



Annual Report & Accounts 2008-09



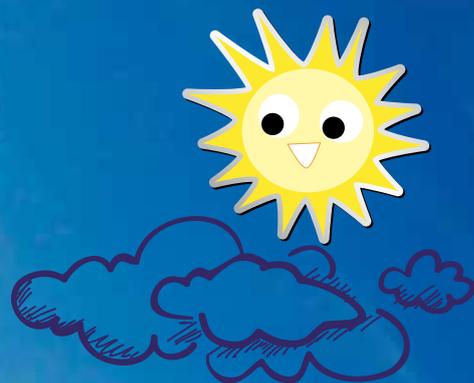
**Children and Family Court
Advisory and Support Service**

An executive non-departmental public
body of the Department for Children,
Schools and Families

HC 565

Price £19.15

Children and Family
Court Advisory and
Support Service



Annual Report and Accounts 2008-09

An executive non-departmental public body of the Department
for Children, Schools and Families

To the Secretary of State for Children, Schools and Families

Presented to Parliament by the Secretary of State for Children, Schools and Families pursuant to schedule 2, paragraph 12(3) of the Criminal Justice and Court Services Act 2000, and in respect of the accounts on behalf of the Comptroller and Auditor General under schedule 2, paragraph 13(4) of the Criminal Justice and Court Services Act 2000.

Ordered by the House of Commons to be printed on 16th July 2009.

Our purpose



Cafcass has a statutory responsibility in England to ensure that children and young people are put first in family court proceedings, their voices are properly heard, and that they and their families are positively supported throughout the process.

We operate within the law set by Parliament and under the rules and directions of the family courts. Our role is to:

- Safeguard and promote the welfare of children
- Give advice to the family courts
- Make provision for children to be represented
- Provide information, advice and support to children and their families.



We are a non-departmental public body accountable to the Secretary of State for Children, Schools and Families. We work within the strategic objectives agreed by our Sponsorship Department and contribute to wider government objectives relating to children.

We have a role in relation to measures outlined in Every Child Matters, which sets out five key outcomes for children and young people – being healthy; staying safe; enjoying and achieving; making a positive contribution; and achieving economic well-being.



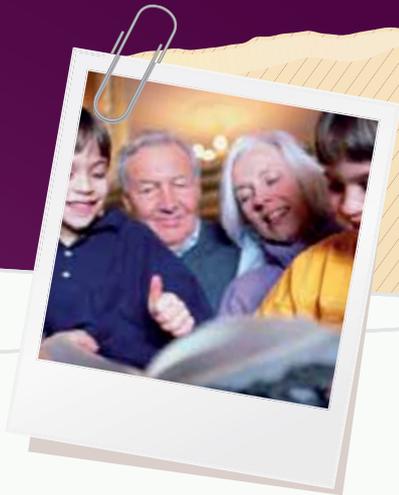
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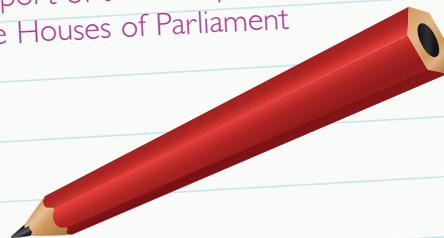


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Overview by the chair



This has been a year of consolidation – of embedding a new structure which has brought more resources to the frontline; of strengthening our practice with children and families and of laying the foundations for future excellence. It has also been the first year of our new three-year settlement from our Sponsorship Department, DCSF, which has allowed us to invest more heavily in our frontline services.

My very special thanks go to my predecessor Baroness Jill Pitkeathley, whose term of office as Chair of the Cafcass Board ended in December 2008. Jill served for an unprecedented five years and steered Cafcass through a key stage in its still short history with dedication, energy and wisdom. It is a great credit to her that the organisation has made such strides during this period and that the foundations on which we will continue to improve our practice are so strong. It is a huge honour for me to be taking over from Jill as Chair and we wish her well in her future endeavours.

During the coming year the Board will change considerably with four new members joining from 1st May 2009. This will further strengthen a Board which already has breadth and depth across a range of sectors and skills. Thanks

must go to the members for the drive and commitment they have brought to the work, in particular to

Nick Stuart who continues to Chair our Audit and Risk Assurance Committee and to Professor Jane Tunstill, whose term of office came to an end in March, for her contributions. We also welcomed one new member, Ernie Finch early in the year and were lucky to benefit from the contribution of Dr Toyin Okitikpi who worked with us for a number of months as a co-optee.

Cafcass is also fortunate to have such a talented and energetic Corporate Management Team, led by Anthony Douglas, and I would like to pay tribute to their continued hard work and commitment, and that of the wider organisation, in driving forward our practice improvement agenda as well as fulfilling service requirements every day of the year on an increasingly 24/7 basis. The fruits of this work are already apparent and examples of good practice from each service area are showcased throughout this Report.

There is still much work to do before we achieve our goal of providing a consistently excellent service to all the children and families we work with across England and recent inspections and media focus on the social care profession and the family courts system have reinforced the urgency of the need for further improvement. Our services must adapt and change to ensure that our focus on





safeguarding and responding to the needs, wishes and feelings of each individual child becomes even sharper. At the same time, we must respond to the rising demand for our services within our finite resources by working collaboratively with our partners in the social care and judicial worlds and by engaging our staff at all levels of the organisation.

We are working hard to respond positively to these demands and I know that the Board shares my confidence in Cafcass' ability to meet these future challenges, just as we have met equally tough challenges in the past.

Valeine Howarth



Baroness Howarth of Breckland OBE

Chief Executive's Report



This year we have achieved many of the objectives that were set and agreed with the Department for Children, Schools and Families (DCSF) at the beginning of 2008-09.



We have successfully implemented our new structure, which has resulted in smaller and more manageable local teams, and has allowed us to provide more intensive supervision and support to our frontline practitioners, in conjunction with the introduction of a robust performance management framework, Quality for Children. Our three-year grant from the DCSF has helped us to fund our Strategic Pay Review and ensure that we offer competitive salaries to our staff. It has also allowed us to invest in our practice improvement agenda which will continue to be the focus of our efforts in the coming year. We have also moved closer to completing our switch in IT providers and have strengthened several business support functions including procurement and estates in order to create further efficiency savings now and in the future.

All of these developments have come at a time when there is heightened public and media interest in the vital role that our staff play in safeguarding children. 2008 saw the implementation of the Public Law Outline (PLO), which introduced new procedures for progressing local authority public law care and supervision applications and substantial changes to the way in which our Family Court Advisers (FCAs) approach these cases. In the last four months of the year, we witnessed a dramatic increase in the number of these

applications to court, culminating in the highest monthly figure ever recorded for such cases in March 2009. This has put many of our teams under extreme pressure, including some where we have never experienced delays in allocating cases to our practitioners. We will be working hard in the coming year to ensure that we control rising backlogs of work and continue to be able to provide a safe and timely service to some of the most vulnerable children in our society, within the finite resources available to us. In particular, we will, as a priority, develop new early intervention services where they are needed.

Neither has the situation stood still in private law, where we have continued to work with the senior judiciary to create a new and sustainable, inter-disciplinary model for moving cases forward swiftly. In December 2008 the final provisions of the Children and Adoption Act 2006 were implemented to promote safe and effective contact between children and their families and we have worked closely with our partner agencies up and down the country to ensure smooth implementation. All of these developments have represented major changes to our working models and I pay tribute to the commitment of our staff and to the positive and dedicated way in which they have responded to these challenges.



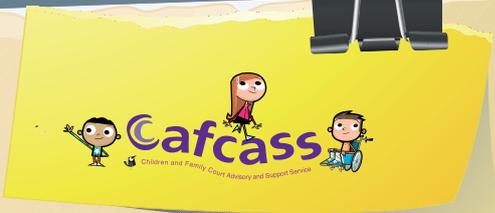
This year we were also subject to three pilot inspections by Ofsted, which, whilst showing some improvement, confirmed the findings of our own internal audits that the pace of this practice improvement, especially in safeguarding practice in private law cases, needs to increase. Some local services were graded as 'inadequate', and one service graded this way is one too many. Ensuring that we are providing a consistently high level of service to the 150,000 children in cases who we work with across England each year, managing demand and further extending the pockets of outstanding practice that exist around the country, will remain our top priorities in 2009-10.

Our enduring aspiration is to provide a first rate service to all of the children and families we work with and to contribute to the well-being of children throughout England. I am confident that our stronger infrastructure and the foundations for practice improvement, which have already been laid, will provide the basis from which rapid enhancement of our service can now be made. There is still much work to be done but, as this Report demonstrates, each year we move closer to a service of which we can be justifiably proud.

