes and foster provision is pushing up costs for this cohort.
- 3.1.97 Our work with these areas is highlighting where money is spent, but also showing where there are big opportunities to support children more effectively in targeted early help for families. This analysis will inform the Government's Spending Review, for the first time putting the needs of children at the heart of national decision-making around spend.
- 3.1.98 The focus on Brexit over the last three years has been a serious distraction for Government from pressing national policy issues, and particularly the needs of children. Children were of course denied an opportunity to take part in the Brexit referendum despite being most affected by the decision to leave. Last year, along with the other UK Children's Commissioners, we wrote to the UK Government expressing concern that the international safeguards we have in place to protect children will be disrupted in the event of a no deal Brexit, and expressing our concern that children's safety must be a top priority. The Children's Commissioner does not take a view on the rights or wrongs of

Brexit, but has instead focused on its practical consequences and what this means for children.

3.1.99 United Nations Convention on the Rights of the Child

3.1.100 In 2016, the UN Committee on the Rights of the Child was very critical of the UK's record on children's rights. It correctly highlighted the need for a focus on the rights and needs of children at the heart of Government policy through a clear strategy and impact assessments. The Committee raised the implications of allocations of resources – the way children's services are funded – and urged the Government to allocate the maximum extent of available resources for the implementation of children's rights, with a special focus on eradicating child poverty and reducing inequalities. They also made a number of recommendations around youth custody, children's mental health care, children's digital rights, instability in the care system and the need for children's voices to be heard in policy-making processes.

3.1.101 The Children's Commissioner's Office has been working to shine a light on all of these issues and hold the system to account. We have worked with Local Authorities across the country to map spend and activity data from statutory services down to targeted and universal provision, to better understand the pressures on services and the impact of local spending decisions. We have campaigned to improve access to mental health care, including therapeutic community support. We have called for a statutory duty of care on social media companies, which is being implemented.

3.1.102 We regularly visit youth justice institutions and have given evidence to the Joint Committee for Human Rights on the prevalence and length of episodes of segregation. We regularly work with Government departments to champion the rights of children across their work. For example, we submitted evidence to the review of pain-inducing restraint in the secure estate, highlighting that the use of these techniques undermines the UK's implementation of Article 37(c) of the CRC (which protects the right of children deprived of their liberty to be treated with humanity and respect for their inherent dignity). We highlighted the group of children with learning disabilities, autism or both who are spending months or even years of their childhood in hospital because support is not available in the community. Many of these children are subject to restraints and seclusion.

3.1.103 The UK Children's Commissioners are producing a report on progress against the Committee's recommendations this year. We are also working with a group of organisations interested in children's rights and the Department for Education to review progress on the commitments with other Government departments this year.

3.2 Performance Analysis

3.2.1 The Children's Commissioner is a unique statutory role with an extremely wide remit and many demands on our resources. This report sets out the impact we

are having on children across all areas of statutory responsibility. Working with Parliamentarians to bring about change, reducing risk for children and championing early help remain a crucial objective for this office.

- 3.2.2 The views of children in England influence all of the work we do. In the last year, we have recruited a Children's Writer to bring to life the stories and experiences of children, from the children who are growing up with HIV to children running an anti-bullying workshop to the benefits of being a member of the police cadets in Kent.
- 3.2.3 Our team of researchers speaks to children regularly to make sure that the priorities of children are taken into account when setting out our plans for the year ahead in our 2019/2020 Business Plan. These experiences will continue to be at the heart of the Children's Commissioner's work, and their powerful voices and stories shape so much of our content, in particular this year our work on Special Educational Needs, homelessness, children living in mental health hospitals, children's play and children missing from the school system. Children growing up with care experience are central to our IMO project.
- 3.2.4 Throughout the course of the year we have spoken with children in primary and secondary schools, pupil referral units, children held in youth custody and children in mental health hospitals. As part of our Business Plan consultation we held focus groups and interviews with children in different settings to ensure a wide range of views and experiences. The consultation heard from a wide range of children, many of whom tend not to be heard, including disabled children, children with autism, children with care experience, children who have been excluded from mainstream school, and refugee and asylum seeking children. We continue to do all we can to speak to children whose views are infrequently heard or who may be 'invisible' in the system.
- 3.2.5 An overview of our performance in the four main areas of work follows.

3.2.6 Invisible Children

- 3.2.7 Over the past year there has been an unprecedented number of children caught up in serious violence. This violence stems from ruthless criminal gangs, which exploit children and cause them a range of serious harms, physical and psychological. The Children's Commissioner has been at the forefront of efforts to increase awareness of these gangs; including their methods of operation, the level of threat they pose to children and the key risk factors for children. In particular, the Commissioner has been challenging everyone working with children to understand the levels of violence and coercion involved in gangs, which mean that the children involved often feel they have little choice but to go along with the gang's demands.
- 3.2.8 In March of this year we published our report 'Keeping Kids Safe: improving safeguarding response to serious violence', focusing on the need to protect children from these risks. The report found that a tiny fraction of all children involved in gangs were known to authorities and that the support for these children was often entirely inadequate. Following the report, the Commissioner

issued statutory notices under Section 2C of the Children Act 2004, to Damian Hinds MP, Secretary of State for Education, Simon Stevens, Chief Executive of NHS England and Duncan Selbie, Chief Executive of Public Health England, requiring them to set out what action they intend to take to address these issues. The Children's Commissioner is a member of the Serious Violence Taskforce, and has presented to them on three occasions. She has also been called to give oral evidence to the Home Affairs Select Committee on Serious Violence. Following the launch of our report, we have been approached by four police force areas to improve the identification of potential gangs victims, to enable more timely and effective support.

3.2.9 Children Behind Closed Doors

- 3.2.10 Our report 'Skipping School' makes a number of recommendations for improving the education of thousands of children outside the mainstream school system who are currently receiving little or no education at all. The report calls for a compulsory home education register, stronger measures to tackle off-rolling, more support for families who home educate and a greater oversight of home schooled activity, as well as decisive action against unregistered schools. We are pleased that in April, the Department for Education published new draft guidance which introduces a register for home educated children, as well as providing more support for families who take the decision to home educate. The Government and Ofsted have also made commitments to tackle 'off-rolling'. In addition, the Government's response to the Timpson Review of school exclusions, published in May 2019 sets out further action to be taken to tackle off-rolling, reduce exclusions and improve the quality of alternative provision - all measures that we have been calling for.
- 3.2.11 Our work on children's mental health is delivering real results. In 2017, NHS England dismissed many of our concerns about the poor state of children's mental health services. However, this year's Ten Year Plan for the NHS in England, published in January, provided reasons for optimism.
- 3.2.12 In 2018, the Children's Commissioner was invited by the Chief Executive of NHSE, along with other leading figures working with children, to help the NHS consider what should be included in its Ten Year Plan. We argued that the NHS needed to take a broader look at child health – to move from 'surviving to thriving' - and called on the NHS to think about how it could help children 'live well' and how it could promote a broad range of health outcomes which would in turn also promote children's well-being and their social, emotional and educational achievements. So we are pleased that the Ten Year Plan unambiguously states that "the NHS plays a crucial role in improving the health of children and young people: from pregnancy, birth and the early weeks of life; through supporting essential physical and cognitive development before starting school; to help in navigating the demanding transition to adulthood".
- 3.2.13 We also welcome the specific commitments around children's mental health. By 2023, the NHS will be treating an additional 345,000 children a year. This is a significant increase in the number of children receiving help and is of considerably greater scale than previous announcements. The NHS has also

confirmed it will introduce a waiting time target for children's mental health, although no date is given. The Plan answers our call for children's mental health funding to be increased at a faster rate than overall mental health funding and the NHS budget as a whole. More importantly still, for the first time the NHS makes a commitment to treat all children who require specialist mental health treatment by the end of the Long Term Plan – something that we particularly wanted to see in place.

