



FTI®

Cost-Benefit Analysis of Telephone advice services provided by the Family Rights Group

- Including proposals for future evaluation strategy

A Report by FTI Consulting for Family Rights Group

**Dan Corry
Shayon Maitra**

March 2011

Table of Contents

	Glossary.....	2
1	Introduction	3
	Background.....	3
	Overall aim and structure of this evaluation.....	4
2	Stakeholder Analysis.....	5
3	Background of Those Taken Into Care.....	11
4	Information on the callers	14
	Concerns of the callers	16
5	Costs incurred by FRG.....	21
6	Outcomes of FRG Advice	22
7	Cost of child in Care	25
	Direct cost of child in care.....	25
	Length of savings.....	27
	Other costs of a child in care	29
8	Methodology for measuring the impact of FRG advice	30
9	Results	34
	Additionality.....	36
	Benefit-to-Cost Ratio.....	38
	Additional savings	38
10	Sensitivity Analysis	41
	Other Sensitivities	44
	The Overall range of BCRs.....	46
11	Plan for the future	47
	Information from callers	47
	Website	48
Appendix 1	Sources of information.....	50
Appendix 2	Calculation of Callers At Risk.....	51

Glossary

Item	Description
FRG	Family Rights Group
BCR	Benefit-to-Cost Ratio
LAC	Looked After Children



1 Introduction

Background

- 1.1 Family Rights Group (FRG) is a national charity that advises, advocates and campaigns for families who have come into contact with social care services with regards to their children.
- 1.2 One of the services that FRG runs is a confidential telephone advice line where advice is given by paid professionals to enable families to understand their situations and the options available to them. FRG attracts those who are in severe difficulties who are unable to cope with their situation and in many cases whose children are at significant risk. These families therefore need more than just simple advice given by volunteers, they require discussion with a specialist adviser who has detailed knowledge of both children's social care practice as well as childcare law, a combination of skills and expertise that no other national advice line offers. This makes their cost per call higher than some other organisations.
- 1.3 This service has been funded to date by a grant from government. This evaluation focuses on the cost-effectiveness of this telephone advice service.
- 1.4 One of the main problems FRG deals with via its telephone advice service are distressed families calling to seek advice on how to avoid losing their children to state care. Their clientele is largely made of family members in very desperate situations who have nowhere else to turn to get the independent, specialist assistance they require. The main solutions FRG provide are:
 - Helping families realise their concerns – callers are often very distressed and need help thinking through their situation and addressing the problem coherently.
 - Helping families realise the importance of working constructively with social workers callers often do not accept that the motivation of a social worker is to protect the child and feel angry/hostile and fearful of children's social care services, which can further exacerbate the



situation. Partnership working between social workers and families is key to safeguarding children.

- Helping families understand the law and legal processes – callers are often unaware of child welfare procedures and of their legal options and what the best track/procedure is to follow.
- Helping families reach other support services as necessary.

Overall aim and structure of this evaluation

1.5 There are a large number of outcomes of the FRG advice service. We broadly follow the methodology used in the Social Return on Investment literature to look at this.¹

1.6 We first look at how different stakeholders are affected by the advice service. We then analyse the people who use FRG's advice service and the reasons they get in contact. We then narrow down our analysis to focus on the degree to which FRG's advice contributes to keeping children out of care since this is the most tangible outcome from FRG's advice and is the outcome most beneficial to the state in terms of cost saving. The rest of the paper sees us set out to calculate the number of families whose children are not taken into care (or come out of care) as a result of FRG advice. We then seek to put a monetary value on that net impact that FRG has so we can compare it with the cost of the advice.

¹ http://www.thesroinetwork.org/component/option,com_docman/task,doc_download/gid,53/Itemid,38/



2 Stakeholder Analysis

- 2.1 We start the analysis by mapping out the stakeholders and describing the various outcomes possible.
- 2.2 Key is that the advice service helps to prevent children unnecessarily entering the care system. Keeping children out of care has a number of significant benefits, including substantial cost savings for several parts of the public sector not least in children's social care, criminal justice and in the court system.
- 2.3 Few children want to be in care or benefit from being in care. Whilst it is the right option for some children, the evidence shows that many can be supported in their families, including their wider family, with people who they know and love and with a clear sense of identity. Moreover children in family and friends care tend to have more stable placements than those placed with unrelated foster carers. They also appear to be as safe and their behaviour is perceived to be less of a problem when compared to children with unrelated foster carers.
- 2.4 Despite the commitment of many professionals and non-professionals – and the determination and resilience of the children themselves – the research shows that children who are in care often experience childhood and adolescence as characterised by insecurity, ill health and lack of fulfilment. The evidence is also clear that the long-term outcomes of children in care are often extremely poor. They are overrepresented in a range of vulnerable groups including those not in education, employment or training post-16; teenage parents; young offenders; drug users and prisoners.

Table 2.1 Stakeholder analysis map

Stakeholders (people/ institutions that benefit from FRG's services)	Inputs (resources)	Outputs (what FRG provides)	Outcome (consequence for stakeholders)	Outcome (consequence for society)
Children	Advice or advocacy	Adviser offers parent greater insight into child's needs, and reasons for concerns.	Children more likely to stay living within family network, and lead a more stable life.	Decrease in behavioural problems. Better supported families. Better socially adjusted, and can stay with families with better consequences.
Parents	Advice or advocacy	Adviser helps parent to work in partnership with social workers. Parent given more insight into their child's needs. Parent given better understanding of the law and LA procedures.	Parents more able to: address the reality of their situation, access appropriate family support services, aware of their rights and responsibilities, able to respond appropriately to concerns Maintain better contact with LAC	Possibility of child being worse off as a result of going back to an unstable family environment than in care. ² Parents more likely to keep their children, and be equipped to take better care of them. Parents of LAC children are more likely to have their child return home sooner, with more successful reunification. Parents experience less stress and more able to contribute positively to society.

² http://www.demos.co.uk/files/In_Loco_Parentis_-_web.pdf?1277484312

Stakeholders (people/ institutions that benefit from FRG's services)	Inputs (resources)	Outputs (what FRG provides)	Outcome (consequence for stakeholders)	Outcome (consequence for society)
			child.	
Kinship carer (Grandparent or other family member)	Advice or advocacy	Adviser gives kinship carer better understanding of law and LA procedures, helps carer work better in partnership with social workers and is given more insight into the child's needs.	Kinship carers are more able to keep children within the family, and are better equipped to take care of them.	Kinship carers more able to offer permanence and security to children. Decreases likelihood of children going into state care.
Solicitors	Advice or advocacy	Adviser gives family member better understanding of the law and LA procedures either before initial contact is made with solicitor, or to further explain the law when they are working with a solicitor.	Family member better able to work with solicitor. Solicitor able to give more focussed advice.	Reduced expenditure on legal aid.
Other voluntary organisations	Advice and advocacy	Adviser accurately signposts family members to other relevant sources of advice and support	Voluntary organisations receive appropriate self referrals to their services.	Families get the right support. Voluntary sector funders get value for money.
Local Authorities	Advice and Advocacy	Adviser helps family members to better understand the role of the LA and social worker, and the benefit of working in	Social worker better able to meet the needs of the family. Improved partnership working means fewer statutory meetings	Reduced public expenditure on costs of LAC children, and hours of SW time.

Stakeholders (people/ institutions that benefit from FRG's services)	Inputs (resources)	Outputs (what FRG provides)	Outcome (consequence for stakeholders)	Outcome (consequence for society)
		partnership.	attended by social workers/schools/GP/police ie.. public agencies.	
Courts	Advice and Advocacy	Adviser helps family members to better understand the legal process, increases awareness of their rights and responsibilities and helps equip them to better understand the reality of their situation. Kinship carers assisted to self advocate.	Decreased likelihood of the child going into LA care. Social Workers able to do their work more efficiently. Fewer cases need to go to proceedings. Family members are better prepared, and more able to participate effectively and/or represent themselves in court proceedings.	Reduced public expenditure on court proceedings, and in court time.
Police Service	Advice and Advocacy	Advice given results in more children remaining safely within their family network. More insight into needs of children, better parenting, more stability.	Children are safer/at less risk of abuse Reduced level of anti-social behaviour and criminal activity both amongst children who would have been LAC, and their family members.	Safer, more cohesive communities. Less offending behaviour. Reduced public expenditure on crime prevention and policing.
Prisons/youth justice	Advice and	Advice given results in	Reduced level of anti-social	Reduced public expenditure on

Stakeholders (people/ institutions that benefit from FRG's services)	Inputs (resources)	Outputs (what FRG provides)	Outcome (consequence for stakeholders)	Outcome (consequence for society)
State (not sure whether to keep this row)	Advice and Advocacy	<p>more children remaining safely within their family network. More insight into needs of children, better parenting, more stability. Families supported to effectively to assist young people who get involved in anti-social/criminal behaviour</p> <p>Adviser helps prisoners and their families better understand their parental rights and responsibilities, and have greater insight into the needs of the child.</p>	<p>behaviour and criminal activity both amongst young people – less likely to enter Young offender institution/prison population. Contact with parents/family also reduces likelihood of young people re-offending. Reduced Young Offender Institution/prison population.</p> <p>Prisoners more likely to maintain contact with children whilst in prison, less likely to re-offend upon release.</p>	<p>youth justice/prisons.</p> <p>Cost savings – both directly in terms of reduced numbers of children in LA care. But also indirectly: reduced consequent costs of being a LAC child: increased criminal activity, poorer mental health, lower attainment, increased chance of children being on cp plan.</p>

Source: FRG



2.5 In principle, having set out in the diagram the costs and benefits associated with all the stakeholders we would put values on all of them or certainly those we suspect to generate significant savings, for instance in social worker time. However due to the lack of data and the scope of the study we have focused on only one element of the benefits, namely the avoidance of children being in care to calculate FRG's overall cost benefit ratio.