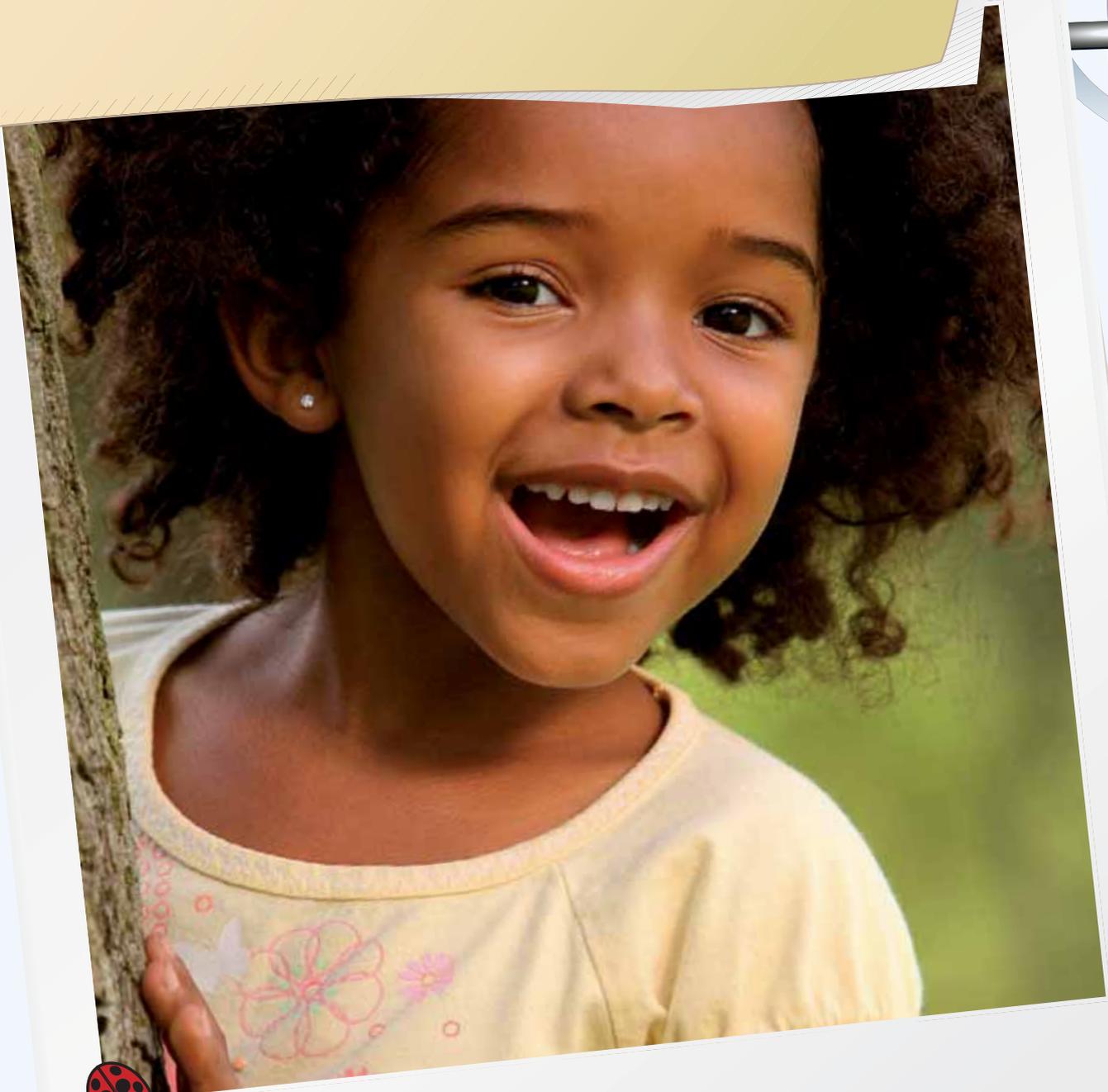
Anthony Douglas



Anthony Douglas CBE



Section 1 management commentary



About Cafcass

The Children and Family Court Advisory and Support Service (Cafcass) is an executive non-departmental public body that was established on 1st April 2001¹. Cafcass looks after the interests of children² involved in family court proceedings and advises the family courts in England on what it considers to be in the best interests of individual children.

Our primary duties, as set out in the Act³, in respect of family proceedings where the welfare of children is or may be in question, are to safeguard and promote the welfare of the child; give advice to the court; make provision for children to be represented; and provide information, advice and support for children and their families.

Cafcass' professionally qualified social work staff, called Family Court Advisers (FCAs)⁴, work exclusively in the family courts. Examples of matters that may be decided by family courts are:

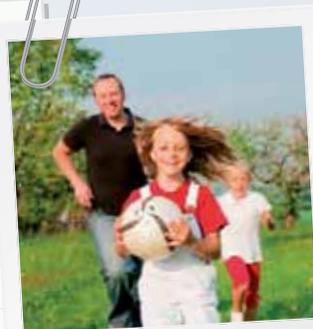
- When children are subject to an application for care or supervision proceedings by Children's Services departments in local authorities (public law). In these instances our FCAs act as Children's Guardians. The local authority can seek to make a number of orders and our work in this area also includes emergency protection orders and secure accommodation orders. The FCA's

role in each of these cases is to promote the child's welfare and to scrutinise and ensure that the local authority's plan is in the child's best interests. The FCA is independent of social services, the court and all others involved in the case.

- Adoption applications (public law). In cases where the adoption is with parental consent, our FCAs act as Reporting Officers whose role it is, either at the request of the local authority or adoption agency, or alternatively if ordered by the court, to ascertain whether the parent consents unconditionally to the adoption and with a full understanding of the implications. In cases where the adoption is without parental consent, an FCA is appointed to report to court as a guardian for the child.
- When parents who are separating or divorcing can't agree on arrangements, such as contact and residence for their children (private law). In these instances our FCAs act as Children and Family Reporters, or as Guardians ad Litem if separate representation of the rights and interests of the child is required (Rule 9.5 cases).



- ¹ Cafcass was established by the Criminal Justice and Court Services Act 2000 (the Act). Responsibility for Cafcass lies with the Department for Children, Schools and Families (DCSF).
- ² The terms 'children' and 'child' are used throughout this Annual Report and Accounts to refer to children and young people under the age of 18.
- ³ Cafcass' specific powers can be found in sections 12, 13, 14, 15 and schedule 2 of the Act. Paragraph 10 of schedule 2 enables Cafcass, subject to directions given by the Secretary of State, to do anything that appears necessary or expedient for the purposes of, or in connection with, the exercise of its functions. In particular, this includes holding land and other property, entering into contracts, investing and accepting gifts.
- ⁴ The abbreviation 'FCA' is used interchangeably throughout this Report with 'practitioner' to refer to Cafcass' social work staff.



Our strategic objectives

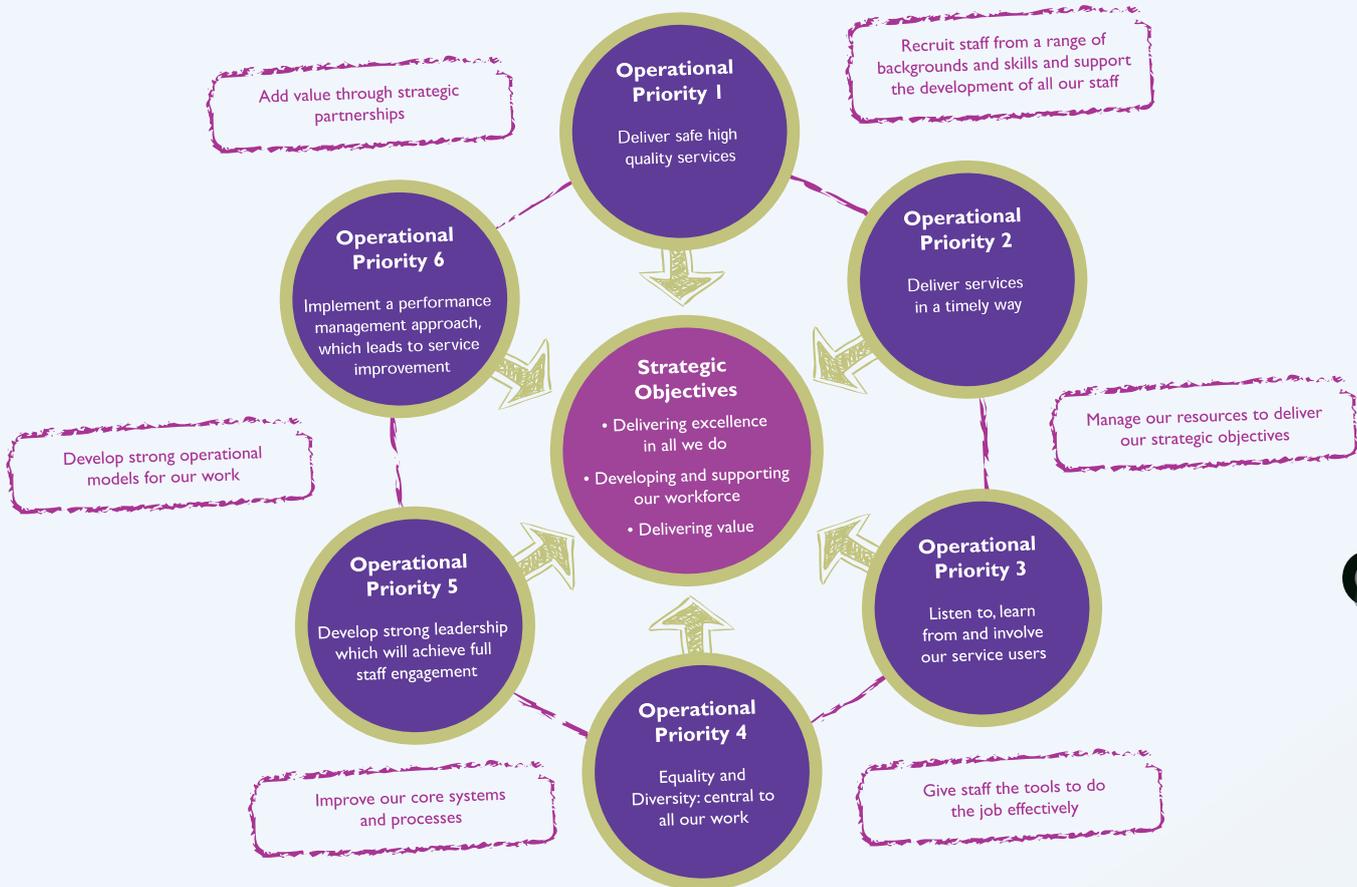
We have made good progress against the strategic objectives of our 2007-10 Business Plan which remain:

- **Delivering excellence** in all we do by providing a high quality, cost effective and culturally competent service, which safeguards vulnerable children and young people and makes a contribution to improving their health and well-being.
- **Developing and supporting our workforce** by creating a positive organisational culture, which values, respects and empowers employees and where employees champion the values and principles of Cafcass.
- **Delivering value** by being more efficient and adding value in all we do.

Our new Business Plan 2009-11⁵, which subsumes the final year of the previous plan, outlines the following six, equally important operational priorities:

- 1 Deliver safe, high quality services
- 2 Deliver services in a timely way
- 3 Listen to, learn from and involve our service users
- 4 Equality and diversity – central to all our work
- 5 Develop strong leadership which will achieve full staff engagement
- 6 Implement a performance management approach which leads to further service improvement.

