

Motion submitted by Councillor Charlton and seconded by Councillor T Long.

This Council notes the importance of providing the best possible care for our most vulnerable looked after children.

The Council also notes that spending on privately run children's homes has more than doubled in the past six years from £736.6 million in 2015/16 to £1.5 billion in 2021/22. As well as the costs to Councils, including our own, this Council should note that a report commissioned by the Local Government Association revealed that the largest independent providers of children's social care services in England made profits of more than £300 million last year. The report found that the 20 largest providers collectively made profits of £310 million in 2021/22. This represents a 19% profit margin on their total income of £1.63 billion. It also found there have been a significant amount of mergers and acquisitions in the children's social care sector in recent years. This has led to concerns about the impact of such activity on children living in care.

This Council believes that:-

- it is fundamentally wrong that some providers are making such large profits when that money should be invested in supporting our children. This would free up more resources to finance more early intervention programmes.
- there should be a far greater financial oversight of the largest providers. It is clear that the current system is not fit for purpose and there needs to be a major overhaul. Children, families and local authorities are not being best served as well as council taxpayers, as public money is being used to boost private profits.

This Council therefore resolves:

to ask the Leader to write to the Parliamentary Under-Secretary of State (Minister for Children, Families and Wellbeing) David Johnston OBE MP (with a copy to the Chair of the Education Select Committee) to:

- i. **make him aware of the situation, its potential impact on our children and young people in care, the overall budget impacts on St Helens Borough Council and how these profiteering companies are diverting money away from early intervention and thus further disadvantaging our most vulnerable children; and**
- ii. **ask Mr Johnston that his Department investigates the largest providers so that there is a far greater financial oversight. This is the least that should be done as a matter of urgency.**