3 Background of Those Taken Into Care

- 3.1 Research into the background of those taken into care suggests that there is a much higher probability of that happening where the family is on benefits (i.e. low income); where it is a single parent family, where they live in council accommodation, where the family background is mixed race and where there is severe overcrowding at home. Children are also more likely to be over 10 than under.

Table 3.1 Family Circumstances of children in the General Household Survey and the Children Entering Care Surveys Compared

	Care (%)	GHS (%)
Benefits		
Housing (but not SB)	9	9
Supplementary benefit	66	15
Mother under 21	5	1
Single parent family		
With 2 or more adults	12	4
With one adult only	45	7
Four plus children in family	24	9
Ethnic group		
Afro-Caribbean	3	2
Asian	3	3
Mixed race	6	1
Tenure		
Council renting	66	25
Private renting	14	8
Overcrowded (1+ person per room)	28	7
Child's age		
5 to 9	20	28
10 and over	46	41

Source: The background of children who enter Local authority care: Andrew Bebbington and John Miles, British Journal of Social Work, 1989, 19, 349-368

3.2 We do not have data on all these issues for either the full population of callers to the FRG advice line or for those interviewed in the follow-up evaluation (see Appendix 1 for details). But we do know that most of the children that FRG works with are in single parent homes (see Figure 4.2);, that average incomes are low (from the ECOTEC survey see Appendix 1 for



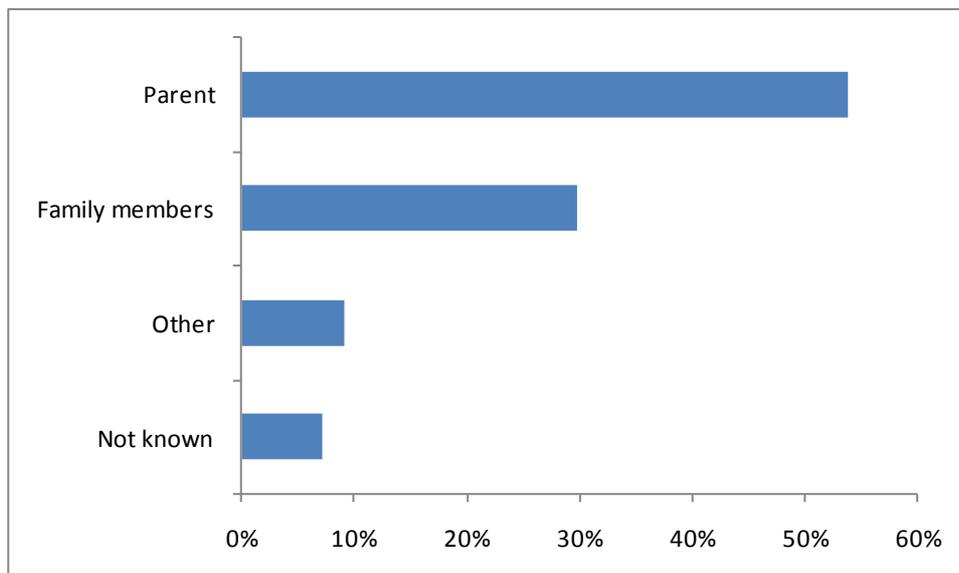
details and from the independent evaluation of FRG services (Ritchie, 2010)³ which showed that half of the sample were unwaged); that 13% of children were of mixed race (ECOTEC survey) and that the majority of the children were between 5 and 12 (Ritchie, 2010). Ritchie's evaluation study also looks at the stress and health issues that callers are under and found that they had 'a much higher level of psychological disturbance and disadvantage than the general population'. Therefore the background characteristics profile of FRG callers and the children they are calling about suggests that a high proportion of those would be vulnerable to being in care.

³ Ritchie (2010) Evaluation of Family Rights Group's Service

4 Information on the callers

- 4.1 FRG speaks to (or provides email advice) to approximately 6,000 callers a year and obtains a small amount of data from them and on them. We have analysed that data to look at the outline characteristics of callers and their problems⁴
- 4.2 Most callers are parents or other family members (most often grandparents) who are seeking to or are currently raising a child who is unable to live with his/her parents. In our analysis we have distinguished between the two groups where it seems sensible. This is in terms of issues called about as well as any legal proceedings that might have been occurring during the time of call since we feel that these have a different impact on parents from family and friends carers.

Figure 4.1 Caller Type

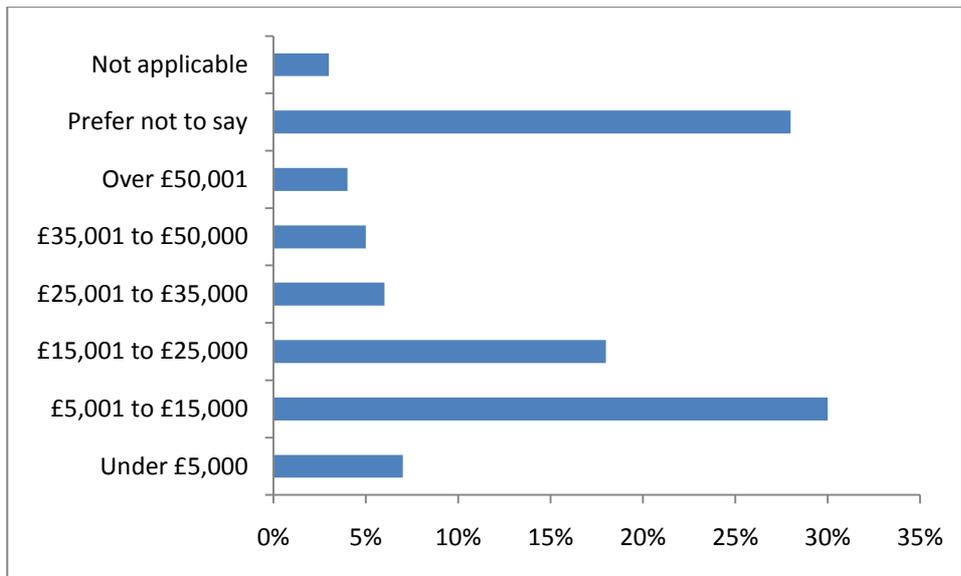


Source: FRG caller data 2010

⁴ FRG let us have data on 4786 from February 2010 to December 2010. We have grossed this up to 6000 which was the total number of calls they had in 2010.

4.3 The majority of households have an annual household income between £5,001 and £15,000, which includes income and all benefits.

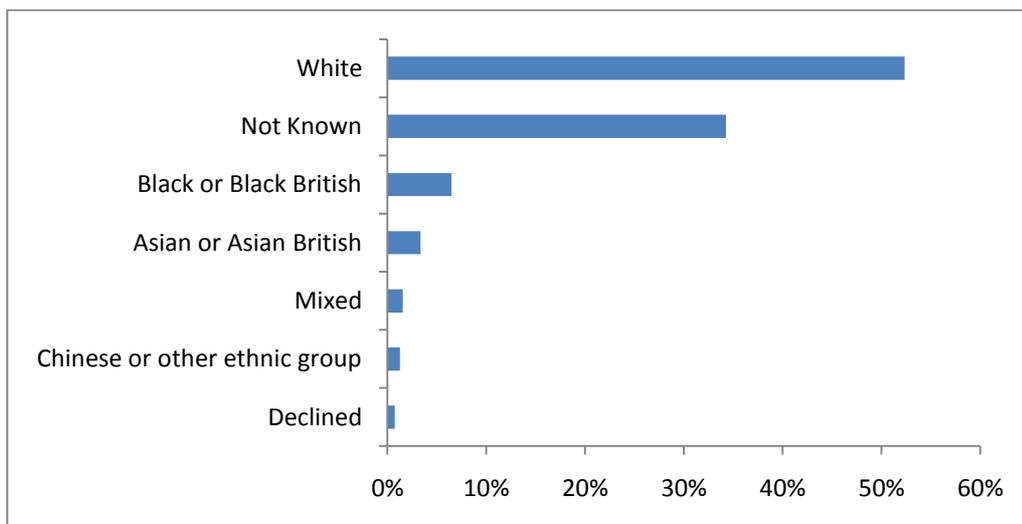
Table 4.1 Caller annual income (including all benefits)



Source: ECOTEC survey

4.4 The majority of callers identified themselves as 'White'

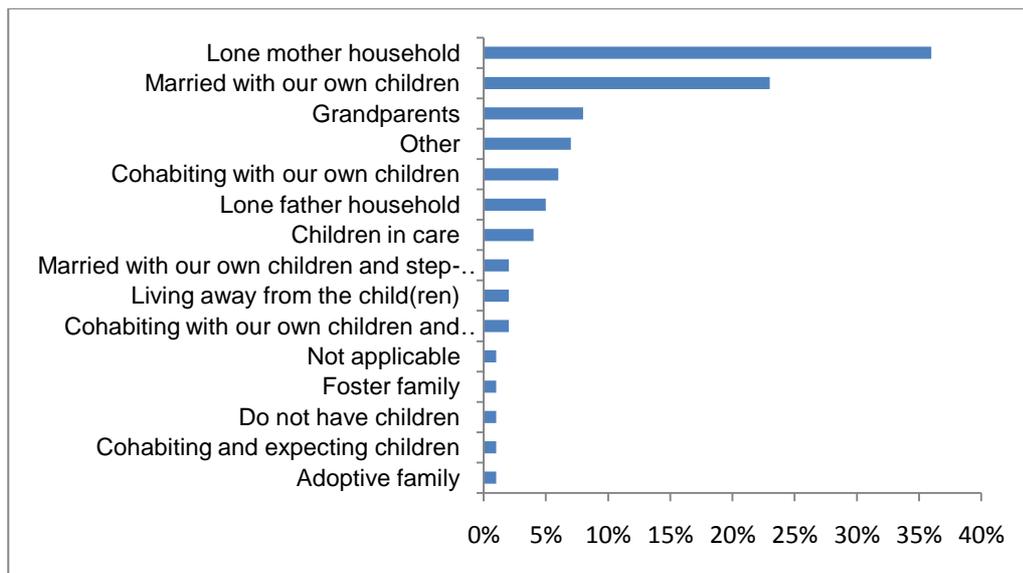
Table 4.2 Caller Ethnicity



Source: FRG caller data 2010

4.5 The majority of children that callers called regarding were from lone mother households. This at least suggests that this set of callers are vulnerable parents in difficult circumstances. Evidence suggests for instance that far more children in care come from lone parent households than any other⁵.