Figure 1: The Cafcass 2009-11 Strategy Map



⁵ The six operational objectives are set out in the Cafcass Business Plan 2009-11, creating the conditions for excellence.

About our service⁶

Spotlight on public law – Looking out for the most vulnerable children

On 1st April 2008 the Public Law Outline (PLO) was introduced in England and Wales. This replaced the Protocol for Judicial Case Management, issued in 2003. The PLO introduced some fundamental shifts in the way in which Cafcass, and other agencies, work together on public law cases. Under the new model, the aim is for individual timetables to be drawn up for each child, for local authority cases to be better prepared prior to their application to court, and for there to be a stronger focus throughout the life of the case on trying to identify and resolve key issues as soon as possible. Cafcass' role is to carry out an initial case analysis, informing the court of any evidential gaps, of whether the situation for the child in focus in real-time is good enough, and of whether the local authority's long-term plan for the child, back at home or elsewhere, is the best possible.

As part of the implementation of the PLO nationally, Cafcass staff took part in inter-agency training. For example, in N2⁷ (Teesside and Durham), over 80 delegates from the courts, Children's Services departments, the Legal Services Commission and Cafcass attended an event to learn how aspects of the PLO would work in practice. Reflecting on the event, Colin Anderson, Head of Service for Quality Improvement in the area, said:

"There are obvious advantages when groups of staff and managers from various agencies in the family justice system come together to learn and develop a joint approach. The success of the event illustrates the commitment of all agencies to this joint approach and their determination to ensure that the PLO delivers better outcomes for children and families."

We also developed analysis and recommendation templates in conjunction with the judiciary to assist practitioners in their reporting to court (see page 34 for more information). The templates introduce a new style of reporting based on shorter and more accessible case analyses at different stages of the case.

case study

Her Honour Judge Margaret de Haas QC outlines the effects that the PLO and the new style of reporting has had on children and their families:

"In what I would call a slow burn case, where there may be long-term neglect, or drugs or alcohol in the house, social workers are not just working with the family but also more closely with other agencies. Together, they are providing families with constructive advice and working within time-constraints.

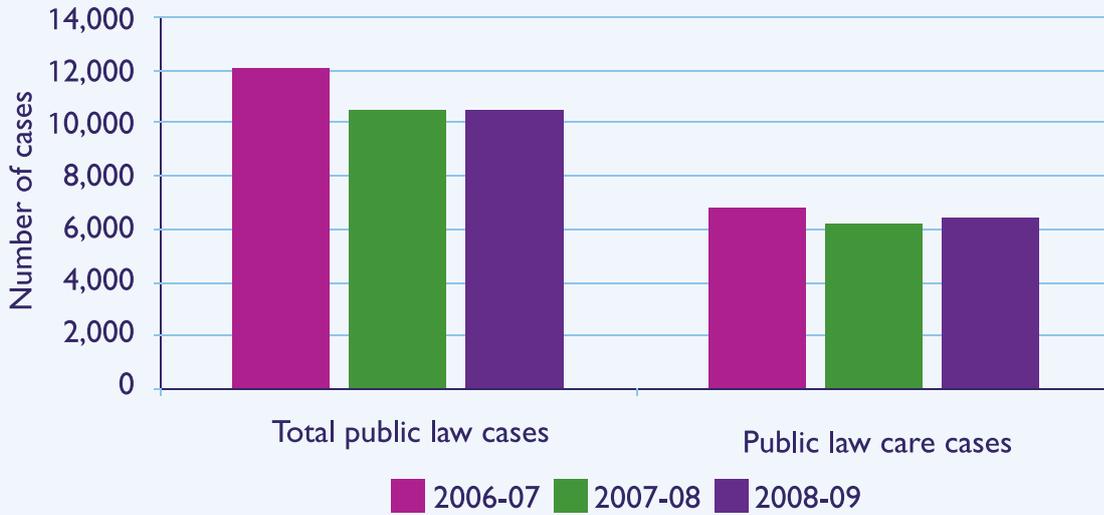
Since implementation, I've found that the Cafcass reports are much more analytical rather than a recitation of fact. The hearings have become shorter and practitioners are spending less time attending court. I think this makes better use of their time and helps to improve efficiency."



⁶ All operational data is provided from our national case management system (CMS). This system is live and figures were obtained on 31st March 2009.

⁷ Under the new Cafcass structure, which was implemented on 1st April 2008, there are 21 service areas across England. Each service area has been assigned a code to indicate whether it is located in the north, south or central operational area. To find out more, please see pages 27 and 61.

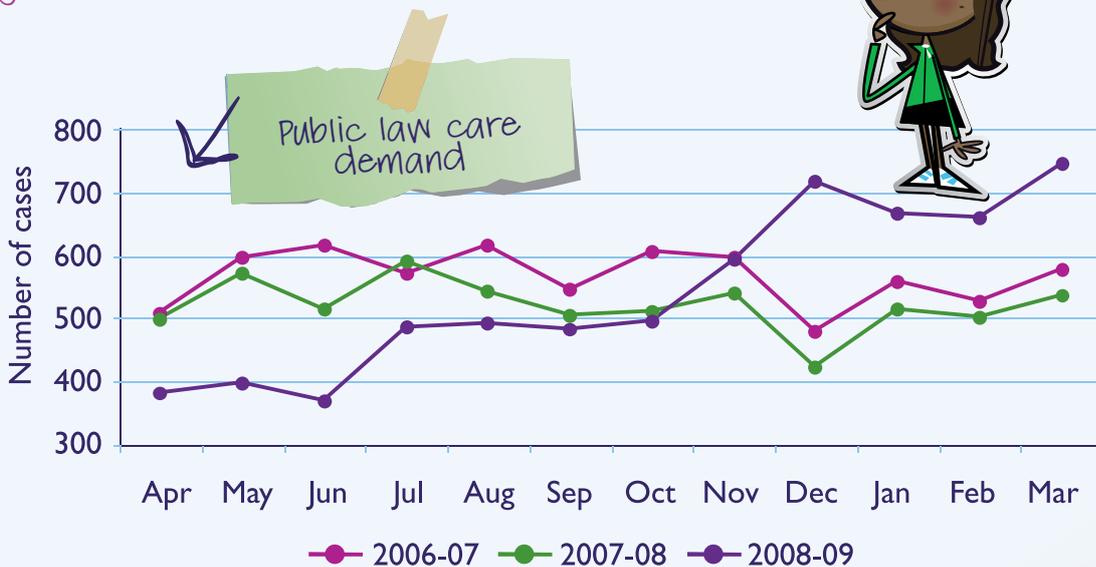
Figure 2: Public law demand 2006-09



During the initial months following implementation of the PLO, demand for care cases across the country fell by 27.4% to 1,148 cases from April to June 2008, in comparison to 1,581 during the same period in the previous year. A similar impact was seen following implementation of the Children Act 1989 in 1991, and the Protocol for Judicial Case Management in November 2003 and may have been as a result of local authorities and other agencies adjusting to the new model of working.

Demand levelled off for the period of July to October 2008, but then rose sharply from December 2008 and was continuing to rise at year end. Care demand for March 2009 was 743, the highest figure ever recorded for a single month, amounting to an increase of 38.4% compared to March 2008. Overall, care demand for 2008-09 was 6,473, an increase of 3.7% compared to the previous year.

Figure 3: Public law care demand 2006-09



Overall, throughout the year total public law demand has remained at the same levels as in 2007-08 with 10,451 cases. However, the influx of care cases we have witnessed since December 2008 has put frontline practice under significant pressure, with all service areas showing an increase in care cases from December to March this year compared to last year. Even small increases in such cases can have a big impact on resources as they will take, on average, nearly two-and-a-half times more resources than a non-care case. In particular, in N6 (South Yorkshire) the Doncaster team's care demand for the same time period was 14 in 2007-08 and 67 in 2008-09, resulting in a 379% increase. We will be working with the judiciary in the coming year to develop a model of work which will allow us to provide the best possible service based on our finite resources. Most service areas have implemented duty systems and early intervention services to help us minimise backlogs and to ensure that we are adequately safeguarding children. The duty systems are vital in ensuring that information is not wrongly downgraded in importance; in preventing a gap appearing in our service at any point when we have responsibility and accountability; and in providing a safety net for children and families.

An example of one such scheme is in N6 (South Yorkshire), where the duty scheme operates across the service area. Duty FCAs screen cases as they come in; risk assess the local authority's application within the first days of receipt of the application; attend the first hearing where they advise the court on the direction of the case; organise assessments and maintain the case file until the Case Management Conference (CMC), where the aim is to assign the case to a named Cafcass practitioner. The system works well in ensuring effective completion of early work and risk assessment on all cases. The challenge, however, of then allocating to an FCA who can work the case to completion has been

increased by the unprecedented volume of incoming work and some cases have subsequently had to be moved on to a waiting list. As a result we are looking at expanding early intervention services in many service areas, and deciding how best to prioritise long-term work on complex cases.

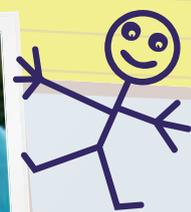
In Lincolnshire (C2), the team has developed strong working relationships with the local authority. In particular, the Service Manager Anya Phillips, has forged ties with the Independent Reviewing Officer (IRO) Manager and the local authority legal team.

case study



"We meet up with the IRO manager four times a year to formally look at cases that have closed and to review active cases. This gives us an opportunity to discuss cases, ensure that all the correct information has been sent over to the local authority and to go over any instances where the recommendations of the local authority social worker, the Cafcass practitioner and the IRO may have differed. Where it's been really helpful and has led to successful outcomes is where care plans have been changed at the final hearing – in these instances we've been much more pro-active in ensuring a smooth handover of all the relevant information to the IRO so that they can continue to work effectively and safeguard the child once our involvement has ceased.

We're also in close contact with the local authority legal team which has really helped me in planning the caseload of our team. In our monthly calls, they are able to tell me how many public law applications to expect and provide me with a brief overview of each case which helps me in my allocations. Cases are not merely allocated in terms of caseload but also in terms of the type of case which I factor into my planning."



case study

In N1 (North and South Tyne), one of our practitioners was involved in a case in which several children were subject to a police protection order (PPO).