- 3.2.14 The right to receive mental health care when needed should be a basic right for all children, but for years the NHS have said it is simply not possible. It always was, and we welcome this important shift in ambition, although it will only be achieved if there is further serious investment. It is also vital that those who do not require 'specialist' treatment can get access to early help and support. That is why we published data on local spending on these early support services this year and we will be encouraging Government to increase transparency over this funding in future years.
- 3.2.15 The Children's Commissioner also continues to shine a light on valuable data that helps us assess the experiences of children. Our reports on children with learning disabilities and/or autism and on what we know about children who are locked away, collates data for the first time to reveal the state of provision and support for some of the most vulnerable children.
- 3.2.16 The Children's Commissioner continues to shine a light on the experiences of children growing up in youth custody. Our report into the use of solitary confinement in the secure youth estate made a number of recommendations, such as better regulation and monitoring of the use of segregation in youth custody, that were subsequently repeated by the Joint Committee on Human Rights in its report into solitary confinement published in April 2019.

3.2.17 Children's Wellbeing and Digital Lives

- 3.2.18 Our report 'Who Knows What About Me?', published in November 2018, highlighted the amount of data collected about children and how it might shape their current and future lives. In April 2019, the Information Commissioner's Office (ICO) published its consultation on online safety, including the introduction of a code of practice that encompasses connected toys and devices, and publishing terms and conditions in language that children can understand – two key recommendations made in our report.
- 3.2.19 The ICO consultation also includes a number of measures the Children's Commissioner has been arguing for, including ensuring that tech companies set privacy settings for children high by default, and tackling 'nudge tactics' on apps like Snapchat. Crucially, the code will apply not just to platforms aimed at children but those that are actually used by children, whether or not the developers intended it to be. We will continue to work with the ICO on these issues.
- 3.2.20 In February 2019, working with the leading legal firm Schillings, we published a draft 'duty of care' for the social media and internet giants. This work

demonstrated that legislation to put a duty of care on social media companies for the content they hosted could be simple, and we are pleased that the Government's recent Online Harms White Paper proposes a similar duty of care. The Children's Commissioner has consistently argued that the era of 'self-regulation' for online firms must end, and this view has now become incorporated into the Government's thinking. Our reports have made a number of recommendations which have since appeared in the Government's White paper, including the introduction of an independent regulator, more support for children and parents and lessons in schools to help give children the resilience, the power and the information they need to make informed choices.

3.2.21 Children in Care

- 3.2.22 The Children's Commissioner's Office meets and speaks with children in care, Children in Care Councils and care leavers frequently, as well as convening meetings between children in care and the Children's Minister.
- 3.2.23 Our advice service, Help at Hand, which helps children and young people in care, leaving care, living away from home or working with children's services has received around 1,253 enquiries. We received enquiries concerning 136 out of the 152 local authorities Children's Services in England. This demonstrates that knowledge of the service and the powers of the Children's Commissioner are well known across the whole country. Help at Hand made 152 representations to Social Workers, 94 representations to Team Managers, 51 to Heads of Service, 66 to Independent Reviewing Officers, 21 representations to Personal Advisors, 49 Directors of Children's Services (DCS) letters and 12 OFSTED notifications following unsatisfactory responses from local authorities following a DCS letter.
- 3.2.24 This year we have also written to all local authorities and hospitals reminding them of their responsibilities in relation to Sections 85 and 86 of the Children Act 2004, and of the latest DfE/DH guidance. This has raised awareness to obligations to children in hospital or residential school for over three months, and some LAs and Trusts have proactively disseminated this to staff and young people.
- 3.2.25 In more than 80% of enquiries Help at Hand was able to provide advice and information to support a young person, and in more complex cases make representations that helped provide a resolution to the young person's needs and ensure their voice was heard.
- 3.2.26 Since IMO (in my opinion), our digital platform for children in care, went live in June 2018, it has consistently grown in reach and engagement. As of April 2019 it was receiving over 7,000 views per month and had a social media following of 1,700. Children in care and care leavers have submitted 135 pieces of content (including blogs, videos, poetry and podcasts) for publication on the platform. This content expresses their views and experiences of the care system, showcases their successes and achievements, and seeks to challenge negative perceptions about looked-after children. Throughout 2018-19 we ran a writing competition and digital campaigns that received

submissions and support from Children in Care Councils and fostering agencies across the country.

- 3.2.27 We secured support for IMO from relevant high-profile organisations and individuals, including reality TV star and fostering advocate Lydia Bright. Our new series of videos featuring Lydia and her former foster siblings exploring topics including leaving care, living independently and starting a career has been viewed over 50,000 times on social media since its launch at the end of April 2019. In January 2019 we began production of a podcast series, interviewing care leavers about the issues that matter to them.
- 3.2.28 In 2018-19 we donated over 3,500 free items, experiences and opportunities to children in care councils and care homes across England, with the aim of supporting the emotional, physical and social wellbeing of children in care. We have partnered with organisations including Accenture and Facebook to offer care leavers unique, bespoke opportunities and support to help raise career aspirations, build confidence and broaden horizons. We regularly meet with and speak to children in care and care leavers, and we support numerous events across the country, including the peer-led Care Experienced Conference which took place at Liverpool Hope University in April 2019.

Non-Financial Matters

Social matters

- 3.2.29 The Equality and Diversity Policy sets out the Children's Commissioner's commitment to create an environment in which individual differences and the contributions of all staff are recognised and valued. Every employee is entitled to a working environment that promotes dignity and respect to all; no form of intimidation, bullying or harassment is tolerated. Training, development and progression opportunities are made available to all staff.

Respect for human rights

- 3.2.30 Under the Equality Act 2010, the Children's Commissioner encourages and supports the development of a society in which:
- people's ability to achieve their potential is not limited by prejudice or discrimination;
 - there is respect for and protection of each individual's human rights;
 - there is respect for the dignity and worth of each individual;
 - each individual has an equal opportunity to participate in society; and
 - there is mutual respect between groups based on understanding, valuing diversity and shared respect for equality and human rights.

Anti-corruption and anti-bribery matters

- 3.2.31 The Children's Commissioner is committed to conducting its affairs in an ethical and honest manner and to implementing and enforcing systems that ensure bribery is prevented.

3.2.32 The Children's Commissioner has zero-tolerance for bribery and corrupt activities. We are committed to acting professionally, fairly and with integrity in all business dealings and relationships.

3.2.33 The Children's Commissioner will constantly uphold all laws relating to anti-bribery and corruption. The Children's Commissioner is bound by the laws of the UK, including the Bribery Act 2010.

Sustainability

3.2.34 The Children's Commissioner occupies office space in Sanctuary Buildings, Westminster with shared service agreements for ICT and premises that support best practice on sustainability. We promote smart working practices throughout the office to reduce paper and other resource use, including travel and waste.

Financial review

3.2.35 The Children's Commissioner operates within the budget resource allocated by the sponsor department. As Accounting Officer, the Commissioner is responsible for the efficient and effective delivery of the budget within the budgetary controls as delegated by the Department. The Children's Commissioner can confirm that expenditure during 2018-19 was delivered within these controls.

3.2.36 The financial statements for the period to 31 March 2019 are set out on page 58 onwards. The notes contained within these accounts also form an integral part of the accounts. In 2018-19, the budget for the year was £2.484m (£2.563m in 2017-18). In 2018-19 the net expenditure was £2.407m (£2.471m in 2017-18). There was a reduction in expenditure across all project activity.