Figure 4.2 Family make-up of child(ren) that FRG was contacted about

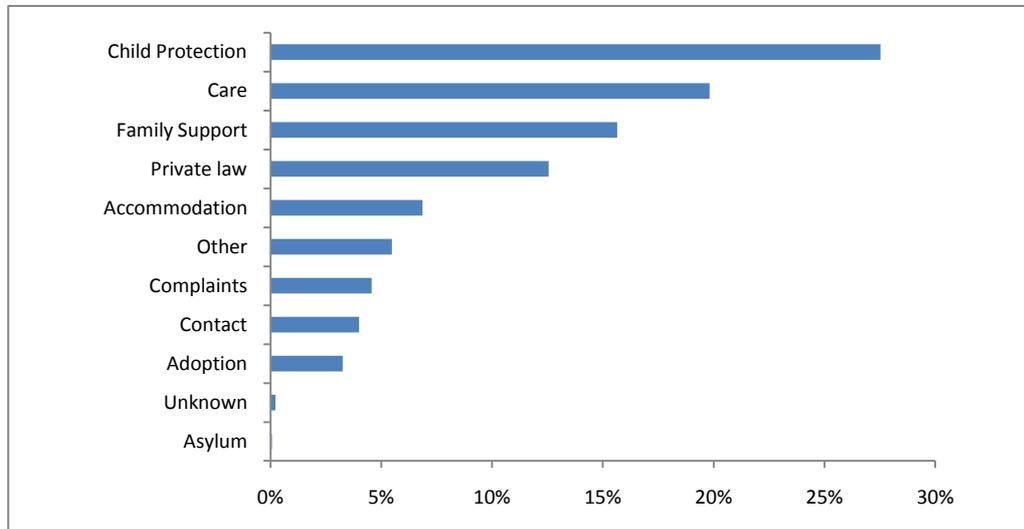


Source: ECOTEC Evaluation Survey

Concerns of the callers

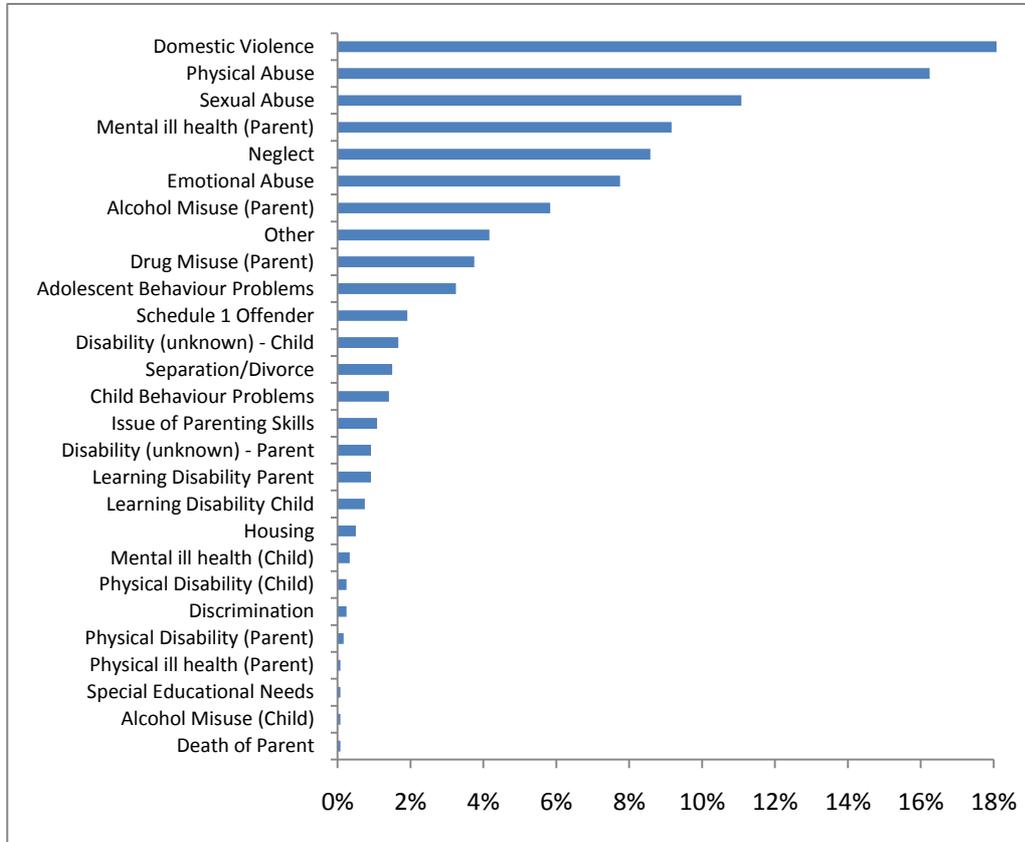
4.6 The main issues that callers called about were child protection, care and family support (Figure 4.3), all issues directly linked to the probability of a child going into care (or indeed coming out of care).

⁵ The background of children who enter Local authority care: Andrew Bebbington and John Miles, British Journal of Social Work, 1989, 19, 349-368

Figure 4.3 Main Issues of callers


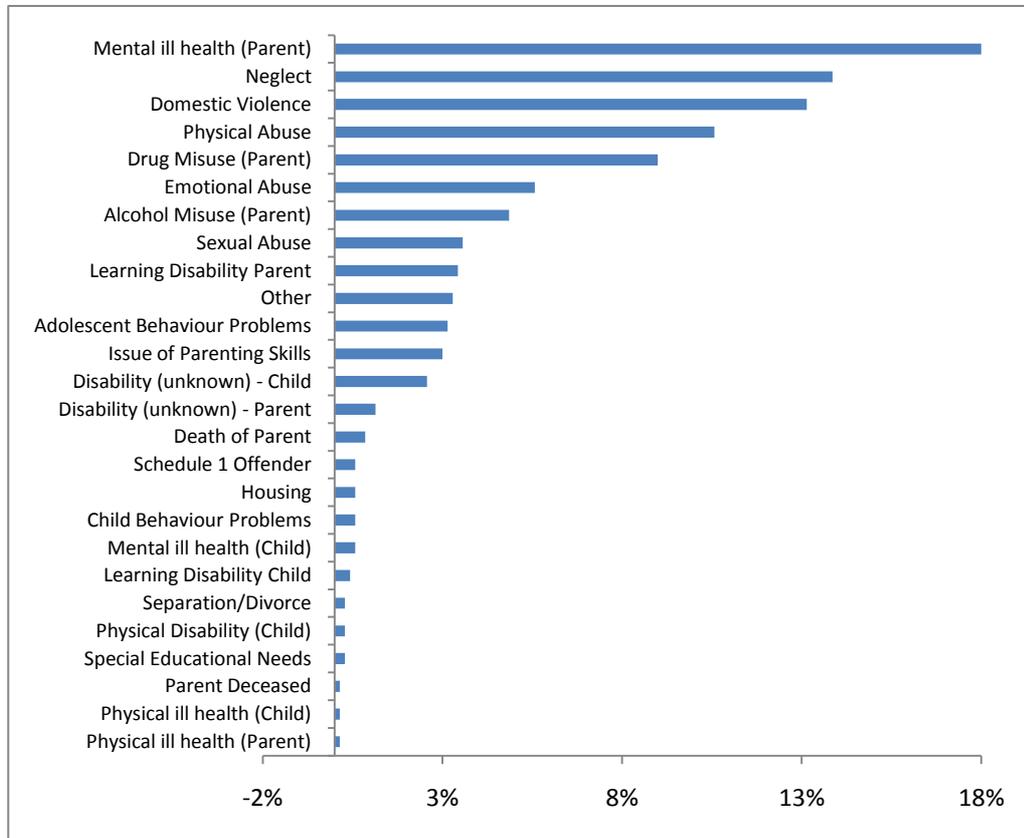
Source: FRG caller data 2010

4.7 We were however able to dig deeper than this. FRG also recorded the specific problem types that callers called about under each heading. As Figure 4.4 below shows, callers that called regarding child protection were mostly concerned with the welfare of the children in question due to domestic violence, physical abuse and sexual abuse.