"My role was to safeguard the welfare of the children and ensure that the court's decision was in their best interests. I was also able to raise with the court my concerns that several key assessments of the family had not been undertaken and that the emergency placements of the children were unsuitable and not culturally sensitive. Because of these shortfalls, I was unable to recommend that the children be taken into care under an emergency protection order (EPO) because there was insufficient evidence to support this.

As an FCA our role is to scrutinise the local authority's work and ensure that their care plan safeguards children. As an agency, our safeguarding role includes safeguarding a child's right to family life and this came to the fore in this case where the local authority was not able to satisfy the court that the threshold of harm had been met and that there was reasonable cause to believe that the children were likely to suffer significant harm if they are returned to their parents⁸.

Adoption and placement related proceedings

In comparison to the same period last year, public law adoption applications were down by 9.8% and there was a corresponding 14.2% fall in placement applications. A decrease was also seen in the number of Special Guardianship applications, which numbered 136 in 2008-09. The witnessing of consent in respect of relinquished babies and children pre-court for adoption or placement was also a new responsibility for Cafcass in 2007-08, and there were 213 such applications in 2008-09.



⁸ At the time of going to print, a child protection conference had been convened and assessments of the family were ongoing in order to safeguard the children.

case study

commitment to children - going the extra mile

Christine Smart is our Children's Rights Director who was born in Sri Lanka. She became involved in a case in which two young Sri Lankan girls were placed with long-term carers who had been granted special guardianship. Christine said:

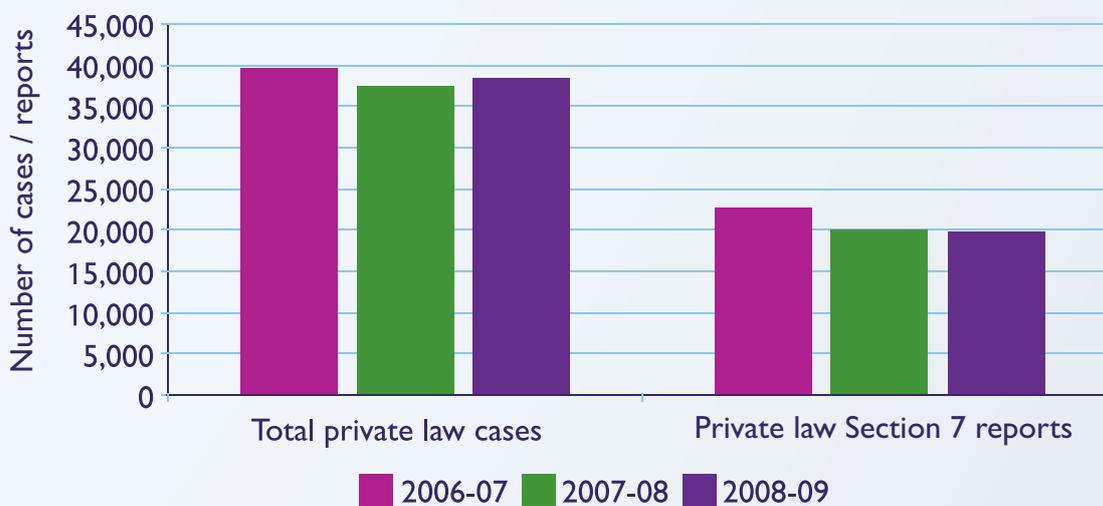
"I felt it was right to support these young people and their carers, who were keen to maintain a link with Sri Lankan life. I was able to offer this by sharing my life, cultural experiences and language. As our contact increases I hope to help them become acquainted with other Sri Lankans and people from South Asia living in the area who can be role models in their lives. I hope that I could be one of them too!"

The case is just one example of the way in which Cafcass staff have gone above and beyond their existing roles to help the children with whom we work.

Spotlight on private law – Safeguarding children caught in the middle of family conflict

In private law, our practitioners safeguard the welfare of those children whose parents are divorcing or separating and who are unable to reach agreements about issues, including contact and residence for their children. During 2008-09 we received 38,449 private law case requests compared to 37,552 in 2007-08⁹. Many of these disputes concern, although not exclusively, disagreements over contact and residence. Exposure to domestic violence is now recognised as harmful to children and research shows that post-separation parental conflict is damaging to children. Our goal in private law cases is to work with families at an early stage and, where safe to do so, enable them to reach agreements that are in the best interests of their children.

Figure 4: Private law demand 2006-09



Early intervention work

We have continued to work closely with the courts and the judiciary to introduce early intervention schemes throughout the country in an effort to avoid unnecessary contested hearings and recourse to a full Section 7 report. Our work in helping parents to reach an agreement prior to the First Hearing has resulted in 67.8% of early intervention work reaching a full or partial agreement, exceeding our KPI 3 target of 60% (see page 23). Work in this area includes screening all cases for risk on receipt and usually meeting with the parties and trying to facilitate an agreement.

Nationally, during the year we have witnessed a corresponding 2% fall in requests for welfare reports (Section 7 reports). This, together with the high percentage of work to first hearing meetings resulting in some form of agreement, may indicate the success of our early intervention work. However, the situation is

variable across the country with 35 teams having witnessed an increase in Section 7 report requests this year.

In Oxford (S2), the team has worked with Oxford Family Mediation in the courts to ensure that cases are diverted to mediation if appropriate and safeguarding checks indicate that it is safe to do so. The mediation is aimed at improving parents' communication, reducing conflict and helping to build an effective working relationship between them which will allow them to reach agreements about all parenting issues that are in the best interests of their children. As a result of this work, there has been a decrease in the number of Section 7 reports ordered during the last year, despite a rise in private law applications.

⁹ A private law case can consist of multiple application types, multiple Section 7 reports and multiple orders. Case request figures for this year and last, as referenced above, count 9.05 and FAOs inclusive to the case. This reflects a change to the way we reported private law cases in 2007-08.



Cafcass has set up a number of innovative schemes across the country to help parents reach agreements about their children. These include parenting classes in Uxbridge (S3), dispute resolution work in Birmingham (C5), collaboration with mediation providers, as outlined on page 17, and Family Group Conferences (FGCs) which we have continued to embed across England. The latter received positive feedback from our inspectors, Ofsted, which, in a recent inspection of Cafcass service area S1 (Avon, Wiltshire and Gloucestershire) found that the service was providing, "excellent early intervention and resolution work with children and families in a significant number of private law cases." At present, there are 30 trained and accredited FGC co-ordinators employed by Cafcass to deliver and promote FGCs in private law cases. Over 200 families have now gone through the FGC process and we have received the following comments from service users who have been involved in an FGC:

"I had a really good experience with family group conferencing. Everyone in the family unit was able to get together and give their views. The decisions made were based on the best interests of the children and there was a really positive family atmosphere. I would definitely recommend it to a friend going through the same situation as I did."

Service user, C5 (Birmingham, Black Country and Solihull)

"I had my doubts to begin with but found the conference worked itself through without much heated arguments."

Grandfather

A 14 year old who attended an FGC with her family said, "Thank you for helping my parents to listen to what I really wanted for a change." The case had been in court on and off since she was three years old.



case study

A number of parenting class schemes have already been set up by Cafcass, one of which is run as an early dispute resolution scheme in conjunction with Uxbridge County Court (S3). Its aim has been to offer parents information and advice on the court process, to raise awareness of the possible emotional difficulties children may experience in entrenched and highly disputed divorce and separation cases and to help them make safe agreements about their children.

One participant told us: "It was nice to know that there is someone out there to help people like me and my family. I learnt to be very careful what I say to my son so as not to affect him, as he is going through the same as me and my ex."



Other kinds of private law work

Family Assistance Orders

Cafcass is also involved in Family Assistance Orders (FAOs) at the end of proceedings, which provide social work support to families experiencing ongoing difficulties following divorce or separation. In 2008-09 we received a total of 707 orders which amounts to a 14.4% increase in these types of cases in comparison to last year. The South operational area recorded a 20% rise (or increase of 53 orders) and the North operational area recorded a 17.1% rise (or increase of 38 orders) in comparison to 2007-08. This increase may be attributed in part to the Children and Adoption Act 2006, which provided for the extension of FAOs from six to 12 months and removed the 'exceptional' criteria, which has resulted in FAOs being made in an increased number of cases.

Rule 9.5 cases

In particularly complex or protracted private law cases, a child can be made a party and separately represented by a solicitor and an FCA, under Rule 9.5 of the Family Proceedings Rules (1991). The demand for this type of case has increased by 30%, with 1,804 cases in 2008-09, in comparison to 1,388 cases in 2007-08. All operational areas are reporting a significant increase, with the South once again recording the largest increase of 41.8%, which is equivalent to an increase of 233 orders. Such cases require nearly three times more resources than our other private law work, taking on average 40-50 weeks to complete.