3.2.37 Throughout the year the Commissioner actively managed her budget in order to achieve effective operation and value for money.

Auditing of Accounts

3.2.38 The external audit is carried out by the Comptroller and Auditor General, who is required to examine, certify and report on the annual financial statements in readiness for their laying before the Houses of Parliament. The external auditor's remuneration for the audit of the 2018-19 financial statements was £35,000 (£38,000 for 2017-18, including an additional £6,000 relating to 2016-17).



Anne Longfield OBE
Children's Commissioner for England
09 July 2019

4. The Accountability Report

4.1 Corporate Governance Report

4.1.1 Director's Report

Introduction

4.1.1.1 Governance is through a number of groups who advise, scrutinise and challenge the Commissioner:

- **Advisory Board**
Leading figures and experts in areas of priorities provide advice to the Children's Commissioner;
- **Specialist advisory groups**
Specialist experts and practitioners support our work and programmes. This includes specialist children's groups;
- **Audit and Risk**
The Audit and Risk Committee (ARC) is responsible for providing independent assurance and objective review of financial systems, financial information, information data security, risk management, governance arrangements and internal control mechanisms;
- **Remuneration Committee**
The Remuneration Committee provides a means of independent assurance and objective review of remuneration systems;
- **Internal Audit**
The Internal Auditors assist the organisation to achieve effective and efficient governance, risk and control processes. These are linked to strategic objectives and financial and management reporting objectives to support the delivery of the Business Plan;
- **Senior Management Team**
The Senior Management Team supports the Children's Commissioner with both strategic and operational duties. They assist with the identification, development and implementation of strategic priorities in the form of a five-year strategic plan and an annual business plan.

4.1.1.2 There are a wide range of stakeholders with whom the Children's Commissioner works in order to further children's outcomes. This includes children's groups and professionals, parliamentarians, government officials, charities, parents and community groups and, of course, children and young people themselves.

4.1.1.3 Further information about the Office's governance arrangements can be found in the Accounting Officer's governance statement on pages 35 to 42.

Registration of Interests

- 4.1.1.4 The Office of the Children's Commissioner keeps a record of all staff, and Committee and Advisory Group members' interests, which is updated annually. The current record of Registration of Interests for Committee and Advisory Group members can be found on our website at:

<http://www.childrenscommissioner.gov.uk/publications/registration-interests-senior-staff-and-members-audit-and-risk-committee-and-advisory>

Corporate governance

- 4.1.1.5 Information about our corporate governance structure can be found in the performance section of this report.

Personal Data Incidents

- 4.1.1.6 In 2018-19 there were no personal data related incidents that occurred within the Office of the Children's Commissioner.

Complaints

- 4.1.1.7 The Children's Commissioner takes complaints seriously and welcomes comments regarding performance and suggestions for improvements.

- 4.1.1.8 Information regarding the Children's Commissioner's complaints procedure can be found on our website at:

<https://www.childrenscommissioner.gov.uk/report/complaints-procedure/>

Human Resources

- 4.1.1.9 An internal audit review of recruitment policy and procedures took place in 2018-19 providing substantial assurance. Recommendations were taken forward by the second quarter of the year.

Donations

- 4.1.1.10 In 2018-19 there were no political donations made to or from the Office of the Children's Commissioner. Charitable donations in kind of goods and services valued at £26k were made to the IMO hub, to be passed on to Children in Care councils and care homes. The Office of the Children's Commissioner is acting as an intermediary in both receiving and passing on these items and is not itself the beneficiary.

4.1.2 Statement of the Accounting Officer's and Children's Commissioner's Responsibilities

- 4.1.2.1 Under the Children Act 2004, Schedule 1, Clause 8, HM Treasury has directed the Children's Commissioner to prepare for each financial year, a statement of

accounts and on the basis set out in in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Office of the Children's Commissioner and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

4.1.2.2 In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual (FReM) and in particular to:

- observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the FReM have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis.

4.1.2.3 The Permanent Secretary as Principal Accounting Officer of the Department for Education has designated the Children's Commissioner as Accounting Officer of the Office of the Children's Commissioner. The responsibilities of an Accounting Officer, including responsibility for the propriety and regulatory of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Office of the Children's Commissioner's assets, are set out in Managing Public Money published by HM Treasury.

4.1.2.4 As the Children's Commissioner, I can confirm that:

- There is no relevant audit information of which the auditor is unaware;
- I have taken all the steps that I ought to in order to ensure that I am aware of relevant audit information;
- I have taken all the steps that I ought to in order to establish that the Office of the Children's Commissioner's auditor is aware of the information; and
- The Annual Report and Accounts as a whole is fair, balanced and understandable and I take personal responsibility for the Annual Report and Accounts and the judgements required for doing so.

4.1.3 Governance Statement

Scope of Responsibility

4.1.3.1 As Children's Commissioner I am designated Accounting Officer for the Office of the Children's Commissioner. I have personal responsibility for maintaining a sound system of governance, internal control and risk management within my

area of responsibility to support the achievement of my Office's policies, aims and objectives, whilst safeguarding public funds and the sponsoring department's assets.

Governance Framework

- 4.1.3.2 The framework document for my Office sets out the arrangements for the governance, accountability and operation of my Office. This has been agreed between the Department for Education and myself.

Governance

- 4.1.3.3 I confirm that I have reviewed the governance, internal control and risk management arrangements in operation within my area of responsibility. My review of the effectiveness of the system of internal control has been informed by senior managers within my office, who have responsibility for the development and maintenance of the internal control framework and supported by internal and external audits. The quality of data throughout the Governance structure is robust and regularly fed through appropriate channels assisting informed decision making and strategic planning. More detail is available in the following pages. I also confirm that governance arrangements are compliant with Department for Education and Cabinet Office requirements placed on NDPBs and are compliant with the UK Corporate Governance Code for Central Government.

Advisory Board

- 4.1.3.4 Membership is at the formal invitation of the Children's Commissioner, with members being recruited through open competition. All members of the Advisory Board are required to declare any potential conflicts of interest on appointment and at the beginning of each meeting they attend. The Register of Interests is reviewed on an annual basis.
- 4.1.3.5 The Advisory Board met four times during 2018-19, chaired by the Children's Commissioner, the attendance list below relates solely to this period. One new member was recruited during the period.

Advisory Board Attendance		
Name	Date of appointment	Board attendance 2018-19
Jacqui Smith	April 2018	1/4
Edward Timpson	September 2017	2/4
Josh MacAlister	September 2017	4/4
Alison O'Sullivan	August 2016	3/4
David Halpern	August 2016	3/4
Sophie Humphreys	August 2018	*3/3

* Member joined the board mid-term

The Advisory Board Terms of Reference and Member Register of Interests can be found on the [Children's Commissioner website](#).

Audit and Risk Committee

- 4.1.3.6 The Audit and Risk Committee (ARC) is responsible for providing scrutiny, challenge, advice, oversight and assurance to myself as Accounting Officer; acting in an advisory capacity to provide independent opinion and feedback on how well objectives are being met, good practice, risk management and control.
- 4.1.3.7 ARC agrees the content of the annual internal audit programme with senior managers and myself, and also oversees internal and external audit arrangements covering financial and non-financial systems. ARC receives the external auditor's planning report, audit completion report and management letter and also produces an Audit and Risk Committee Chair's Annual Report, summarising how the Committee has discharged its responsibilities for the twelve month period to date. The report also sets out key issues arising.
- 4.1.3.8 ARC membership is at the formal invitation of the Children's Commissioner; with members being recruited through open competition. All members of ARC are required to declare any potential conflicts of interest on appointment and at the beginning of each meeting they attend. The Register of Interests is reviewed on an annual basis. The Audit and Risk Committee Terms of Reference and member Register of Interests can be found on the Children's Commissioner website. During the reporting year 2018-19, no members declared any directorships or other significant interests that may have conflicted with their responsibilities. ARC met five times in 2018-19; on 23 May 2018, 27 June 2018, 26 September 2018, 21 November 2018 and 27 February 2019.