Figure 4.4 Main problem type: Child Protection


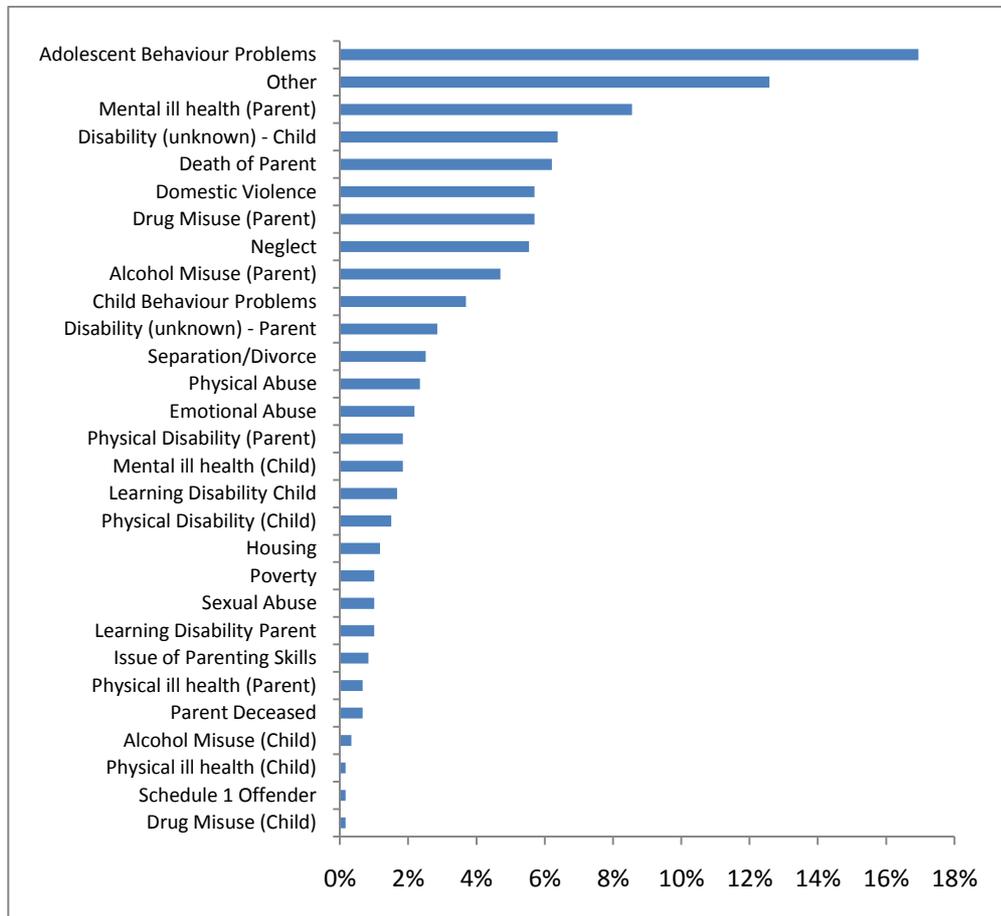
Source: FRG caller data 2010

4.8 Figure 4.5 shows that callers calling about care related issues were mostly concerned with the welfare of the child due to mental illness of parent, neglect and domestic violence.

Figure 4.5 Main problem type: Care


Source: FRG caller data 2010

4.9 According to Figure 4.6, callers calling about family support issues were mostly concerned with the welfare of the child due to behavioural problems of the child, mental illness of the parent and disability of child.

Figure 4.6 Main problem type: Family Support


Source: FRG caller data 2010

4.10 It is clear from the data that the population that FRG deals with is highly specialized cases where the issues are very severe and in need of complex advice.



5 Costs incurred by FRG

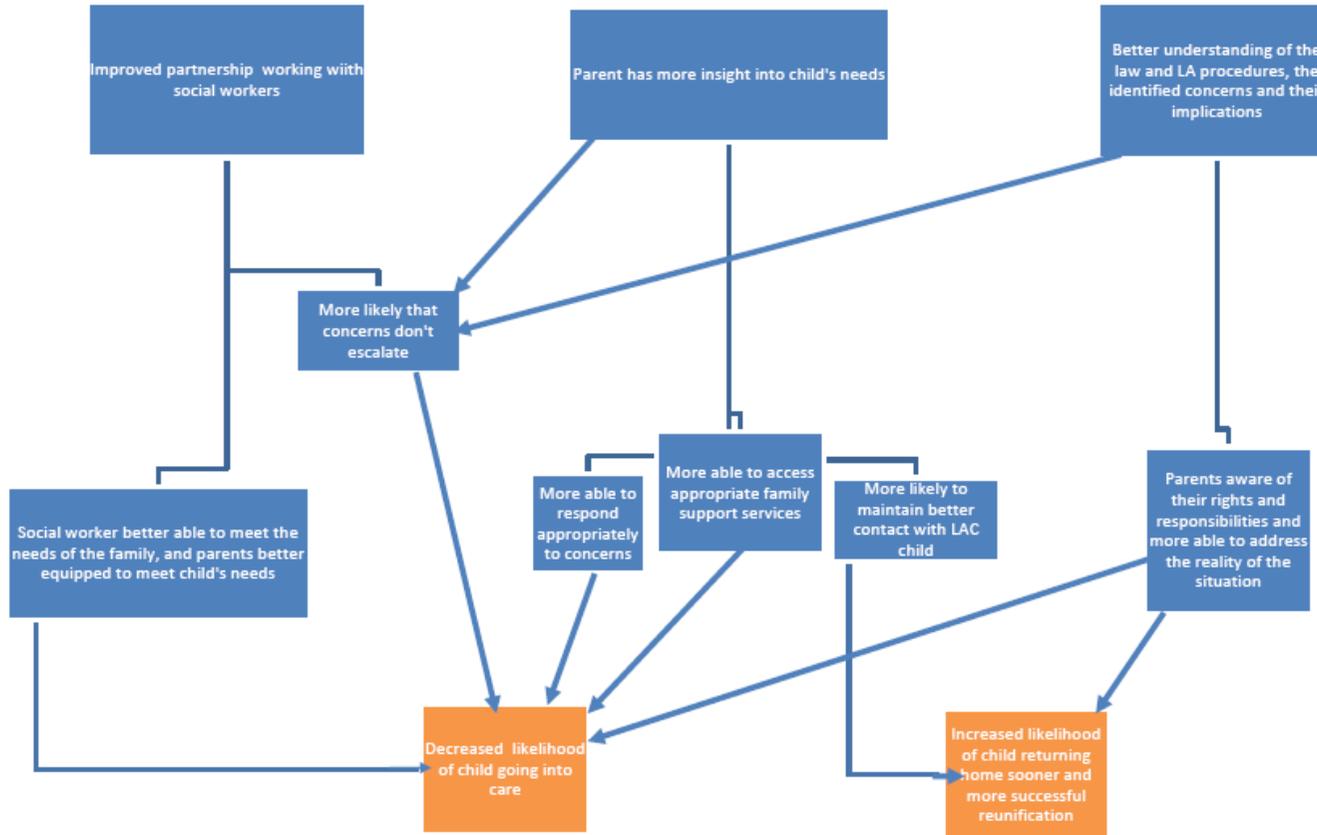
- 5.1 Costs incurred by FRG are around £50 per unique caller. FRG measures this by dividing the project budget by the number of unique callers, defined as callers (or e-mailers – a little over 10% of the total) who have not called FRG about the same issue before in the same month. The project budget for 2010 was £291,720 and the number of callers spoken to/e-mailed was 6,000 which gives the cost per caller at £48.62 (which we round up to £50).



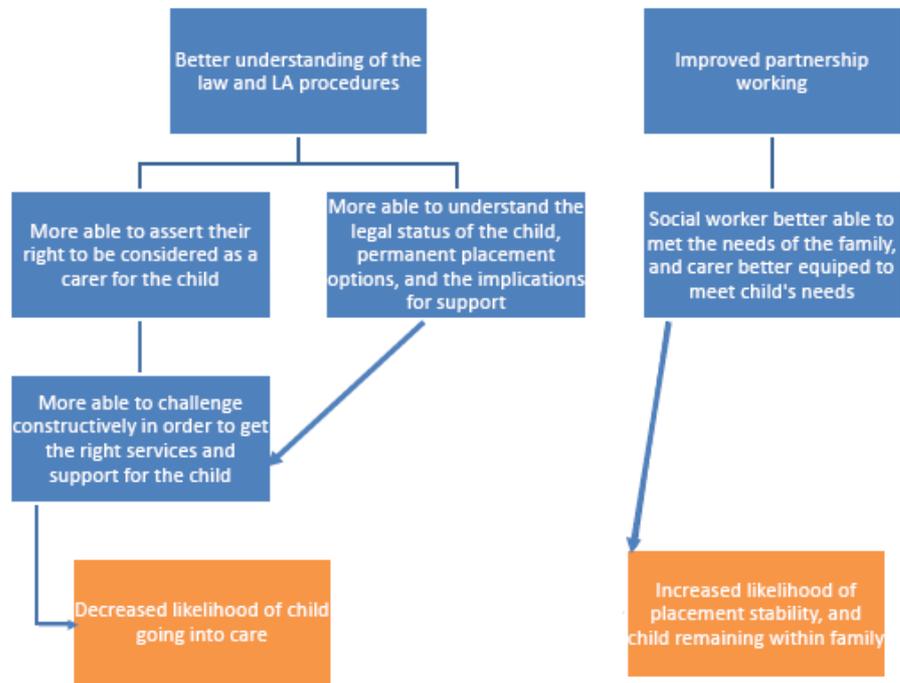
6 Outcomes of FRG Advice

- 6.1 The major outcome that FRG advice leads to is fewer children in care. This is mainly because as a result of FRG advice they do not enter care. There are also some cases where advice leads to a child coming out of care or doing so earlier than expected.
- 6.2 These are complex processes. The flow diagrams below (Table 1.1 and Table 1.12) give FRG's feel of how the process works for parents and kinship carers (grandparents/family or friends). The top of the charts gives the 'output' that callers may achieve from the advice and the diagram then shows how we conceptualise how this leads to the ultimate outcome of the child not being in care that would have been otherwise.

Table 6.1 FRG advice process for parents



Source: FRG

Table 6.2 FRG advice process for kinship carers


Source: FRG

6.3 Ideally the data we have would allow us to follow each of these processes and put numbers to them. We do not however have enough data to do this (and indeed it is unclear if conceptually we ever could have such data). In practice we have concentrated on two outputs, better understanding of law and procedures and improved partnership working, to estimate the benefits of FRG's services.