In service area N8 (Cheshire and Merseyside) we have established a 9.5 project in which practitioners have attended a three-day training course on managing these cases. Its aim is to enable practitioners to help families focus on the issues that need to be agreed, so that either a resolution can be reached or the court can make a timely decision. If the approach is found to be effective in ensuring a safe and more timely resolution for the children, we will then look to extend the scheme across the country. Charlotte Cooklin, Quality Improvement Service Manager for the area, outlines the ethos of the scheme:

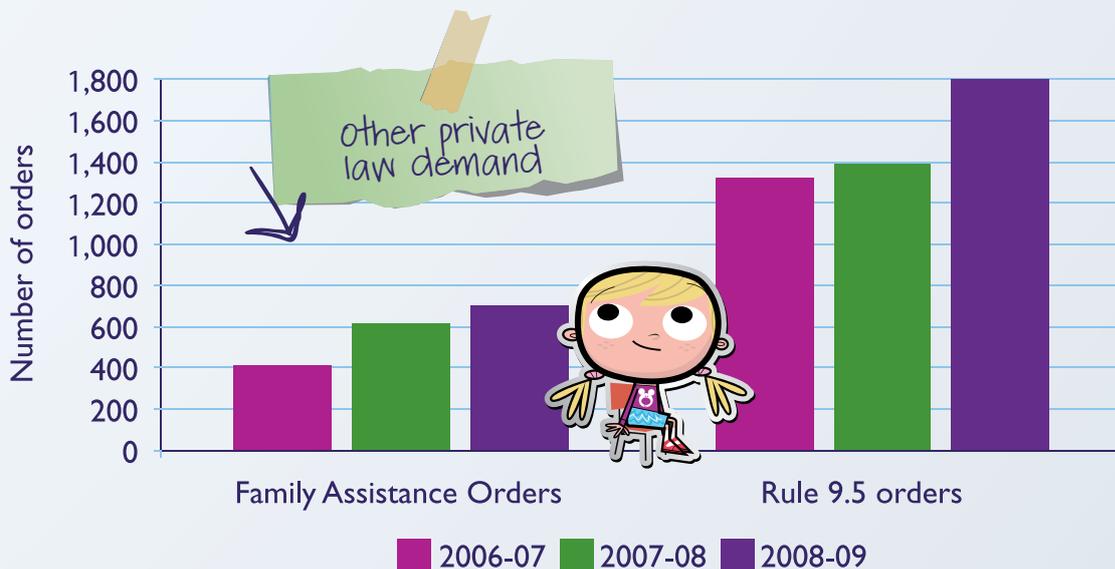
case study

"We tend to hold very structured meetings where the parties, their legal representatives, and the children's solicitor are present. The agenda is agreed in advance so the meetings are transparent and structured. We focus on finding strengths and areas of agreement between parents and in helping them to move forward towards some kind of safe agreement for their children."

One service user who was involved in a Section 9.5 case in S6 (Hampshire, Dorset and Isle of Wight) told us:

"The FCA has worked with myself and my ex to successfully move the situation forward. From a year ago, with the situation being deadlocked and hostile, we have now just settled the issue of residence and contact and been able to take a final order to the judge which we are both happy with. [...] Without the FCA's involvement we would probably still be tearing shreds off each other in the court, but instead we can now move forward in a positive way for our child."

Figure 5: Other private law demand 2006-09



The Private Law Programme

Throughout the year, we have actively contributed to the work of the President's Private Law Working Group in order to develop revised guidance for the courts, Cafcass and legal practitioners, similar to the PLO, on how best to deal with private law applications made to the family courts. The new guidance will be the subject of trial implementation in a number of court areas, commencing in May 2009 and the revised framework will be issued later in 2009, in the form of a President's Practice Direction.

The draft guidance aims to provide greater national consistency among courts and increased clarity about the focus of Cafcass' work prior to the first court hearing. It also features a stronger focus on safeguarding and risk assessment work by Cafcass, with prompt safeguarding checks being carried out in all contact and residence cases, followed by risk identification contact with the adult parties in each case. Cafcass will carry out screening checks with the police and local authority and inform the court of our findings before the first hearing.

Children and Adoption Act 2006

In December 2008 the final provisions of the Children and Adoption Act 2006 were implemented which provided new ways for courts to promote safe and effective contact between parents and children following divorce or separation. The implementation of the Act has introduced a number of additional roles and responsibilities for Cafcass staff and includes the following activities:

- **Contact Activities** – Courts can now order 'contact activities' to promote safe contact between parents and children. There are several types of contact activity including: mediation assessment meetings; domestic violence perpetrator programmes; and parenting classes for parents who have separated. Cafcass will advise the court of the availability of child contact activities and parents' suitability for such activities.
- **Monitoring** – Courts can request Cafcass to monitor, for a period of up to 12 months, whether parties have complied with a contact order and to report to court if it is not observed. This includes a person's compliance with any requirement to undertake unpaid work.
- **Enforcement** – Courts now have the power to enforce contact orders and to impose unpaid work requirements on those who have failed to follow the terms of contact orders already made by the court. Cafcass will be required to provide the court with information on the availability of unpaid work and the likely effect of the order on the person concerned.
- **Warning Notices** – All contact orders made or varied after 8th December 2008 will include a warning notice, outlining the consequences of not complying with the order.

With nearly 24,000 contact applications made in 2008-09, this monitoring requirement also has major potential resource implications for Cafcass.

Our teams have prepared for the Act through training and close partnership working with other agencies. In N3 (Lancashire and Cumbria), this has involved sharing information between agencies and appraising each other of their new roles under the legislation. In particular, the group has worked with the Probation Service to gain a better understanding of what their role will be in monitoring unpaid work requirements.

For further details about the Act and the role of the Partnership team in setting up contact services, please see page 34.



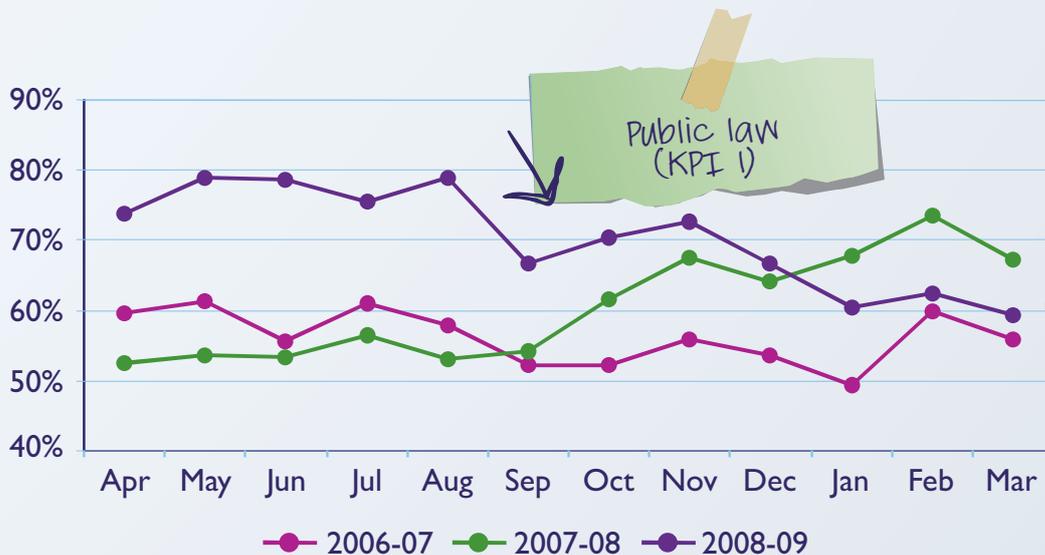
How we met our Key Performance Indicators

This section outlines the progress we have made against the Key Performance Indicators (KPIs) set for us by the Secretary of State for Children, Schools and Families.

● Meets target ● On target to meet ● Does not meet target

<p>KPI 1 Public Law</p> <p>Public law (section 31) allocations during the month should be within two working days from receipt of request (receipt day counted as 0).</p> <p>>= 65% ● 64% - 55% ● <= 54% ●</p>	<p>69.3% ● Achieved and improved</p>	<p>Nationally we have exceeded the 65% target, with performance increasing from 60.1% in 2007-08. North and Central operational areas met the target and the South operational area was on-target to meet the KPI with over 55%. 16 service areas met and three service areas were on target to meet the KPI.</p> <p>Significant improvements were made in the first half of the year with May 2008 the highest performing month since the inception of this KPI with 79% of public law (Section 31) cases allocated within the two-day timeframe. The decrease in performance beginning in December 2008 correlates with the sharp increase in public law care demand which began at the same time.</p> <p>Please see Figure 3 on page 14 for more details.</p>
<p>Explanation: A Section 31 is a care and supervision application.</p>		

Figure 6: Public law (KPI 1) Section 31s allocated within two working days



**KPI 2
Public Law**

97% of the public law workload should be allocated at month end.

- >= 97% ●
- 96% - 95% ●
- <= 94% ●

97.1%
Achieved ●

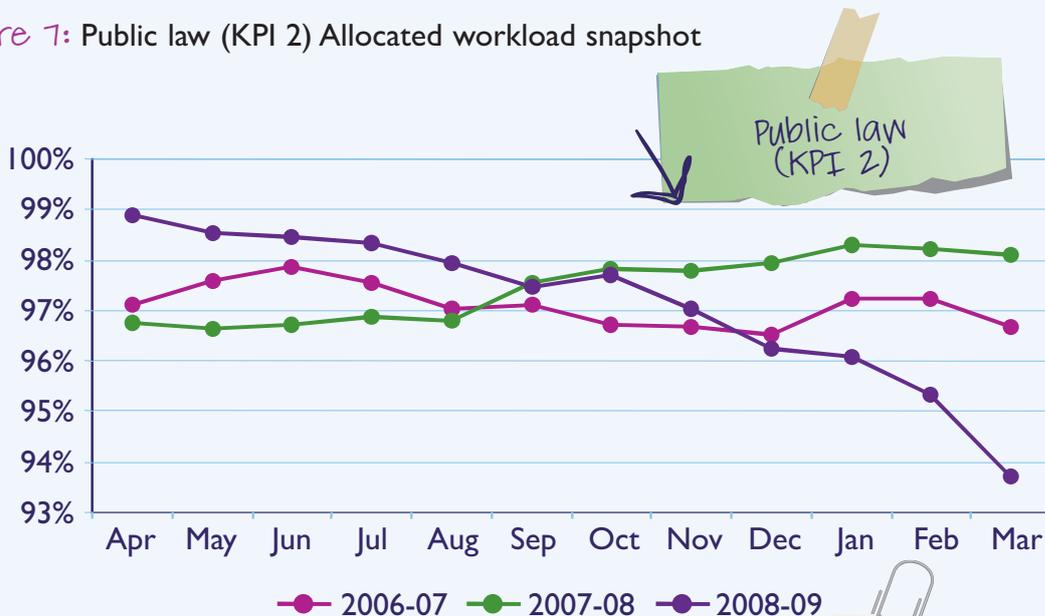
Nationally we have continued to meet this performance indicator by maintaining our allocated workload in-line with the 97% target and performance in 2007-08 of 97.5%. Central and South operational areas met and North operational area was on target to meet the KPI. 14 service areas met the KPI and four were on target to meet it.