Audit and Risk Committee Attendance				
Name	Date of appointment	Term of appointment	Term end date	Board attendance 2018-19
David Clarke Chair	October 2015	Three years (extend for a further three years)	September 2021	5/5
Dr Susan Tranter	October 2015	Three years (extended for a further two years)	October 2020	5/5
Brian Tytherleigh	April 2016	Three years (extended for a further two years)	June 2021	5/5
James Norton	April 2016	Three years (extended for a further three years)	October 2022	4/5
Owen Vallis	April 2016	Three years (extended for a further 18 months)	November 2020	5/5

- 4.1.3.9 When the Committee has five members, the meeting is quorate with three members present.

Senior Management Team

4.1.3.10 The Senior Management Team (SMT) meets monthly and supports me with the identification, development and implementation of my strategic priorities in the form of a five-year strategic plan and an annual strategic business plan. The remit of SMT is both strategic and operational and includes the following:

- strategic and operational policy;
- communications; and
- corporate planning and delivery

4.1.3.11 This includes business planning and performance measurement, financial management and budgetary control, human resources, risk management, internal audit, external audit, premises management, IT and systems, and information governance.

Senior Management Team Attendance			
Name	Position	Date of appointment	Meeting attendance record
Anne Longfield	Children's Commissioner	March 2015	11/11
Professor Leon Feinstein	Director of Evidence	July 2016	9/11
Alice Miles	Director of Strategy and Policy	November 2016	9/11

4.1.3.12 An extended Senior Management Team (ESMT) attended by Heads of Service meets bi-monthly to review and take forward delegated operational issues and reports back to SMT on outcomes.

Internal Control

4.1.3.13 The following section of this statement describes the system of internal control in operation for the year. This has continued up to the date of approval of the Annual Report and Accounts, and accords with HM Treasury guidance.

4.1.3.14 Our internal controls accord with HM Treasury guidance and have been in place for the whole of 2018-19. We assess how the achievement of our policies, aims and objectives might be affected by the risks we face. We design a system of internal controls, which mitigate those risks. The system is not designed to eliminate risk but to strike an appropriate, proportionate balance between control, cost and level of risk tolerance.

4.1.3.15 The Senior Management Team and Audit and Risk Committee consider a number of sets of management data at each meeting. This includes monthly management accounts, performance and delivery indicators, risk management and communication and awareness data.

These matters are considered a key aspect of reporting to the Children's Commissioner and the Audit and Risk Committee. During 2018-19, the SMT continued to embed internal controls, ensure robust risk management and

enhance data and cyber security, and GDPR policies.

Internal Audit

4.1.3.16 An internal audit function is provided by the Head of Internal Audit who delivers independent and objective assurance to me on the adequacy and effectiveness of my Office's framework of governance, risk management and control, by measuring and evaluating the Office's effectiveness in achieving its agreed objectives. A full audit plan was produced and delivered for 2018-19 and the following levels of assurance provided during the year, the Office of the Children's Commissioner has:

- Human Resources, Recruitment – Substantial
- Health and Safety - Substantial
- Microsoft Dynamics Navision – Substantial
- Budgetary Control – Substantial
- Data / Cyber Security and GDPR – Adequate
- Key Financial Controls – Substantial
- Outsourced Contracts Substantial
- Project Management – Substantial
- Research - Substantial
- Risk Management – Substantial

4.1.3.17 The overall opinion of the Head of Internal Audit, based upon the reviews performed, other assurances available and significant risks being addressed during the year, the Office of the Children's Commissioner has:

- adequate and effective risk management;
- adequate and effective governance; and
- adequate and effective control processes.

Programme and Project Management

4.1.3.18 A project management framework is in place which supports and monitors the efficient planning, execution and control of projects. A project board reviews the risks and delivery of all projects and escalates matters of concern to the Senior Management Team. The SMT is responsible for ensuring effective project delivery and progress against milestones and budgets. This is reported at high level to the Audit and Risk Committee.

Financial Management

4.1.3.19 We moved our finance function in house and migrated to a new accounting system, Microsoft Navision, in April 2018. As part of this change we have reviewed and further enhanced our financial processes, controls, risk management and fraud prevention measures so that propriety, regularity and value for money are achieved. The Senior Management Team receive and

discuss monthly financial management reports and the Financial Controller provides financial management information for SMT and meets regularly with budget holders. I meet monthly with my finance leads to review and agree priorities. I am confident that my Office has clear lines of accountability for all programme and administrative expenditure.

Delivery Arrangements and Achievement against Business Plan

4.1.3.20 My Office has continued to develop the strategy for business planning and performance measurement. The strategy supports the identification of strategic priorities and the development of annual business planning in response.

4.1.3.21 Before publishing my business plan, I consulted widely in line with the requirements set out in the Children Act 2004. Following consultation, I published my business plan, detailing proposed strategic priorities as part of that process. The business plan was provided to the Department for Education for comment before being published on my website in March 2019.

I.T. Management and Data Safeguarding

4.1.3.22 In 2018-19 my office appointed a Data Protection Officer who is responsible for overseeing compliance with data protection regulations as outlined in the Data Protection Act 2018. Data is securely handled and safeguarded within my Office. General information systems are in place to meet internal and external standards and the needs of the business. Mandatory information assurance training is undertaken by all staff annually and adherence to policy is monitored. My Office had no protected personal data related incidents which were judged significant enough to be formally reported to the Information Commissioner's Office in 2018-19.

4.1.3.23 An internal audit review of Data and Cyber Security, and GDPR took place in 2018-19 providing adequate assurance. The Department for Education (DfE) provides my office with all its IT services through a shared services agreement, and the IT network is subject to regular penetration tests and vulnerability scans. All our digital platforms and services adhere to the Government Digital Strategy. My Office has adopted DfE procedures in the name of the Office of the Children's Commissioner which ensures adequate physical security to our premises.

People Management

4.1.3.24 Performance Management systems are in place. The performance of staff at all levels in my Office is satisfactorily appraised. For details of my Office's full time equivalent staffing level, please refer to the Staff Report within the Remuneration and Staff Report on pages 43-52.

Whistle-Blowing Arrangements

4.1.3.25 Whistle-blowing arrangements offer a framework of protection against victimisation or dismissal for workers who blow the whistle on criminal behaviour

or other wrongdoing. Whistle-blowing procedures consistent with the Public Interest Disclosure Act are in place and have been throughout 2018-19.

- 4.1.3.26 The Office of the Children's Commissioner has received whistle-blowing concerns from a variety of people including employees of children's services and residential schools. Many different types of concerns have been raised and these include failures in safeguarding procedures and restraint. Sometimes we are the first people that the whistle-blower has raised the concern with and sometimes they have raised it many times before and felt no one was listening.
- 4.1.3.27 The Employment Tribunal may also refer claims to us when they feel we are the relevant prescribed person. We will always discuss anonymity and confidentiality with whistle-blowers and we will never close a case until we are sure that the necessary safeguarding action has been taken. No notifications against my Office have been received during 2018-19. As a prescribed person I am required to report in writing annually on whistle-blowing disclosures made to me. My report for 2018-19 will be available to view by 31 October 2019.