7 Cost of child in Care

7.1 If a child that would have been in care is not in care there are various (financial) implications.

Direct cost of child in care

7.2 First there is a relatively straight forward saving to the exchequer from the direct costs of having a child in care. Costs arise from:

- physical costs (children’s homes etc); and
- staff costs.

7.3 Estimates of how much this is vary. Below in the table we give a range of estimates of these direct costs where a child is looked after in a community home. Costs vary depending on whether the child is:

- in local authority care; and
- in voluntary provided care.

Table 7.1 Estimates of direct costs

Community Home for children	Cost per week	Of which salary and other revenue costs
Local authority	£2810	£2578
Non-statutory sector	£2494	£2298

Source: Unit Costs of Health and Social care 2010, PSSRU, pgs 106, 107

7.4 It may be that the child in fact ends up being fostered. Foster care itself also has costs to the state as the table below shows.⁶

⁶ Adoption is another option. This clearly saves the public sector more – although it has upfront costs to the local authority, estimated by some at £35k. See e.g. <http://www.guardian.co.uk/society/2010/jan/31/adoption-children-fostering-care-system> . As a recent Demos study pointed out adoption is only suitable for a small proportion of looked-after children and most are placed with foster carers (73 per cent in 2009). http://www.demos.co.uk/files/In_Loco_Parentis_-_web.pdf?1277484312

Table 7.2 Foster care costs to state

Local authority foster care	Cost per week	Of which social services
	£676	£224

Source: *Ibid* pg 108

7.5 We have little knowledge of what form of care a child would have gone into if not for FRG support. An estimate we have of this is an average weighted across the whole population. Figures on this are given in a recent ONS paper⁷:

Table 7.3 Cost of child looked after by care

Setting	Unit costs of looked after children, England, pounds per night, 2007-8
Secure accommodation	£422
Children's homes	£328
Fostering services	£69
Other looked after children	£28
Combined (weighted average)	£90

Source: ONS 2009

7.6 This gives an overall cost of £32,850 a year if we use the weighted average.

7.7 There are reasons for believing that these figures are at the lower end of what is likely given the FRG client base. A feel of how much more the costs can be is given in various places. The PPRS study, 'Unit Costs of Health and Social Care' gives an example of a child in care that is low cost with no additional support needs coming in at £43,843 for 87 weeks for the local authority (so around £26,000 for 52 weeks) plus another £14,313 costs to 'others' (so £8,500 for 52 weeks). For a child with emotional or behaviour difficulties and offending behaviour this rises to £191,000 per year (£271,330

⁷ UK Centre for measurement of Government Activity: measuring the Output of Children's Social Care: an alternative method for looked after children, Mike G Phelps, ONS 2009



for 74 weeks) plus (£59,000 per year for others). As that study also shows, costs can go even higher than this.

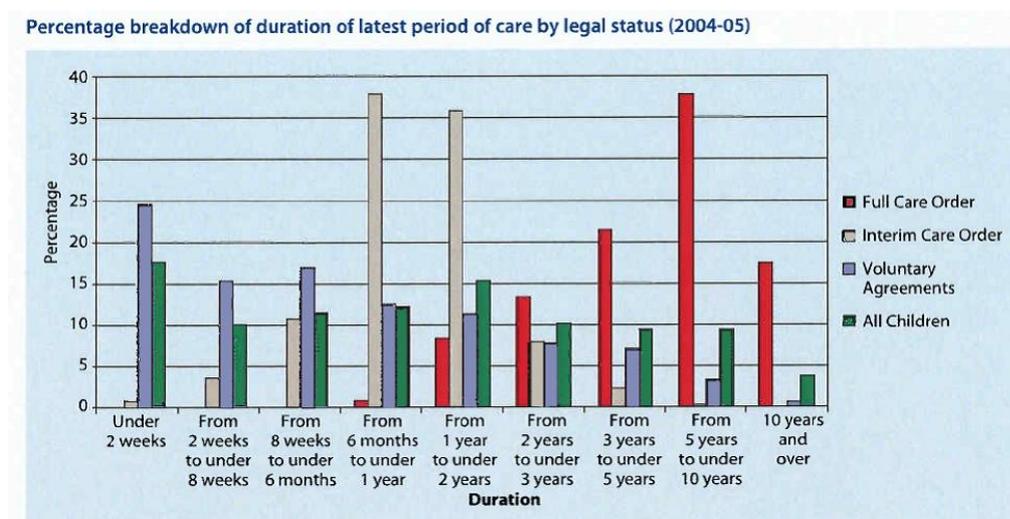
- 7.8 There is an argument that claiming the whole cost of care as a saving is too much: if the child does stay with the family then there will be payments made to the family that are not paid otherwise like child benefit and costs of social work assessments and so on. This however is relatively small as well as difficult to calculate so we have not included it in our calculations.
- 7.9 In addition the PPRS work shows that the average cost per week of a child receiving a service (including social work visits/assessments) that is supported in a family or independently is £157 compared to a mean cost of £761 if a looked after child which suggests that if care is avoided the bulk of the costs are also avoided. (PPRS op cit p 110, Table 3).
- 7.10 Overall, taking all of this into account, we think that a reasonable cost per child in care is £25,000 per annum. We consider this a very conservative estimate for the case-load that FRG have – as explained earlier – but it is the main case that we use in the analysis. However we also do sensitivity analysis using £40,000, a figure used elsewhere in this literature.

Length of savings

- 7.11 Without FRG advice a child may not only have entered care but have stayed there for more than a year increasing the benefit that FRG brings in terms of avoided costs. On the other hand they may have only gone into care for a short while so that a year is an overestimate. A further complexity is that having gone into care the probability of going back in – even if out of care for a while – goes up.
- 7.12 If we knew a great deal about the characteristics of the children and their family we may be able to link them to expected length of stay in care without FRG advice but since we do not we need to appeal to other evidence to get a handle on this issue.

- 7.13 The government Green Paper of 2006, 'Care Matters'⁸ said: "Critically, we know that few children spend their whole childhood in care. 40% stay for less than 6 months, and only 13% stay for 5 years or more."
- 7.14 On the other hand it also said that "Of those who do return home, we know that many come back into care. Around half have more than one period in care during their childhood."
- 7.15 Perhaps most useful for our purposes that paper says that: "The legal status of a child has a significant impact on how long they stay in care. Children in care under care orders are likely to spend much longer in care than those in care on a voluntary basis." The graph below from the Green Paper (para C6) illustrates this well.

Figure 7.1 Percentage of breakdown of duration of latest period of care by legal status



Source: *Care Matters: Transforming the lives of children and young people in care*

⁸ DfES, *Care Matters: Transforming the lives of children and young people in care*, Cm 6932 (London: Dept for Education and Skills, 2006).
<http://www.education.gov.uk/publications/eOrderingDownload/Care-Matters%20Green%20Paper.pdf>



7.16 Given that a high proportion of those who have contacted Family Rights Group have done so because the local authority have indicated they are considering or have applied for an interim care order or full care orders proceedings, as opposed to the family agreeing or considering agreeing to voluntary accommodation (under Section 20 Children Act 1989) this graph suggests that the average stay is likely to be somewhere around 1 – 2 years.

7.17 We therefore think it would be entirely reasonable to assume that the saving is more than one year – and that would considerably increase the estimates of the benefit of any FRG impact. However we wish to be conservative again so our central case is that the child would have gone into care for one year only and that this does not affect their probability of re-entering care even after they have left care.

Other costs of a child in care

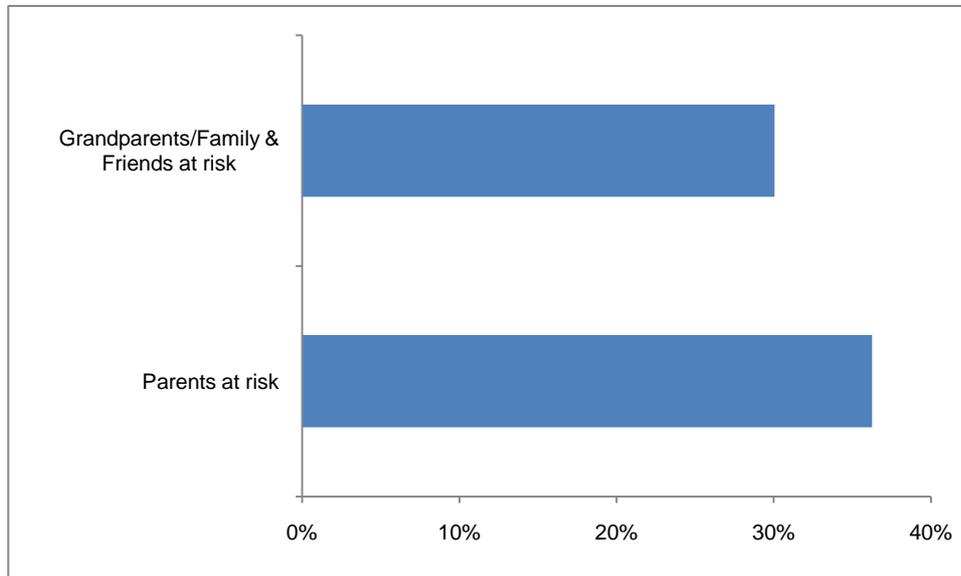
7.18 We have discussed the direct costs of care. However we also know that a child who has been in care is likely to have much poorer outcomes than one who has not. This is not only detrimental to the child but also to the Exchequer since public services are used much more if the child performs less optimally at school, is more likely to be involved in crime and is more likely to be involved in drugs and other issues that affect health.