Significant improvements were made in the first half of the year with April 2008 the highest performing month since the inception of this KPI with 98.9%. Performance only began to drop below target in December 2008 and correlates with the sharp increase in public law care demand which began at the same time.

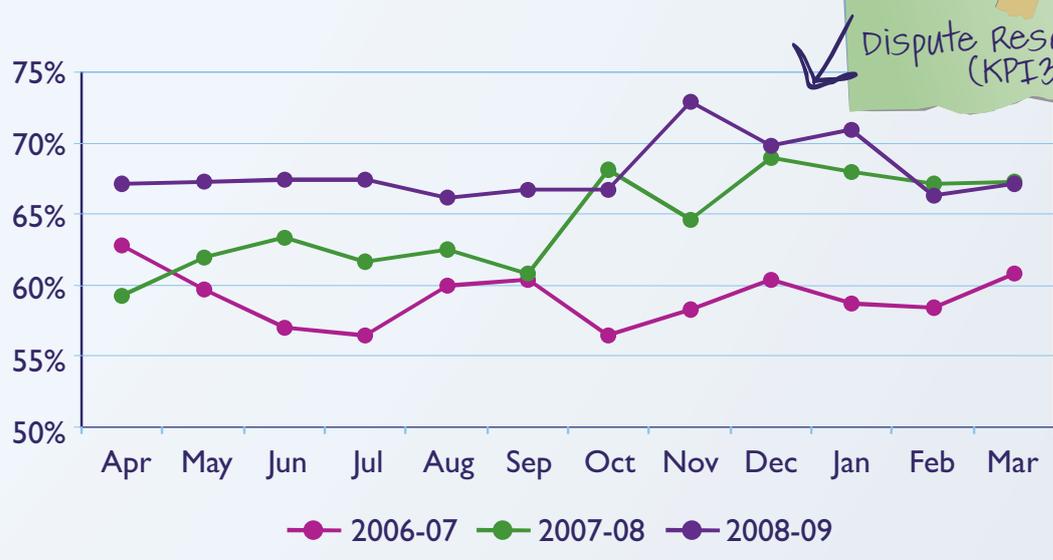
Explanation: To avoid delay in public law proceedings of all types, we have set a standard that 97% of our workload should be allocated when taken as a snapshot. For monthly reporting the snapshot is taken at month end.

Figure 7: Public law (KPI 2) Allocated workload snapshot



<p>KPI 3 Private Law Private law early interventions resulting in full or partial resolution.</p> <p> >= 60% ● 59% - 50% ● <= 49% ● </p>	<p>67.8% ● Achieved and improved</p>	<p>Nationally we have exceeded the target of 60% with performance increasing from 64.7% in 2007-08. All three operational areas exceeded the 60% target. 19 service areas exceeded and two were on target to meet it.</p> <p>Improvements in this area of work have continued with all months exceeding the target this year. This improvement may also be evidenced by the fall in Section 7 reports throughout the year.</p>
<p>Explanation: Our dispute resolution work aims to help families resolve conflict at an early stage and come to a safe agreement for their children, which can then be agreed at court.</p>		

Figure 8: Dispute Resolutions (KPI 3)
Dispute Resolutions resulting in full / partial agreement



<p>KPI 4 Quality (new) The quality of Cafcass' Analysis and Recommendations presented to court is rated as 'satisfactory' or higher in reports assessed.</p>	<p>75.3%</p>	<p>This KPI was set as a developmental objective for 2008-09. The development and roll-out of a national performance management framework, Quality for Children, now allows for standardised assessments of the quality of practice including the quality of reports submitted to court.</p>
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Explanation: Reports are assessed by managers using quality improvement tools and guidelines from the Quality for Children performance management framework.

<p>KPI 5 Quality (new) Initial safeguarding screening checks completed on every case in compliance with the Safeguarding Framework for public and private law.</p> <p>=100% ● 99% - 98% ● <= 97% ●</p>	<p>Public 98.7% ● Private 98.0% ● On-target</p>	<p>Nationally we achieved 98.7% in public law and 98.0% in private law of safeguarding risk identification screening checks against a target of 100%. All operational areas were on target to meet the KPI. 13 service areas in public law, and nine service areas in private law achieved 100%. Seven service areas in public law and 11 service areas in private law were on target to meet the KPI.</p>
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Explanation: This KPI measures the risk identification process used in all cases where we have contact with the parties and is one part of the risk assessment process outlined in the Safeguarding Framework. The amber and red targets were revised in June 2008 to allow for further development of our Case Management System (CMS) to enable us to accurately capture this data. The initial stage of this was completed in October 2008.

<p>KPI 6 Corporate Percentage of service users giving feedback on HearNow or paper-based equivalent, express overall satisfaction with the service they have received from Cafcass.</p> <p>a. Children b. Adults</p> <p>>=60% ● 59% - 50% ● <= 49% ●</p>	<p>63.6% overall ● Achieved</p>	<p>Nationally we have achieved higher than 60%. Younger children (aged five to eight years old) who responded to the survey were most satisfied with Cafcass' work, with 87.8% reporting that their Cafcass workers were 'great' or 'ok'. Among older children (aged nine to 17 years old), 70.8% reported being either 'very satisfied' or 'fairly satisfied' with the service Cafcass provided. Among adults, 55% reported being either 'very satisfied' or 'fairly satisfied' with the service Cafcass provided.</p>
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Explanation: On 1st December 2007, Cafcass introduced a new online feedback system called HearNow for children and adults to help measure user satisfaction with our service. This KPI is aimed at understanding the experience of our service users and learning from it.



<p>KPI 7 Corporate 95% of all closed cases should have diversity monitoring recorded for all service users.</p> <p>>=95% ● 94% - 85% ● <= 84% ●</p>	<p>86.4% ● On-target</p> 	<p>Nationally we are on target to achieve 95% and have maintained our monitoring in-line with performance in 2007-08 of 86.5%. North and Central operational areas were on target to meet the KPI, with Central achieving 91.1%. One service area met and 16 were on target to meet the KPI.</p> <p>This information has informed our workforce planning and will be key information for our service area Business Plans.</p>
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Explanation: This KPI is aimed at understanding who our service users are and using the information to better plan our services so it is relevant and better meets their needs.

<p>KPI 8 Corporate 95% of appraisals completed for all eligible staff within in a rolling 12-month period.</p> <p>>=95% ● 94% - 85% ● <= 84% ●</p>	<p>76.6% ● Not achieved, but improved</p>	<p>Nationally we did not meet the target, however, we have improved on our performance from 2007-08 of 67.9%, in a year of changing systems. Work towards this KPI coincided with our Strategic Pay Review and the development and roll-out of a national performance management framework, Quality for Children, which was implemented in October 2008. Our focus this year has been to embed the new system and ensure that every member of staff received a comprehensive appraisal. This has taken longer, but we expect to report on an improved position in next year's Report.</p>
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Explanation: The KPI figure is reported using a combination of recorded appraisals from the Human Resources KCS database and the new Quality for Children performance management framework. Due to the October 2008 implementation, we have used appraisals logged from 1st April 2008 through to 30th April 2009.



New KPIs for 2009-10

We have agreed a new set of Key Performance Indicators (KPIs) with the Secretary of State for Children, Schools and Families.

● Meets target ● On target to meet ● Does not meet target

Key Performance Indicator	Definition	Measures
KPI 1	Public law cases should be allocated ¹⁰ upon receipt. <i>Assessed via workload snapshot each month.</i>	>= 97% ● 96% - 90% ● <= 89% ●
KPI 2	Private law cases should be allocated ¹⁰ upon receipt. <i>Assessed via workload snapshot each month. Target to be achieved by March 2010.</i>	>= 97% ● 96% - 90% ● <= 89% ●
KPI 3	Quality of practice in safeguarding rated overall as satisfactory or above. <i>Assessed via performance management framework.</i>	>= 97% ● 96% - 90% ● <= 89% ●
KPI 4	Feedback from service users via HearNow to express an overall satisfaction with the service they receive from Cafcass. <i>Assessed within a rolling period to a desired confidence interval of +/- 5%.</i>	>= 65% ● 64% - 55% ● <= 54% ●
KPI 5	Cafcass will address the Every Child Matters Outcomes to support change for children. <i>Assessed via audit of case files as satisfactory or above.</i>	>= 97% ● 96% - 90% ● <= 89% ●

Developing and improving our service

2008-09 was a demanding year for Cafcass with practice improvement at the forefront of all our work. Service Improvement Boards were set up around the country to support local practice improvement whilst a number of teams of in-house experts have supported specific improvement drives for areas of service delivery such as safeguarding, equality and diversity and children's engagement. We have sought to implement improvement in a challenging environment in which we are not only introducing more robust frontline practice

across each of our service areas, but also managing change within the wider context of the family justice system. This has come at a time when the role of social work is increasingly being debated in the public arena.

Bringing services closer to our users

Cafcass implemented a new structure on 1st April 2008. This replaced the former ten regions with 21 local service areas within three larger operational areas covering North, Central and South England. The aim of the restructure has been to drive forward our improvement programme, to provide frontline staff with stronger and more intensive support on practice issues and to ensure that a consistently high quality service is delivered across the country.