Risk Management Arrangements

- 4.1.3.28 My Office has an overarching risk management policy. The Audit and Risk Committee support me and my SMT in reviewing the process for risk identification and mitigation. The Senior Management Team's responsibility is to ensure risk is effectively reviewed and managed by the development of adequate and effective controls.
- 4.1.3.29 Alongside the principal Strategic Risk Register and quarterly assurance reviews, the project management framework requires project leaders to identify risks. A further level of scrutiny has been added by way of deep dive audits which appraise targeted areas of risk; evaluate existing mitigating controls; assess effectiveness; identify gaps in the control framework and develop and recommend action plans to improve existing controls.
- 4.1.3.30 Project risks assigned a red rating are escalated to the Senior Management Team for appraisal and action. Strategic risks are monitored monthly by the Senior Management Team and are regularly reviewed by the Audit and Risk Committee. The Audit and Risk Committee challenge Senior Management Team members on their delegated risks and any changes to status or recommended action plans, providing insightful feedback and comment.

Assessment of Risk

- 4.1.3.31 A review of our risk management procedures led to the introduction of enhanced controls to ensure internal controls are adequate in design and that project management, financial controls and purchasing procedures remain fit for purpose.

Key Risks in 2018-19

- 4.1.3.32 The key strategic risks during 2018-19 were:

- a) Failure to achieve positive change for vulnerable children;
- b) Failure to effectively deliver our business plan; and
- c) Operational failure

Mitigating Controls

4.1.3.33 A number of steps were taken to mitigate risks including a rigorous review of strategic risk to further strengthen internal controls; comprising safeguarding, communications, data protection, data and cyber security, and finance and business operations. We have consulted widely to produce qualitative and quantitative research data that both informs policy and shapes the direction of our work programme. Assurances from audits have been favourable and reflective of the improvements that have been made over the last year.

Overall Assessment

4.1.3.34 The information outlined above demonstrates that my office has been managed in an effective and efficient manner during 2018-19. Corporate support arrangements provide value for money and improve access to specialist skills.

4.1.3.35 As Accounting Officer I am satisfied with my Office's internal control, risk management and governance arrangements. My Office continues to deliver successfully across a broad range of areas and governance arrangements have supported the effective delivery of this work.

A handwritten signature in black ink, appearing to read 'Anne Longfield', with a stylized flourish at the end.

Anne Longfield OBE
Children's Commissioner for England
09 July 2019

4.2 Remuneration and Staff Report

Part 1: Unaudited Information

Senior Team Members' Remuneration Policy

- 4.2.1 The Office of the Children's Commissioner has a Remuneration Committee to provide scrutiny and challenge on pay and reward and ensure good corporate governance as part of the performance management system. The Remuneration Committee is made up of the ARC membership. The Remuneration Committee met two times during 2018-19.

Remuneration Committee Attendance				
Name	Date of appointment	Term of appointment	Term end date	Board attendance 2018-19
James Norton Chair	April 2016	Three years (extended for a further three years)	October 2022	2/2
David Clarke	October 2015	Three years (extend for a further three years)	September 2021	2/2
Dr Susan Tranter	October 2015	Three years (extended for a further two years)	October 2020	2/2
Brian Tytherleigh	April 2016	Three years (extended for a further two years)	June 2021	2/2
Owen Vallis	April 2016	Three years (extended for a further 18 months)	November 2020	2/2

- 4.2.2 The Children's Commissioner is required to submit a pay remit proposal on an annual basis for approval to DfE. The Office of the Children's Commissioner has formally adopted the DfE pay and rewards policies to ensure that pay and rewards are linked to a rateable performance management system that is transparent, open and fair.

Service Contracts

- 4.2.3 The Children's Commissioner staff are not civil servants however recruitment is conducted in line with the Civil Service Commissioners' recruitment principles.
- 4.2.4 Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.
- 4.2.5 Further information about the work of the Civil Service Commission can be found at: <http://civilservicecommission.independent.gov.uk/>

Staff Composition

4.2.6 At 31 March 2019 our staff headcount figures for permanent staff, including the Children's Commissioner, was as follows:

Grade Equivalent	Male	Female	Total
Director	1	2	3
Grade 5	0	1	1
Grade 6	1	1	2
Grade 7	4	1	5
Senior Executive Officer	2	3	5
Higher Executive Officer	1	8	9
Executive Officer	0	1	1
Executive Assistant	1	0	1
	10	17	27

Sickness Absence

4.2.7 The average number of working days lost per FTE was 7 days in 2018-19 (9 working days per FTE in 2017-18). This includes two staff members having a period of long term sick leave. With the exception of these two cases, the average number days lost per FTE was 3.5 working days in 2018-19 (2 working days per FTE in 2017-18).

Staff Policies in regard to Employment Opportunities and Development of Disabled Employees

4.2.8 The Children's Commissioner is committed to eliminating discrimination, promoting equality and respecting diversity. Her aim is that her workforce will be truly representative of all sections of society and that each employee feels respected and able to give their best.

4.2.9 The Children's Commissioner abides by her Equality and Diversity Policy, ensuring that applicants are not unlawfully discriminated against on the basis of a protected characteristic including disability.

4.2.10 All applicants who have been shortlisted and are invited for interview will be asked if they require any adjustments to be made to enable them to participate. The Children's Commissioner will make every effort to provide reasonable adjustments.

4.2.11 Where an individual with a disability is offered a job, the Children's Commissioner will immediately discuss with the applicant what reasonable adjustments, if any, need to be put in place to enable them to carry out the job. The Children's Commissioner may need to seek professional advice to assist with this.

4.2.12 The provision of training and development is consistent with the Children's Commissioner's Equality and Diversity policy.

Off Payroll Engagements

4.2.13 There were no off payroll engagements in 2018-19.

Consultancy Spend

4.2.14 Engaging consultants is a cost effective and efficient way of hiring the temporary and skilled workers that the organisation needs. We ensure compliance with HMRC Off-payroll working rules (IR35) by checking the individual's employment status using the HMRC online employment status for tax, checking service.

4.2.15 The Commissioner spent £7,000 on consultancy in 2018-19 (£8,440 in 2017-18).

Part 2: Audited Information

Directors' Remuneration

Officials	Salary £000's		Pension Benefits £000's		Total of Salary and Pension Benefits £000's	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Children's Commissioner Anne Longfield	125-130	125-130	50	50	175-180	175-180
Director of Evidence Prof. Leon Feinstein From 13 July 2016	75-80*	75-80*	27	30	105-110	105-110
Director of Strategy and Policy Alice Miles From 7 November 2016	85-90	85-90	33	30	115-120	115-120
Director of Communications and External Events Oliver Berman To 30 September 2017	0	30-35 (60-65)	0	13	0	45-50
Director of Child Rights Anna Henry To 30 June 2017	0	15-20 (60-65)	0	4	0	20-25

Notes:

- No staff received benefits in kind or bonus payments in either 2018-19 or 2017-18.
- Pension benefits are calculated as the real increase in pensions multiplied by 20 plus the real increase in any lump sum less the contributions made by the individual.
- *Prof. Leon Feinstein is employed 0.8 full time equivalent. Salary (FTE 95-100)
- Alice Miles joined the Civil Service Pension Scheme in April 2017 and her contributions were backdated to the beginning of her employment (7 November 2016).
- For senior managers who served part of the year the full year equivalent is presented in italicised brackets below the actual cost.
- The post of Director of Child Rights ended on 30 June 2017.
- The post of Director of Communications and External Events ended on 30 September 2017.