7.19 In our benefit-to-cost analysis we have not included this at all which again means our estimates are conservative.



8 Methodology for measuring the impact of FRG advice

- 8.1 Our aim is to discover what impact FRG advice had and in particular how many children who would have been taken into care without FRG advice did not as a consequence of that advice. We then seek to put a monetary value on that net impact that FRG has so we can compare it with the cost of the advice.
- 8.2 Inevitably the data for this study was limited. Ideally we would have longitudinal data on what happened to the children a year, 5 years, 10 years after they had FRG advice. We would also have two identical groups of callers, one set of which used FRG advice and another that did not and we would compare them to obtain the estimates of the net impact of FRG.
- 8.3 Since we do not have most of this we have to use the data we have and at places to make assumptions. In each case we have tried to explain how we have made our calculation and why we have made such assumptions. We also analyse the impact of altering those assumptions. Box 8.1 gives a summary of the methodology and we give more details in the text below.
- 8.4 In the first place we have some data on the phone calls that FRG receives. Of course not everybody who calls is phoning about a child that might have ended up in care without advice. We try to get a handle on the proportion that look highly likely to have been in care in the absence of FRG advice. The assessment here was based on guidance from FRG experts.
- 8.5 To do this we look at the two caller types, 'Parents' and 'Grandparents/Family and Friends' and use FRG's expertise to determine the proportion of callers in each group that are at risk of having their child in care. We mostly analyse data on ongoing legal proceedings as well as main issues for callers. In Appendix 2 we explain in more detail our methodology to determine the callers that were of high probability of having their child taken into care. As Figure 8.1 below shows, around 36% of the parents and around 30% of grandparents/ family and friends calling were in a situation where the child in question was at risk of being in care.

Figure 8.1 Probability of losing child


Source: FRG caller data 2010 [need to explain here why so many are n/a yes!]

8.6 The next stage of analysis is to work out how useful the advice is to callers in helping them avoid the child going into care. Here we have one data source which is an evaluation follow up of a small but fairly representative sample of those who had used the FRG advice line in the past (see Annex for more detail). This asked callers to say if they were better off, the same or worse off across a variety of aspects (e.g. 'chances of staying together as a family', 'chances of maintaining contact with child'). We have looked at the net 'usefulness' across each aspect by subtracting the percentage that felt that FRG advice was not 'useful' from the percentage that found it useful. See Table 9.1, first 3 columns.

8.7 We then need to make a judgement as to how important a positive scoring on each aspect is to contributing to a child being kept out of care. This is a very difficult operation. After discussion with FRG experts we are confident in the rank ordering we have here (i.e. which is most, which is second most important and so on) but the exact overall weightings are inevitably less firmly based. Table 8.1 gives the weights put on the various outcomes.

Table 8.1 Weights put on various FRG outcomes

Key Area	Weight
Understanding of the law/rights	10%
Confidence in ability to deal with situation	7%
Confidence in dealing with social workers/professionals	10%
Chances of maintaining contact	15%
How you feel about yourself	7%
Chances of staying together as a family	30%
Understanding of your child/children's needs	7%
How stressed you feel	7%
Relationships with other family members	7%
Total	100%

Source: FTI calculations, FRG

8.8 We then have to make some assessment of the proportion of callers whose children were at risk of being in care but who were successful in keeping their child out of care having had 'useful' FRG advice. We have little empirical evidence from any data we have to go on here. After discussions with FRG and sticking with our desire to be conservative we make an assumption that 10% of the callers that benefitted from the above outcomes are able to keep their child out of care due to FRG's advice. In our sensitivity analysis we vary this estimate from 5% to 15%. In other words we look at the costs saved from assuming 5% and 15% of the callers, which benefit from the above outcomes, are able to keep their child out of care. This gives an overall impact of FRG advice on numbers avoiding going into care.

8.9 We then need to adjust for additionality: what would have happened to the callers if they had made no calls or would have rung another advice source if FRG did not exist. As the discussion in Section 4 shows, we think that the nature of the FRG client list and the answers given in the evaluation to other advice sources used, suggest that the vast majority of FRG advice is 'additional'. This is backed up by the evaluation (Ritchie, 2010) where 92% of callers had contacted other agencies for help with only partial or no success. Taking this all into account we therefore calculate our main case on 90% additionality but also present variations of 80 and 100%.



8.10 Finally we need an estimate for how much the state saves for each child kept out of care. This has been discussed earlier. There are arguments that the benefits spread over a long period. This both increases the benefits and would require the use of discounting of future benefits⁹. However our central estimate is for a saving for one year, so we have not used discounting in the calculations presented here.

8.11 Bringing these estimates together gives us a net additional benefit from FRG advice that we can compare against the cost per call.

8.12

BOX 8.1: What we are doing in these calculations (using parents as the example)

- (i) For those callers judged to be at risk of their child being in care we find out what 'service' or information they get from their contact with FRG – and use data on whether they found that information helpful or not. We weight this by an assessment (subjective to a degree) as to how important that category of advice is to keeping a child out of care relative to other types of advice.
- (ii) At this point we need to make an assessment as to what impact someone getting useful advice is likely to have on the probability of their child being in care. This is very hard to estimate. We use a figure of 10% in our main estimates. However based on what their advisers have told them FRG believe that this could be as high as 60% - and we give some estimates later based on that as well.
- (iii) This net impact is then diluted by making an allowance for additionality. We then use our estimates of the cost of a child being in care to derive an overall benefit.
- (iv) In some cases costs are also saved because legal proceedings to take a child into care are avoided. We make some estimates of this as well.

⁹ HM Treasury, *The Green Book*. http://www.hm-treasury.gov.uk/d/green_book_complete.pdf

9 Results

9.1 As explained earlier using the data from the Evaluation of FRG’s service (Ritchie, 2010), we now have data to see how many callers felt better, worse or the same as before receiving FRG advice and how this varies by question. This is given in the third column of Table 9.1. We have also discussed how after speaking to experts at FRG, we have attached weights since certain areas have a greater impact of the child avoiding care) final column).

Table 9.1 Key outcomes from FRG’s advice

Key Area	Better (a)	The Same	Worse (b)	Weight (c)
Understanding of the law/rights	86%	14%	0%	10%
Confidence in ability to deal with situation	75%	21%	4%	7%
Confidence in dealing with social workers/professionals	74%	23%	3%	10%
Chances of maintaining contact	65%	35%	0%	15%
How you feel about yourself	63%	32%	5%	7%
Chances of staying together as a family	62%	22%	6%	30%
Understanding of your child/children’s needs	59%	41%	0%	7%
How stressed you feel	42%	42%	16%	7%
Relationships with other family members	35%	57%	8%	7%

Source: FRG Evaluation Survey and FTI calculations

9.2 We used this data to estimate the proportion of callers that were able to keep their child out of care. As discussed in the previous section, since we did not have any data to estimate the proportion of callers who, as a result of reported positive outcomes, were able to keep their child out of care, we estimate this figure to be 10%.

Table 9.2 Calculation of proportion of callers that benefitted from FRG's advice

Key Area	Proportion better off ((a-b)*c*10%)
Understanding of the law/rights	0.9%
Confidence in ability to deal with situation	0.5%
Confidence in dealing with social workers/professionals	0.7%
Chances of maintaining contact	1.0%
How you feel about yourself	0.4%
Chances of staying together as a family	1.7%
Understanding of your child/children's needs	0.4%
How stressed you feel	0.2%
Relationships with other family members	0.2%
Total	5.9%

Source: FTI calculations

9.3 From FRG's annual caller data we know that the total number of annual callers was around 6,000 in 2010 and based on legal proceedings and the issues behind the phone calls, we have estimated that 36% of callers who were parents were at high risk of losing their child to care and that 30% of callers who were grandparents/family and friends would have seen the child removed into care if they had not stepped in. The data indicates that most of the callers call regarding a single child so we simplify (in a conservative way, since some will be calling about more than one child) by assuming that only one child is associated with each call. We have also calculated (as shown in Section 2) that the cost of keeping a child in care is around £25,000 annually. 0 gives the calculations that we use to come up with the cost of £2,522,059 that the state saves annually due to advice by FRG.

Table 9.3 Calculation of costs saved by state from FRG's advice

Total number of callers (annual)	6,000	a
Proportion of callers that are parents	54%	b
Proportion of parents that have a high probability of losing child	36%	c
Total number of parents	3,240	d=a*b
Total number of parents that have a high probability of losing child into care	1,166	e = c*d
Proportion of callers that are family members and friends	30%	f
Total number of family members and friends	1800	g=f*a
Total number of family members and friends that have a high probability of losing child into care	30%	h
Total number of family members and friends with high probability of losing child into care	540	i=g*h
Total number of callers that have a high probability of losing child into care that are better off with FRG advice	101	j=(e+i)*5.9%
Cost of keeping child in Care (£ a year)	25,000	k
Length of stay in care (years)	1.0	l
Average number of children in question	1.5	m
Amount of money saved (£ annually)	3,783,089	j*k*l*m

Source: FRG annual caller data 2010, FTI calculations

Additionality

9.4 There are a number of dimensions to additionality that we need to follow through on.



- 9.5 The question here is what would have happened to the clients and to their children if FRG advice had not been given? And would that have been different from the outcomes due to FRG advice?
- 9.6 One argument is that they would have got no advice in the absence of FRG. But even in that case we cannot assume that all of those who we believe FRG advice helped keep out of care would have gone into care. At least some percentage would have found their way through the system one way or another.
- 9.7 However this is likely to be very small indeed. We know this partly because of the fact that those contacting FRG had on the whole fairly complex lives, and we know from the evaluation that many had mental health issues, as discussed in Section 1. The group that contacts FRG are, therefore, very much at the end of their tether and in strong need of advice that is necessary to make any progress.
- 9.8 If it is unlikely that callers to FRG would have got through the system without advice, a proportion would have got advice from another source which might have helped them. So if FRG did not exist that proportion would have gone to another advice source and done just as well. However we believe this would be a small percentage.
- 9.9 Other organisations offer some elements of FRG's advice service. However, it is generally agreed FRG is the only national organisation that offers advice on the interface between the law and children's social work practice, explains to families their legal rights and at the same time gives them the opportunity to discuss what they need to do in working with child protection and related statutory services.
- 9.10 Local advice services such as Citizens Advice Bureau do not have the expertise to give the level of legal advice FRG offer, and user data from FRG shows that these agencies regularly refer clients onto FRG.
- 9.11 The importance of legal advice may well increase in the future. Changes to the way legal help is funded has meant that fewer legal aid contracts for childcare law are available, and funding reductions mean that solicitors firms now very rarely offer advice to parents before court proceedings have been

issued. For family and friends carers, only a small minority who are in proceedings qualify for legal aid at present and the number is likely to reduce because of proposed changes in legal aid. The economic profile of callers to FRH suggests that few could afford to instruct solicitors without public funding

9.12 Second, in the evaluation people were asked what would have happened without FRG support. Almost without exception 92% said they had contacted other agencies for help with only partial or no success.¹⁰.