Figure 9: Cafcass' service areas 2008-09 at 31st March 2009

North Operational Area

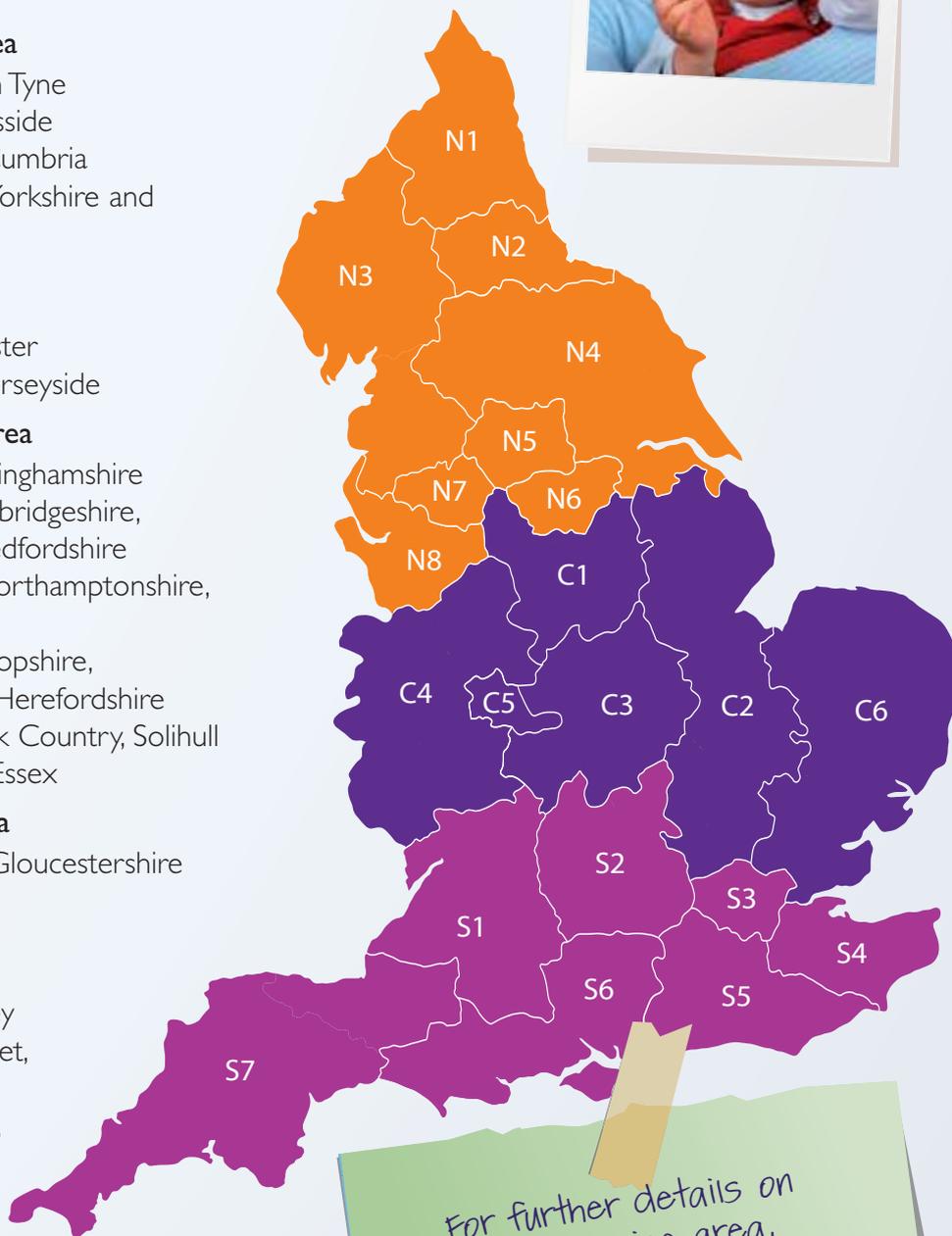
- **N1:** North and South Tyne
- **N2:** Durham and Teesside
- **N3:** Lancashire and Cumbria
- **N4:** North and East Yorkshire and Humberside
- **N5:** West Yorkshire
- **N6:** South Yorkshire
- **N7:** Greater Manchester
- **N8:** Cheshire and Merseyside

Central Operational Area

- **C1:** Derbyshire, Nottinghamshire
- **C2:** Lincolnshire, Cambridgeshire, Hertfordshire, Bedfordshire
- **C3:** Leicestershire, Northamptonshire, Warwickshire
- **C4:** Staffordshire, Shropshire, Worcestershire, Herefordshire
- **C5:** Birmingham, Black Country, Solihull
- **C6:** Norfolk, Suffolk, Essex

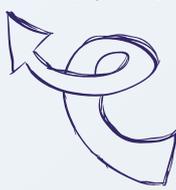
South Operational Area

- **S1:** Avon, Wiltshire, Gloucestershire
- **S2:** Thames Valley
- **S3:** Greater London
- **S4:** Kent
- **S5:** Sussex and Surrey
- **S6:** Hampshire, Dorset, Isle of Wight
- **S7:** Cornwall, Devon, Somerset



For further details on each service area, please see page 61

Under the new structure, each service area is led by a Head of Service who is responsible for a smaller geographical area and fewer staff than the former Regional Directors. We have strengthened the support given to our frontline practitioners by investing in improving the supervisory ratio of Service Managers to FCAs and FSWs (Family Support Workers) to 1:10, from 1:12 and 1:15 in some teams.



¹⁰ 'Allocated' defined as either case 'substantively' allocated to a named cafcass practitioner or case allocated on a duty basis to a named cafcass practitioner.





case study

Janice Ward, a Service Manager in C1 (Derbyshire and Nottinghamshire) explains how the new structure has helped to improve the service:

"I find the new structure much more supportive and feel that the smaller team, covering just Derbyshire and Nottinghamshire, is better at working together across geographical boundaries. We've encouraged a more open dialogue and discussion with colleagues on how to move forward as a service area, with an aim to be one team and not separate offices."

As part of the restructure, we also created a new role of Office Manager to free up Service Manager time from non-practice related tasks. In areas where the Office Manager is in post, the impact has been immediate: there is a dedicated liaison point with the courts, overall customer service has been enhanced and administrative systems have improved and are more consistent.

case study

In Batley and Wakefield (N5), Arshad Mahmood, a newly appointed Office Manager, explains how the team has worked to improve the accuracy of our data on the Case Management System (CMS):

"We've devoted a lot of time to improving the accuracy of our data on CMS by providing staff with several rounds of training on the online database. I check the accuracy of the data-inputting on a weekly basis to make sure that none of the information is missing. This process has helped to improve the quality of our data and means that we are better able to safeguard children."

During the restructure our staff have been flexible and have often taken on different roles to ensure that we are able to deliver a seamless service and to help push forward the practice improvement agenda.

case study

Rebecca Sargent in S7 (Cornwall, Devon and Somerset) is one such person who, during the course of the year, has held a number of different positions. A year ago she was working as an enhanced practitioner in Plymouth before taking up the role of Service Manager and then her current role as a Quality Improvement (QI) Service Manager.

"I work with four teams in service area S7 and am part of the southern QI team covering the South of England. We have been working on improving the quality and consistency of case planning and case recording to ensure that practitioners are evidencing the work they have undertaken with children and families. We've also increasingly been delivering training to teams and providing 1:1 coaching for staff. We've picked up on some really good practice and I think staff have responded well to the support we provide. From a personal point of view, the new role has been a steep learning curve for me but it has been a real challenge and I am looking forward to building on and continuing the work that we as a QI team have been doing."

Ofsted inspections

On 1st April 2007 responsibility for inspecting Cafcass switched from HMICA to Ofsted. This has resulted in a change to the criteria against which we are judged and a more intensive inspection regime under which each service area will be inspected over the next three years in a rolling programme of inspections. The inspections have provided a valuable assessment of our work. In order to help service areas to prepare for their inspection, and to promote consistency of practice improvement models around the country, we developed a 'team around the team' approach, in which the resources of the national organisation have been systematically mobilised to support local service areas in addressing any needs and gaps they themselves identify. As part of this multi-pronged approach individuals and specialist corporate teams from across the organisation have provided 1:1 coaching for staff, assisted with audits and helped with the implementation of new models of practice in order to initiate a swift response to local practice improvement.

During 2008-09, inspections have been undertaken in the former South Yorkshire region and three pilot inspections took place in S1 (Avon, Wiltshire and Gloucestershire), C5 (Birmingham, Black Country and Solihull) and N2 (Durham and Teesside). Ofsted's findings have highlighted areas that we need to improve upon, (which have also been identified through our own internal audit process) and these have contributed to our practice improvement agenda and the 2009-11 six operational objectives as listed on page 12.

We have also aligned our new performance framework, Quality for Children, against the Ofsted inspection criteria so that staff and managers are able to correlate their performance against the standards by which the agency as a whole is also judged. To find out more about Quality for Children, go to page 48.

The results of the inspection were particularly encouraging in S1, which was inspected in December 2008 and where the 'Overall Effectiveness' of the service and its 'Capacity for Improvement' were both graded as 'satisfactory'. The improvement highlighted by the inspectors,



when compared to the service a year previously, demonstrates that our practice improvement programme is beginning to deliver better outcomes for children and families.

However, inspections in C5 and N2 were not as positive and were graded as 'inadequate' for service effectiveness and 'satisfactory' for their capacity to improve. Whilst the latter was a vote of confidence in the systems, processes and action plans being put in place to improve practice, it revealed the scale of practice improvement work still needed in these local service areas. Practice improvement was the organisation's top priority in 2008-09 and will remain so until all services are assessed both internally and externally as at least 'satisfactory', and with many graded as 'good' or 'outstanding'.

Practice improvement boards

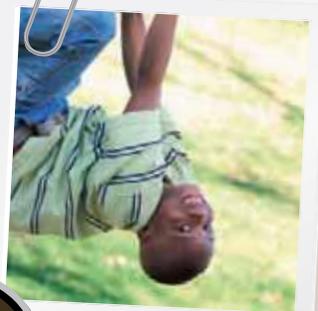
In the former South East region, covering the new service areas of S4 (Kent) and S5 (Sussex and Surrey), an internal improvement board was set up to implement a robust improvement plan, targeting specific areas of practice, such as improved case planning and recording, and improved focus on record keeping, child engagement and assessing diversity issues. In November 2008, we conducted an internal review of practice in the service areas and found that the team in Canterbury (S4) had achieved an improved 'satisfactory' rating with 'good' prospects for improvement. Similar improvement boards have been set up across the country with the aim of delivering better outcomes for children and families.

case study

Áine Campbell, interim Head of Service for S4 (Kent), explains how the team in Canterbury is continually working to improve practice:

"As part of the improvement programme we held two very successful team development days, which helped everyone realise that we were all in it together and need to work better as a team going forward. In particular, better co-operation between practitioners and admin staff has been one of the key factors in our improvement. Other factors include just doing the basics well and building on the skills we've all got; making sure people were behind the project – everyone here really wants to do well and worked extremely hard leading up to the re-inspection; developing a learning culture – we hold monthly practice workshops; and are putting the right systems and processes in place to support our work."