2018–19 Salaries

Salary

- 4.2.16 'Salary' includes gross salary; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the Children's Commissioner and thus recorded in these accounts. This total remuneration, as well as the allowances to which they are entitled, is paid by the Office of the Children's Commissioner and is therefore shown in full in the figures above.

Benefits in kind

- 4.2.17 The monetary value of benefits in kind covers any benefits provided by the Children's Commissioner and treated by HM Revenue and Customs as a taxable emolument. No benefits in kind were paid in 2018-19 or 2017-18.

Performance Awards

- 4.2.18 Performance awards are based on performance levels attained and are made as part of the performance management system which rewards staff assessed as having exceeded their objectives. Awards are accrued and become payable in September of the subsequent financial year.

Pension Benefits

- 4.2.19 The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

Pensions

- 4.2.20 Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.
- 4.2.21 These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were

within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. All members who switch to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

- 4.2.22 Employee contributions are salary-related and range between 4.6% and 8.05% for members of premium, classic, classic plus, nuvos and all other members of alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.
- 4.2.23 The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% up to 30 September 2015 and 8% and 14.75% from 1 October 2015 (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary up to 30 September 2015 and 0.5% of pensionable salary from 1 October 2015 to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).
- 4.2.24 The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha

the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

- 4.2.25 Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

Cash Equivalent Transfer Values

- 4.2.26 A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

	Accrued pension at pension age as at 31/03/2019 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/2019	CETV at 31/03/2018	Real increase in CETV
	£000's	£000's	£000's	£000's	£000's
Anne Longfield Children's Commissioner	10 - 15	2.5 – 5	183	128	35
Prof. Leon Feinstein Director of Evidence From 13 July 2016	0 – 5	0 – 2.5	60	35	15
*Alice Miles Director of Strategy and Policy From 7 November 2016	25 – 30	0 – 2.5	350	288	17

*Alice Miles joined the Civil Service Pension Scheme in April 2017 and her contributions were backdated to the beginning of her employment (7 November 2016).

- 4.2.27 The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due.

Real increase in CETV

- 4.2.28 This reflects the increase in accrued pension. It excludes increases due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Payments to Past Directors

- 4.2.29 There were no payments made to past directors in 2018-19.

Compensation on early retirement or for loss of office

- 4.2.30 One member of staff received compensation for loss of office in 2018-19.

Fair Pay Disclosure

- 4.2.31 Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

	2018-19	2017-18
Band of the highest-paid director's total remuneration (£000's)	125-130	125-130
Median total remuneration (£000's)	42	35
Range (£000's)	17-130	15-130
Ratio	3.01	3.64

- 4.2.32 The banded remuneration of the highest paid director in 2018-19 was £125,000 to £130,000 (2017-18, £125,000 to £130,000). This was 3.01 (2017-18, 3.64) times the median remuneration of the workforce, which was £42,420 (2017-18, £35,052). The equivalent median remuneration and subsequent increase in ratio is attributable to a greater number of higher grade filled posts than previously.
- 4.2.33 In 2018-19 and 2017-18, no employees received remuneration in excess of the highest paid director. Remuneration ranged from £17,000 to £130,000 in 2018-19 (2017-18, £15,000 to £130,000).
- 4.2.34 Total remuneration includes salary, non-consolidated performance related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer of pensions.

Staff Report

4.2.35 Staff costs comprise:

	2018 - 19			2017 - 18		
	Permanently employed staff £000's	Others £000's	Total £000's	Permanently employed staff £000's	Others £000's	Total £000's
Salaries	1,390	22	1,412	1,271	20	1,291
Social security costs	155	-	155	138	-	138
Pension costs	303	-	303	267	-	267
Restructuring costs	18	-	18	36	-	36
	1,866	22	1,888	1,712	20	1,732
Less recovery in respect of outwards secondments	(3)	-	(3)	-	-	-
	1,863	22	1,885	1,712	20	1,732

Pension Schemes

4.2.36 For 2018-19, employers' contributions of £303,122 were payable to the PCSPS (2017-18, £266,812) at one of four rates in the range 20.0 to 24.5 per cent (2017-18 20.0 to 24.5 per cent) of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

4.2.37 Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. No employer's contributions were paid to any of the panel of three appointed stakeholder pension providers.

4.2.38 No persons retired early on ill-health grounds.

Average Number of Persons Employed

4.2.39 The average number of whole-time equivalent persons employed during the year was as follows:

	2018-19			2017-18		
	Permanently employed staff	Others	Total	Permanently employed staff	Others	Total
Staff numbers	28	1.2	29.2	26	2	28

Reporting of Civil Service and Other Compensation Schemes – Exit Packages

4.2.40 One exit package was paid in 2018-19. Comparative data for 2017-18 is as follows:

	Number of compulsory redundancies	Number of other departures agreed	Number of compulsory redundancies	Number of other departures agreed
Exit Packages Cost Band	2018-19		2017-18	
<£10,000	0	0	0	0
£10,001 - £25,000	0	1	0	0
£25,001 –£50,000	0	0	0	0
£50,001 - £100,000	0	0	0	0
£100,001 - £150,000	0	0	0	0
Total number of exit packages	0	1	0	0
Total exit package costs £000's	0	18	0	0

4.3. Parliamentary Accountability and Audit Report

Part 1: Unaudited Information

Long-Term Expenditure Trends

- 4.3.1. The Office of the Children's Commissioner budget was reduced by 3% in 2018-19.

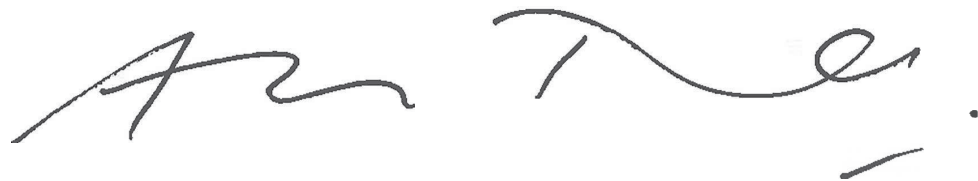
Part 2: Audited Information

Regularity of Expenditure

- 4.3.2. There were no losses in aggregate over £300k in either 2018-19 or 2017-18.
- 4.3.3. There were no special payments in either 2018-19 or 2017-18.
- 4.3.4. There were no small losses/fruitless payments in 2018-19, the value attributed to 2017-18 has been revised downwards by - £373 to £4,422.87.

Contingent and Remote Contingent Liabilities

- 4.3.5. There were no contingent or remote contingent liabilities in either 2018-19 or 2017-18.

A handwritten signature in black ink, appearing to read 'Anne Longfield', with a stylized flourish at the end.

Anne Longfield OBE
Children's Commissioner for England
09 July 2019

4.4. The Certificate and Report of the Comptroller and Auditor General

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

Opinion on financial statements

I certify that I have audited the financial statements of the Office of the Children's Commissioner for the 12 month period ended 31 March 2019 under the Children Act 2004. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of the Office of the Children's Commissioner affairs as at 31 March 2019 and of net expenditure for the 12 month period then ended; and
- the financial statements have been properly prepared in accordance with the Children Act 2004 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2016. I am independent of the Office of the Children's Commissioner in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

I am required to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office of the Children's Commissioner's ability to continue as a going concern for a period of at least twelve months from the date of approval of the financial statements. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern. I have nothing to report in these respects.