9.13 We therefore think there is a case for saying that additionality is very high. We use as our base case 90% but have a variant that is lower at 80% and one at 100%.

Benefit-to-Cost Ratio

9.14 FRG has an approximate cost of £50 per caller. Using this we can calculate the benefit-to-cost ratio (BCR) by dividing the net benefit after taking off deadweight by the cost.

Table 9.4 Calculation of FRG's BCR

Annual cost per caller (£)	50
Total annual cost (£)	300,000
Benefits (£)	3,783,089
Deadweight	10%
Net Benefits (£)	3,404,780
Benefit to Cost Ratio	11

Source: FTI calculations

Additional savings

9.15 In addition to the savings made from a child not being in care, the state also saves where costly legal care proceedings are avoided due to families receiving FRG advice. This is difficult to estimate and begins to stretch our data. However it is an important source of potential savings so it is worth

¹⁰ FRG Evaluation Survey

making an attempt at a calculation. To estimate this we look at the callers that, after speaking with FRG, we consider a good indicator of those that are not currently in legal proceedings but are at high risk of being so. 0 lists these callers. The child protection category is quite clearly in this category; the S8 Residence orders and Special Guardianship Orders are legal proceedings but they fall under private law and are of significantly less cost to the state. Callers with these legal proceedings are, however, at great risk of getting involved in more serious legal proceedings that do cost the state a large sum of money.

Table 9.5 Callers at risk of getting legal proceedings

Risk type	Number of callers
Parents with no legal proceedings calling about child protection*	461
Grandparents/family and friends with S8 Residence Orders	98
Grandparents/family and friends with Special guardianship orders	55
Total	614

*FRG believes 60% of parents calling about child protection, that do not have legal proceedings, are at high risk of getting legal proceedings

Source: FRG caller data 2010

9.16 The 2006 report, “Review of Child Care Proceedings” lists £25,000 as the cost of an average care order (known as S31 care order). According to the report,

“on average each s31 application costs £25,000 including legal aid (approximately 60% of total), local authorities’ costs (25%), HMCS costs (5%); and CAFCASS costs (10%).”¹¹

9.17 We now need to estimate the number of people at risk of costly legal proceedings that, as a result of FRG’s advice were successful in avoiding

¹¹ “Review of the Child Care Proceedings System in England and Wales.” Department for Constitutional Affairs, 2006.

any care orders, thus avoiding the state having to pay for legal care proceedings. In the absence of any better data we use the same proportion here that we used for the earlier calculations (ie 5.9% - see table 9.2). 0 gives the additional cost savings.

Table 9.6 Additional Costs Saved

Number of callers at risk of getting care order	614
Cost per care order (£)	25,000
% of callers benefitting from FRG's advice and successful in avoiding care orders	5.9%
Additional savings	905,650

Source: FTI calculations

9.18 Table 9.7 gives the resulting BCR if we take these additional costs into consideration. Clearly to include these benefits substantially raises the BCR ratio.

Table 9.7 BCR with additional cost savings

Annual cost per caller (£)	50
Total annual cost (£)	300,000
Benefits (£)	3,783,089
Additional costs saved from avoiding legal proceedings	905,650
Deadweight	10%
Net Benefits (£)	4,219,865
Benefit to Cost Ratio	14

Source: FTI calculations

10 Sensitivity Analysis

10.1 The following tables show the sensitivity analysis around our central assumptions presented in Table where the BCR ratio was 11. In each case in tables 10.1-10.6 we vary just one factor so its impact can be seen clearly. The middle row is as used in the central case and the variants are values above and below that value that we believe are reasonable ones to use.

Table 10.1 Sensitivities – proportion of callers where child is not in care due to FRG advice

	Annual Amount Saved (£)	BCR
5%	1,702,390	6
10%	3,404,780	11
15%	5,107,170	17

Source: FTI calculations

Table 10.2 Sensitivities – deadweight

	Annual Amount Saved (£)	BCR
20%	3,026,471	10
10%	3,404,780	11
0%	3,783,089	13

Source: FTI calculations

Table 10.3 Sensitivities – proportion of parents at risk

	Annual Amount Saved (£)	BCR
25%	2,693,655	9
36%	3,404,780	11
45%	3,986,609	13

Source: FTI calculations

Table 10.4 Sensitivities – proportion of grandparents/family and friends at risk

	Annual Amount Saved (£)	BCR
20%	3,045,626	10
30%	3,404,780	11
40%	3,763,934	13

Source: FTI calculations

Table 10.5 Sensitivities – length of time in care

	Annual Amount Saved (£)	BCR
6 months	1,702,390	6
1 year	3,404,780	11
18 months	5,107,170	17

Source: FTI calculations

Table 10.6 Sensitivities – average number of children per caller

	Annual Amount Saved (£)	BCR
1	2,269,853	8
1.5	3,404,780	11
2	4,539,707	15

Source: FTI Calculations

10.2 This analysis shows that the results are most sensitive to the assumptions on the proportion of callers that are better off and can keep their children out of care due to FRG's advice. It is the least sensitive to the assumptions on deadweight and the proportion of parents and grandparents/family and friends at risk of losing their children to care.

10.3 In Table 10.7 we lay out our best and worst case scenarios using our sensitivity assumptions. (This excludes the potential savings in legal proceedings discussed earlier.)

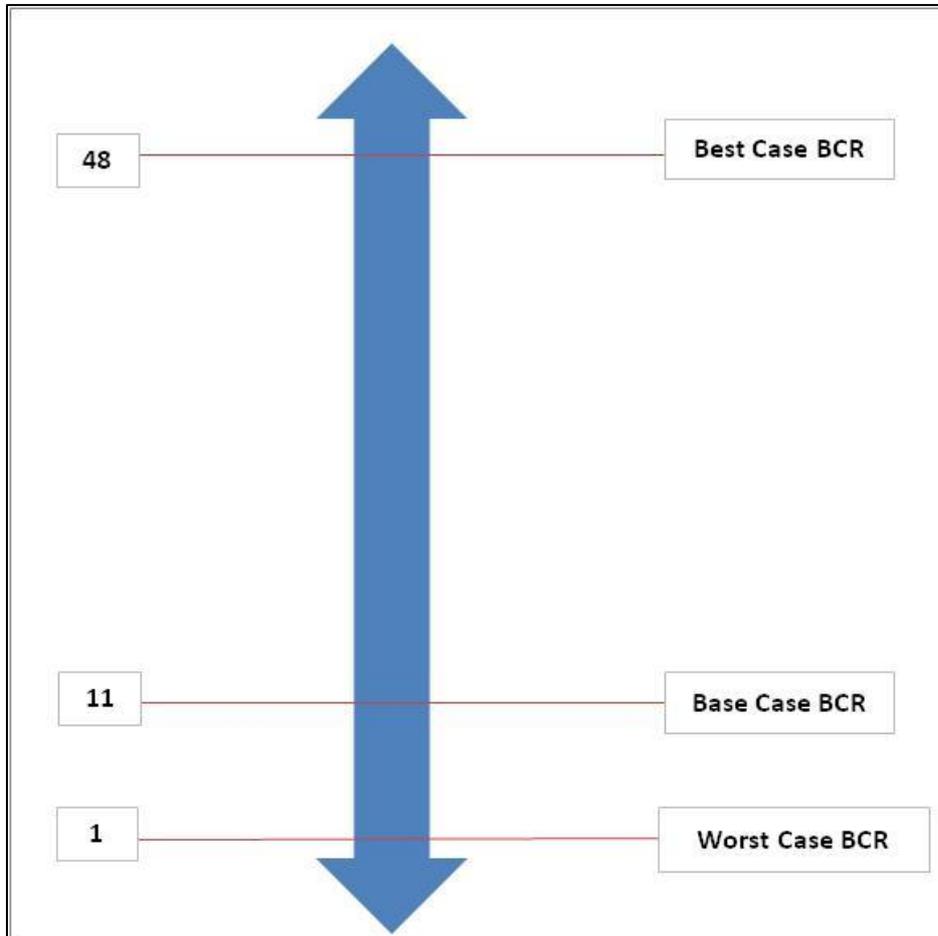
Table 10.7 Best and worst case scenarios

Scenario (Best)	
Magnitude that callers benefit by	15%
Proportion of parents that have a high probability of losing child	45%
Proportion of family members/friends that have a high probability of losing child	40%
Length of time in care	1.5 years
Average number of children per caller	2
Deadweight	0%
Amount of money saved annually (£)	14,485,878
BCR	48
Scenario (Worst)	
Magnitude that callers benefit by	5%
Proportion of parents that have a high probability of losing child	25%
Proportion of family members/friends that have a high probability of losing child	20%
Length of time in care	6 months
Average number of children per caller	1
Deadweight	20%
Amount of money saved annually (£)	345,852
BCR	1

Source: FTI calculations

10.4 Figure 10.1 shows the full range of our estimates. Our result from the base case falls much closer to the worst case scenario suggesting that we have conducted a somewhat conservative analysis.