Responsibilities of the Board and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Board and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Children Act 2004. An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also: identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office of the Children's Commissioner's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Other Information

The Board and the Accounting Officer are responsible for the other information. The other information comprises information included in the annual report, other than the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- The parts of the Accountability Report to be audited have been properly prepared in accordance with Secretary of State directions made under the Children Act 2004;
- In the light of the knowledge and understanding of the Office for Students and its environment obtained in the course of the audit, I have not identified any material misstatements in the Performance Report or the Accountability Report; and
- The information given in Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Gareth Davies

17 July 2019

Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

5. Financial Statements

Statement of Comprehensive Net Expenditure

For the year ended 31 March 2019

	Note	2018-19 £000's	2017-18 £000's
Staff costs	2	1,885	1,732
Income	3	(31)	-
Expenditure	4	553	739
Net operating expenditure		2,407	2,471
Net expenditure for the year		2,407	2,471
Other comprehensive expenditure		-	-
Total other comprehensive expenditure		-	-
Comprehensive net expenditure for the year		2,407	2,471

The notes on pages 62 to 71 form part of these accounts

Statement of Financial Position

As at 31 March 2019

		2019	2018
	Note	£000's	£000's
Non-current assets:			
PPE		-	-
Intangibles	5	87	122
Trade and other receivables	6	-	-
Total non-current assets		87	122
Current assets			
Receivables	6	22	25
Cash and cash equivalents	7	81	29
Inventory of donated goods	8	15	-
Total current assets		118	54
Total assets		205	176
Current liabilities			
Payables	9	(245)	(284)
Provisions	10	-	(9)
Total current liabilities		(245)	(293)
Total assets less current liabilities		(40)	(117)
Non-current liabilities			
Payables	9	-	-
Provisions	10	-	-
Total non-current liabilities		-	-
Assets less liabilities		(40)	(117)
Taxpayers' equity:			
General fund		(40)	(117)
Revaluation reserve		-	-
Total taxpayers' equity		(40)	(117)


Anne Longfield OBE
Children's Commissioner for England
09 July 2019

The notes on pages 62 to 71 form part of these accounts

Statement of Cash Flows

For the year ended 31 March 2019

	Note	2019 £000's	2018 £000's
Cash flows from operating activities			
Net operating cost	SoCNE	(2,407)	(2,471)
Adjustments for non-cash transactions	4 & 8	20	30
(Increase)/decrease in receivables	6	3	(1)
Increase/(decrease) in payables	9	(39)	(242)
Increase/(decrease) in provisions	10	(9)	(9)
Net cash outflow from operating activities		(2,432)	(2,693)
Cash flows from investing activities			
Purchase of PPE		-	-
Purchase of Intangibles	5	-	(26)
Net cash outflow from investing activities		-	(26)
Cash flows from financing activities			
Exchequer supply from sponsor department	SoCTE	2,484	2,742
Net cash inflow from financing activities		2,484	2,742
Net increase (decrease) in cash and cash equivalents (net of overdrafts)		52	23
Cash and cash equivalents (net of overdrafts) at beginning of the year	7	29	6
Cash and cash equivalents (net of overdrafts) at end of the year		81	29

The notes on pages 62 to 71 form part of these accounts

Statement of Changes in Taxpayer's Equity

For the year ended 31 March 2019

	Note	General Fund £000's	Revaluation Reserve £000's	Total £000's
Balance at 1 April 2017		(388)	-	(388)
Grant in Aid from sponsor Department		2,742	-	2,742
- deemed		-	-	-
Comprehensive expenditure for the year		(2,471)	-	(2,471)
Non-cash Adjustments				
Payments made by ESFA		-	-	-
Movement in reserves				
Transfer between reserves		-	-	-
Other general fund movement		-	-	-
Balance at 31 March 2018		(117)	-	(117)
Grant in Aid from sponsor Department		2,484	-	2,484
Comprehensive expenditure for the year		(2,407)	-	(2,407)
Non-cash Adjustments				
Payments made by ESFA		-	-	-
Movement in reserves				
Transfer between reserves		-	-	-
Other general fund movement		-	-	-
Balance at 31 March 2019		(40)	-	(40)

Note: taxpayers' equity comprises the general fund

The notes on pages 62 to 71 form part of these accounts

Notes to the Accounts

1. Statement of accounting policies

These accounts were drawn up in accordance with HM Treasury Guidance, Annual Reports and Accounts Guidance, the Children's Act 2004, and the Accounts Direction and the financial memorandum between the Secretary of State for Children, Schools and Families (now the Secretary of State for Education) and the Commissioner dated 12 September 2005, copies of which can be obtained from the Children's Commissioner. They have been prepared in accordance with the 2018-19 Government Financial Reporting Manual (FReM) issued by HM Treasury and NDPB Green (Simplifying and Streamlining Accounts project). The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of the Children's Commissioner for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Children's Commissioner are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1. Accounting Convention

These financial statements have been prepared under the historical cost convention.

1.2. Areas of Judgement

In accordance with IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors, the accounting policies and estimation techniques used are those that are judged to be the most appropriate for the purpose of giving a true and fair view. These policies are reviewed regularly to ensure they remain the most appropriate. These accounts have been prepared on a going concern basis.

1.3. Grant in Aid

Grant in Aid received from DfE in respect of revenue expenditure or relating to general capital expenditure is recognised in the general reserve in the year it is received.

1.4. Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). The defined benefit schemes are unfunded and are non-contributory except in respect of dependants' benefits. The Children's Commissioner recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. The share of liabilities for the defined benefit schemes cannot

be identified and this drives the accounting treatment. Liability for payment for future benefits is a charge on the PCSPS. In respect of the defined contribution schemes, the Children's Commissioner recognises the contributions payable for the year. PCSPS also permits employees to opt for a partnership pension account, a stakeholder pension with an employer contribution. The defined benefit schemes are treated for accounting purposes as a defined contribution scheme as required by IAS 19. The defined benefit scheme prepares its own financial statements.

1.5. Intangible Assets

Assets with a useful economic life in excess of one year and where expenditure of £2,500 or more is incurred are initially valued at cost price and then amortised over their estimated useful economic lives. Assets under construction are amortised from the date they come into use.

Asset lives are in the following ranges:

- Website 4 years;
- Equipment 4 years;
- Software licences 4 years; and
- Customer Relationship Management System 4 years.

1.6. Leases

Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Operating leases are charged to the Statement of Comprehensive Net Expenditure as expenditure is incurred. The Children's Commissioner does not hold any finance leases.

1.7. Provisions

Provisions are recognised when it is probable that it will be required to settle a present obligation resulting from a past event and can make a reliable estimate of that obligation. The obligation is normally the sum that the Children's Commissioner would pay to settle the obligation at the year-end or to transfer it to a third party at that time.

1.8 IFRS Changes to International Financial Reporting Standards.

IFRS 9 Financial Instruments (effective for periods beginning on or after 1 January 2018). Among other changes IFRS 9 introduces an expected credit loss model for impairment which will replace the current incurred loss model in IAS 39. An impairment loss may now be recognised prior to a loss event occurring. OCC has assessed that the impact of IFRS 9 will not be material to the financial statements and is not relevant to OCC.

IFRS 15 Revenue from contracts with customers (effective for periods beginning on or after 1 January 2018). The standard's core principle is that an entity will recognise revenue when it transfers goods or services to customers

at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard provides a single, principles based five-step model to be applied to all contracts with customers. OCC has assessed that the impact of IFRS 15 will not be material to the financial statements and is not relevant to OCC.

1.9 Accounting system notional charge

The operating expenditure does not include the costs of the accounting system utilised by OCC as this is provided by the Education and Skills Funding Agency, which does not charge for this. The notional cost is not material to these financial statements.

2. Staff Costs

	2018 - 19			2017 - 18		
	Permanently employed staff £000's	Others £000's	Total £000's	Permanently employed staff £000's	Others £000's	Total £000's
Salaries	1,390	22	1,412	1,271	20	1,291
Social security costs	155	-	155	138	-	138
Pension costs	303	-	303	267	-	267
Restructuring costs	18	-	18	36	-	36
	1,866	22	1,888	1,712	20	1,732
Less recovery in respect of outwards secondments	(3)	-	(3)	-	-	-
	1,863	22	1,885	1,712	20	1,732

Further details on staff costs can be found in the Remuneration and Staff Report (pages 43 to 52).

3. Operating Income

	2018-19	2017-18
	£000's	£000's
Income	(5)	-
Donations in Kind	(26)	-
Total	(31)	-

4. Operating expenditure

	2018-19	2017-18
	£000's	£000's
OCC project costs	209	300
Staff related costs	23	22
Consultancy	7	8
Legal and professional fees	12	107
Board Costs	-	-
Utilities	-	-
Catering	1	2
Marketing	12	12
IT support	49	44
Telephone costs	5	3
Premises costs including rates and service charges	-	91
Rentals under operating leases:	-	-
Land and buildings	84	-
Other operating leases	-	-
Travel and subsistence - general	9	7
Project-related travel	14	21
Bank Charges and interest	2	1
External Audit fees	35	38
Internal Audit fees	15	16
Other expenditure	30	23
Bad debt write off	-	5
Total	507	700

The table above has been re-presented from last year to align better with the group presentational format. There has been no re-calculation of values, the re-presentation has focused on how lower level balances have been aggregated into revised caption headings above. The total has remained unchanged.

Depreciation, Amortisation and other non-cash charges

	2018-19 £000	2017-18 £000
Depreciation	-	-
Amortisation	35	30
Provision creation	-	9
Distribution of donations in kind (note 8)	11	-
Total	46	39

Programme costs consist of a range of projects delivering against the business plan. The most notable ones in 2018-19 were: The Children's Commissioner's childhood vulnerability framework, a unique measure of the number of vulnerable children in England. This identified 1.6m vulnerable children who are not getting appropriate support from the state. (**£78K**); running a digital hub (**£27K**) where children in care and care leavers can share their experiences and which links children in care councils across the country; a project on temporary accommodation which explored data on how many children are at risk of needing temporary accommodation which will be published summer 2019 (£23k) and research into the postcode lottery of spending on speech and language therapy and early support for children with mental health problems (£15k). The balance was spent on a variety of smaller projects.

The auditors' remuneration for 2018-19 is £35,000. There were no non-audit fees paid to NAO.

5. Intangible Assets

	Software and websites	Assets under construction	2019 Total	Software and websites	Assets under Construction	2018 Total
	£000's	£000's	£000's	£000's	£000's	£000's
Cost or valuation						
At 1 April	248	-	248	118	104	222
Additions	-	-	-	-	26	26
Impairments	-	-	-	-	-	-
Disposals	(118)	-	(118)	-	-	-
Reclassifications	-	-	-	130	(130)	-
Revaluations	-	-	-	-	-	-
At 31 March	130	-	130	248	-	248
Amortisation						
At 1 April	(126)	-	(126)	(96)	-	(96)
Charged in year	(35)	-	(35)	(30)	-	(30)
Impairments	-	-	-	-	-	-
Disposals	118	-	118	-	-	-
Revaluation	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-
At 31 March	(43)	-	(43)	(126)	0	(126)
Carrying value at 31 March	87	-	87	122	0	122
Asset financing:						
Owned	87	-	87	122	0	122
Finance leased	-	-	-	-	-	-
Carrying value at 31 March	87	-	87	122	0	122

Note: Asset base is owned. Software Licences include a Customer Relationship Management (CRM) system and the website. The CRM system was purchased for £92,981 and has been depreciated since February 2018. The asset is being amortised over 4 years, at 31 March 2019 the book value was £65,862. Amortisation is accounted for under Depreciation, impairment and other non-cash charges line in the SoCNE. In 2018-19 the old accounting system with nil Net Book Value was disposed of, having not been used for the 2018-19 financial year. The licence expired in February 2019 and was not extended.

6. Trade and Other Receivables

	2019 £000's	2018 £000's
Amounts falling due within one year:		
Trade receivables	-	-
Other receivables	8	3
Prepayments and accrued income	14	22
	22	25
Amounts falling due after one year:		
Trade receivables	-	-
Other receivables	-	-
Prepayments and accrued income	-	-
	-	-

7. Cash and Cash Equivalents

	2019 £000's	2018 £000's
Balance at 1 April	29	6
Net change in cash and cash equivalent balances	52	23
Balance at 31 March	81	29
The following balances are held at:		
Cash at bank and in hand:		
Government Banking Service	81	29
Commercial banks	-	-
Cash held with solicitors	-	-
Balance at 31 March	81	29
Overdrafts:		
Government Banking Service	-	-
Commercial banks	-	-
	-	-
Balance at 31 March, net of overdrafts	81	29

8. Inventories

Stock of donations in kind made through IMO website

	2018-19	2017-18
	£000	£000
Donations in kind received	26	-
Donations in kind distributed	(11)	-
Total	15	-

9. Trade and Other payables

Current payables

	2019 £000's	2018 £000's
Trade payables	10	1
Tax and social security payables	39	39
Corporation tax	-	-
Other payables	36	36
Accruals and deferred income	160	208
Total payables due within one year	245	284

Non-current payables

	2019 £000's	2018 £000's
Other payables	-	-
Deferred tax	-	-
Total payables due after more than one year	-	-

10. Provisions

	Provision £000's	2019 Total £000's	Provision £000's	2018 Total £000's
At 1 April	(9)	(9)	(18)	(18)
Additions	-	-	(9)	(9)
Utilisation	9	9	18	18
Release	-	-	-	-
At 31 March	-	-	(9)	(9)
Aging				
Less than 1 year	-	-	(9)	(9)
2-5 years	-	-	-	-
Over 5 years	-	-	-	-
Carrying value at 31 March	-	-	(9)	(9)

Note: The provision in 2017-18 related to legal costs, resulting from a claim made by a 3rd party.

11. Commitments under Leases

The Children's Commissioner holds a MOTO / operating lease contract for office accommodation with an annual cost of £88k and a three month notice period. At the time of the 2017-18 accounts the lease had expired therefore no commitment was recognised.

Commitments under Leases

	2018-19 £000's	2017-18 £000's
Obligations under operating leases for the following periods comprise		
Buildings:		
Not later than one year	22	0
Later than one year and not later than five years	0	0
	22	0

12. Related Party Transactions

The Office of the Children's Commissioner is sponsored by the Department for Education and for the purposes of these accounts is regarded as a related party. There were material transactions with the DfE in respect of Grant in Aid, office accommodation and the provision of IT, Finance, Commercial and HR services via a Shared Service Agreement. These shared services transactions are conducted at arms length. The operating lease disclosed in note 8 is with the Department.

In addition, there have been a number of transactions with other government departments and other central government bodies. The significant transactions in this regard have been with Cabinet Office and PCSPS. There are no further transactions with any other related party.

No senior manager or related party has undertaken any material transactions with the Office in the period to 31 March 2019. Compensation to senior managers is disclosed in the remuneration report section of this report.

13. Events after the Reporting Period Date

These accounts were authorised for issue on the date of certification by the Comptroller and Auditor General. There have been no events after the reporting period up to the date the annual report and accounts were authorised for issue impacting on the financial statements.