Figure 10.1 Comparison of Best Case and Worst Case BCRs with Base Case



Source: FTI calculations

Other Sensitivities

- 10.5 From discussions with FRG and looking at their evaluations, it is clear that other values exist for assumptions we have made earlier. One is that a value of £40,000 may be more accurate as the annual cost of keeping a child in care. We have not used this in our original model to stay as conservative as possible, Table 10.8 gives the amount saved and the new BCR if we vary our central case by replacing the cost of keeping a child in care from £25,000 to £40,000.

Table 10.8 BCR assuming the annual cost of keeping a child in care is £40,000

Annual cost per caller (£)	50
Total annual cost (£)	300,000
Benefits (£)	6,052,942
Deadweight	10%
Net Benefits (£)	5,447,648
Benefit to Cost Ratio	18

Source: FTI calculations

10.6 The second value that we want to look at is the proportion of callers that are successful in keeping their children out of care due to FRG's advice. In our central case we have this as 10%. However, according to the FRG evaluation (Source 1 – see Appendix 1) around 60% of respondents said that they were able to keep their families together due to FRG's advice. Table 10.9 gives the cost saved and the new BCR using the central case but having 60% of callers that reported themselves to be 'better off' due to FRG's advice able to keep their child out of care. It clearly makes a major difference.

Table 10.9 BCR assuming 60% of callers that benefitted from FRG's advice were able to keep their children out of care

Annual cost per caller (£)	50
Total annual cost (£)	300,000
Benefits (£)	22,698,533
Deadweight	10%
Net Benefits (£)	20,428,680
Benefit to Cost Ratio	68

Source: FTI calculation

10.7 Finally in Table 10.10 we give the BCR and the costs saved using the central case assumptions but adapting them for both the costs of a child in care being £40,000 and the 60% proportion

Table 10.10 BCR assuming the annual cost of keeping a child in care is £40,000 and 60% of callers that benefitted from FRG's advice were able to keep their children out of care

Annual cost per caller (£)	50
Total annual cost (£)	300,000
Benefits (£)	36,317,652
Deadweight	10%
Net Benefits (£)	32,685,887
Benefit to Cost Ratio	109

Source: FTI calculations

The Overall range of BCRs

10.8 Our central case gives a BCR of 11. Our main sensitivity analysis then gives a range of BCRs with a minimum of 1 and a maximum of 48. However, we have also discussed that it is perfectly feasible that the cost of each child that FRG avoids being in care is £40,000 rather than £25,000 and that the percentage who avoid care as a result of good advice from FRG is 60% rather than the 10% in our central case. Therefore the top of the plausible range is substantially higher than a BCR of 48 - in fact up to 6 times higher. And savings in legal proceedings would be on top of this.

11 Plan for the future

Information from callers

- 11.1 To carry out an analysis on how beneficial FRG's advice is to its callers, FRG needs to put in place an ongoing system of collecting data when callers first call as well as a few months after they receive any advice. The data points in Table 11.1 are what FRG already records for its callers.

Table 11.1 Caller data recorded by FRG

Caller Categories
Main Category (Ethnicity)
Sub Category (Ethnicity)
Ethnicity (Other)
Local Authority
Heard About
Caller Disability (Yes or No)
Caller Type
Caller Gender
Lone Parent (yes/no)
None Resident Parent (Yes/No)
Placement
Legal Proceedings
Legal Status

Source: FRG caller data

- 11.2 The line of questioning that FRG employs is comprehensive but more questions should be asked to get a better idea of how 'unique' and 'in need' the caller is. A few extra questions should be included such as:
- What is the family makeup of the child in question?
 - What is the mean income of the family?
 - Is the family on any form of support? If so what?
 - Did the caller try any other help lines before FRG?
 - If so, which ones?



- Why were they not satisfied with their service?

11.3 These questions would allow FRG to get a better idea of the population they are dealing with as well as their position in relation to their competitors. FRG should also try to shape questions to better ascertain the risk of the child being taken into care or indicate that the child is already in care.

11.4 A subset of callers (a sample large enough to make any analysis statistically significant) should then be followed up, after a few months, to determine how the advice has helped them. The important thing to note here is that FRG needs to gather quantitative results to measure the exact magnitude of the benefit to the caller from FRG’s advice. If callers are to fill a questionnaire, on which of the outcomes were achieved, then they should indicate on the questionnaire the degree of this outcome achieved (perhaps on a scale of 1 to 10). It is important to note here that FRG needs first to determine what the important immediate outcomes were of their advice (i.e. callers felt less stressed; callers understood the legal system better etc) as well as what these outcomes eventually achieve (i.e. child stays out of care, parents opt to put child in care etc.). Both these steps have to be quantified.

Website

11.5 FRG run its own website, which is informative but does not generate as many calls as other sources. Table 11.2 lists the sources where the callers heard about FRG. From this table it is clear that very few people learn about FEG from their website (approximately 1%).

Table 11.2 Sources that directed callers to FRG advice line

Source of information	
FRG Website	1%
Internet	17%
Other	82%
Total	100%

Source: FEG caller data

11.6 FRG should aim towards identifying certain key words most important to their service and work with search engines to be the first hit when these terms are searched on the internet.



- 11.7 FRG's main use of the website should be to answer questions common to many callers so that advisers do not waste call time informing callers of such information. A frequently asked questions section with detailed answers should be able to give callers basic information that could be useful. If they need further clarity or more information, then they should be directed to the advice help line.
- 11.8 FRG, however, needs to keep a record of all users of the website to assess the usefulness of this tool. One way is to require users to create an account with basic information (including contact information) so that FRG can follow-up with these users, especially if they don't call, to measure the effectiveness of their online advice.

Appendix 1 Sources of information

Source number	Title and Details
1	FRG data on 4786 callers from Feb-Dec 2010
2	<p>“Evaluation of Family Rights Group’s advice line” By Dr Charlotte Ritchie, Director, Oxford Social Research Group, October 2010. This was a follow up survey of 50 callers who had contacted FRG advice line between 1 July 2009 and 31 July 2010. Quota sampling was used to ensure that those contacted broadly reflected the proportion of type of call made to the advice line. Interviews were undertaken in July 2010. Of those interviewed a third were followed up within 3 months of their call, another third between 3- 6 months, and the final third between 6 -12 months.</p>
3	<p>ECOTEC evaluation of Parents Know How, which Includes a survey of 101 past FRG callers, Nicole Hall, Laurie Day and Louise Scott, Ecotec Research and Consulting (2009) <i>Parent Know How, Telephone Helplines and Innovation Strands Evaluation</i> DCSG Research Report No DCSF RR167.</p>

Appendix 2 Calculation of Callers At Risk

A2.1 To calculate the families at risk of children being taken into care, we first looked at the two relevant groups of callers, 'Parents' and 'Grandparents / family and friends' and asked FRG to look at the legal proceedings in each group to determine the callers that were at risk of losing their child. Table A2.1 gives the list of these legal proceedings used to determine if parents were at risk of losing their child. FRG helps these individuals better understand the law and legal procedures so that parents are aware of rights and can more appropriately address the situation to either keep their child from going into care or bring their child out of care.

Table A2.1 List of legal status with high risk of child going into care

Legal Status	Number of Callers
S20 Accommodation	47
S31 Care Order	321
S39 discharge	6
S44 EPO	3
Total	377

Source: FRG caller data

Definitions

Section 20 Accommodation is not a court order. It is the provision of the Children Act 1989 that allows parents to *voluntarily* place their children in care.

Section 31 Care Order is an order which places a child in the care of the local authority and which gives the local authority "parental responsibility" for the child along with the parents. This means the local authority decides where the child shall live, for example, in foster care.

Section 39 Discharge is the order made by the court to end a care order

Section 44 Emergency Protection Order is an emergency order that can be made when the local authority believe a child is in need of urgent protection. It gives the local authority the right to place the child in care. It last for up to eight days, and can be extended once for up to seven more days.

Section 8 Residence Order is a private law order granting residence and parental responsibility of a child to the person who obtains the order. It can be made jointly in favour of two people who may or may not live together.

Special Guardianship Order grants residence and 'exclusive' parental responsibility of a child to the person who obtains the order. A special guardian cannot be the child's birth parent.

A2.2 Further discussions with FRG revealed that parents with no legal proceedings that call about accommodation and child protection are also at risk of losing their child. FRG advises these individuals on how to work better with social workers so that the situation does not escalate. Parents can work in tandem with social workers to meet their children’s needs and keep them out of care. FRG estimates around 60% of parents calling about child protection that don’t already have legal proceedings, are at high risk of losing their child to care. They estimate 100% of parents calling about accommodation are also at high risk. Table A2.2 gives the calculation behind determining the proportion of parents at risk of losing their children.

Table A2.2 Calculation of parents at risk of losing child

Risk Type	Number of callers
Legal proceedings	377
Child protection	461
Accommodation	97
Total	935
Total number of parents	2,579
% of parents at risk	36%

Source: FRG data, FTI calculations

A2.3 When looking at grandparents/family and friends, FRG advisers pointed out the ongoing legal proceedings that would put the child at risk for these callers. Certain legal proceedings appear here that do not for parents since they are irrelevant in the case of parents (e.g. special guardianship orders that family members/friends can file to receive guardianship of the child when parents are unavailable). Table A2.3 gives the legal proceedings that were deemed as risky for grandparents/family and friends.

Table A2.3 Grandparents/family and friends at risk of losing child

Legal Proceedings	Number of Callers
S 8 Residence Order	98
S20 Accommodation	26
S31 Care Order	248
Special Guardianship Order	55
Total	427
Total number of grandparents/family and friends	1421
% of grandparents/family and friends at risk	30%

Source: FRG data, FTI calculations