This improvement was substantiated by Ofsted's Post Inspection Review (PIR) of the South East in March 2009 which found that the two areas' action plans and progress to date had been overall 'satisfactory'.



case study coram

As part of the improvement plan in S5 (Sussex and Surrey), we have participated in a research project by the children's charity Coram. As part of this, small groups of practitioners meet up on an average of once a month with an independent social worker (ISW) and Dr Danya Glaser, a Consultant Paediatric Psychiatrist, and Paul Devonshire, a Consultant Clinical Psychologist, to discuss current practice and approaches to cases. In addition, practitioners also attend a supervision session with their manager and the ISW to allow more intensive exploration of practice issues.

One practitioner who has attended the sessions said, "I've found it a positive experience and it has been a good opportunity for group and individual reflection. I think that we've been able to learn from each other's experience and knowledge and it has been particularly helpful to have the input of the two specialists. The insight they've been able to provide on psychological principles and frameworks and on adult behaviours, family systems and assessment tools has been especially valuable and has helped to enhance our assessments and reflective work."

Coram will be evaluating the success of the scheme during 2009 and the results will be presented at the 2010 Cafcass research conference.

Safeguarding children and young people

Cafcass' primary purpose, as set out in legislation, is to safeguard and promote the welfare of each child or young person referred to us and this year we have continued to improve upon our work in this area. Our newly established National Safeguarding Team leads on all Cafcass safeguarding initiatives and provides support to teams on improving safeguarding practice.

We have a joint national protocol with Cafcass Cymru and the Association of Chief Police Officers (ACPO) on the disclosure of information between agencies and this has been developed at a local level. In N4 (North and East Yorkshire and Humberside), the Cafcass team's strong links with the local police force have helped to improve the speed with which we receive information from safety checks back from the police and has strengthened our ability to safeguard children in the local area. There has also been strong joint-agency work in Oxford (S2) where

Chris Sambrook, Head of the Family Disclosures Team at Thames Valley Police outlines how the partnership works:

"We decided to meet up with Cafcass on a regular basis to discuss how we could help each other. It has been helpful to us as now there is a central point of contact for both parties. We have a team that specialises in family court disclosure, which means that if anyone from Cafcass needs to contact us they know who to go to straight away and we are always happy for Cafcass to come back to us if they are unsure of anything."

Cafcass has contributed to the wider social care debate on safeguarding by responding to Lord Laming's 'Progress Report on Safeguarding' which was commissioned following the death of Baby Peter. We also intervened in a high profile House of Lords case regarding the standard of proof in cases involving allegations of abuse. Kirsten Maclean, from the Cafcass Legal Services team outlines our involvement:

case study

Re B (children) [2008] UKHL 35

As a result of one part of the Lords' comments in Re H & R, a practice had developed whereby it was expected that the more serious the allegation, the stronger the evidence needed to prove it.

Cafcass argued that this practice was wrong and that the standard set down in Re H & R was the simple balance of probabilities, with no requirement for stronger evidence if an allegation was a particularly serious one. We urged the House of Lords to confirm this and to ensure that the incorrect approach was not used, because there was a danger that it could lead to children being left at risk.

The leading judgment in Re B was delivered by Baroness Hale who said:

"... loud and clear that the standard of proof in finding the facts ... is the simple balance of probabilities. Neither the

seriousness of the allegation nor the seriousness of the consequences should make any difference to the standard of proof to be applied ..."

Cafcass also argued that it was difficult for parties to know how experts should be instructed in cases where allegations had been made but the court had not been able to make findings. Cafcass Legal drafted a standard letter of instruction to be used as a template and this was accepted by the House of Lords who indicated that the letter should be used in such cases in the future.

Risk assessment is a key component of FCAs' work in protecting children in all cases referred to us. We screen all cases for risk to the child or other family members as part of a continuous risk identification process which is recorded on our Case Management System (CMS). As part of this, we have worked in partnership with CAADA (Co-ordinated Action Against Domestic Abuse) and a number of other agencies, including ACPO, Relate and Respect to produce a single and stronger risk identification checklist which can be used by all agencies, in MARACs (Multi-agency risk assessment conferences) and by independent domestic violence advisers (IDVAs).



case study

CAADA

Diana Barran, Chief Executive of CAADA, explains how the new checklist will help all agencies to keep children and victims of domestic violence safe:

"We hope the new checklist will raise awareness and confidence in identifying risk amongst all types of practitioners who may come into contact with victims of domestic violence, so called 'honour-based' violence and stalking. The input of a range of professionals including Cafcass staff has helped us to improve the tool. Our main aim is to make it easier for victims of domestic violence to disclose what's happening to them, and to make it easier for the person trying to help them to respond adequately to the risks that they face. This will help us to identify risks faced by children living with domestic abuse and allow us to protect them better."

In the coming year the National Safeguarding Team will review the 2007 Safeguarding Framework, in conjunction with the NSPCC. The review aims to update and simplify the Framework, taking into account both organisational changes within Cafcass and issues which have become more prominent recently, such as internet abuse, forced marriage, so-called 'honour-based' violence, child trafficking and sexual exploitation.

Cafcass also introduced a Child Impact Tool, called 'How it looks to me', to strengthen and improve upon our risk assessment in all cases. It was developed in conjunction with our Young People's Board and was based on victim impact statements that are commonly used in criminal proceedings. It is designed to help vulnerable children discuss with the FCA how any continuing harm and pressure they may have experienced is affecting their lives. On the next page, one of our practitioners in N7 (Greater Manchester) explains how she used the tool in a case:



case study



"At my meeting with the children I took copies of the 'How it looks to me' tool for them to work through. The first thing they did was to each, independently, draw a picture of the assault which was extremely poignant. They also completed the 'worryometer' and said that they were very sad because their mother refused to acknowledge that the assault had taken place.

At the Case Management Conference (CMC), and at the children's request, I showed the mother the children's 'worryometer' and the reason that the children had said they were so upset. This prompted the mother to admit that she had witnessed the assault and that she had done nothing to stop it. This confirmed the findings of medical examinations and had a profound impact on the CMC.

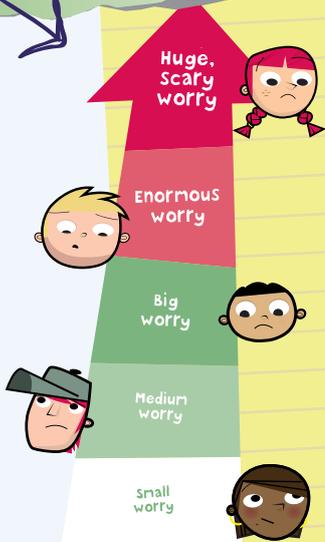
At the finding of fact hearing that followed, the children had said that they

wanted everyone to see the pictures they had drawn, as well as the 'worryometer'. This was crucial because by this stage, the mother had amended her story to say that the assault was much less serious than the children alleged. I was able to show the court the drawings, which clearly showed a beating. This curtailed the hearing from three days to one as the mother again admitted that it was exactly as the children had drawn and the judge made a finding of fact on the balance of probability that the father had committed the assault as they had described and as substantiated by medical evidence.

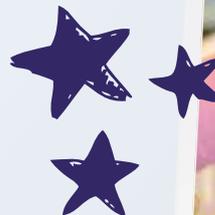
Being able to go back to the children and explain that the judge, an external person who wouldn't necessarily believe them, had done so because of their drawings was incredibly powerful and they felt vindicated and clearly relieved. Even though the facts of the case were very troubling it was very exciting for me to be able to explain to the children that they had been believed and that even though they weren't there in person they had contributed to the case and its outcome. The judge was very clearly placing the blame where it belonged, on the father, and not them, for what had happened. It was very, very powerful."

Following a successful kinship carer assessment, the children were placed within the extended family. The father was subject to criminal proceedings.

worryometer



As a safeguarding agency we have a responsibility to ensure that all staff meet the requirements of Cafcass' Criminal Records Bureau (CRB) policy and to date we have successfully maintained a 100% compliance rate. In October 2009, the Independent Safeguarding Authority (ISA) will launch a registration scheme which will require any person working with children or vulnerable adults to be registered – our Human Resources team is working towards implementing this new system.



Reporting to court: Analysis and recommendations templates

This year we introduced a new style of reporting based on undertaking analysis of a case and then making recommendations to court. This approach narrows the issues and focuses more keenly on what is most relevant to the case and the child's life, areas that still need to be resolved and what has changed for the child. The use of the analysis and recommendations formats for our public law reports supports the effective delivery of the Public Law Outline. During the life of each case, Cafcass provides the court with a series of focused reports about the child's situation.

case study

An FCA from service area N2 (Durham and Teesside) received the following praise from a solicitor who had read her initial analysis of a case:

"I have to say that I found the report easy to read and an extremely useful document. I think it is probably the most useful document introduced under the PLO as it highlights to the local authority and the respondent issues as the Guardian sees them. It ensures that all parties involved focus on matters that they ordinarily would not have. It does tend to make the local authority focus more widely in the case rather than having tunnel vision and dealing with say one aspect such as contact. I also think it's an excellent tool for parents to refer to and hold local authorities to scrutiny."



The Cafcass Legal team has also been instrumental in providing support to practitioners in their role of reporting to court. Lawyers have been working on two main initiatives: the first has been to visit local offices and spend time with practitioners reflecting on various legal issues and discussing reports that have to be filed and judicial expectations. The second has been to deliver a series of workshops across the country for small groups of practitioners, looking at which legal powers and duties are involved in case recording, with practice tips on how to record quickly and effectively.

Working with partners to protect children

We currently commission £2.6 million worth of child contact support interventions via external partnership providers, including facilitating safe contact between children and their families, domestic violence programmes (both perpetrator and whole family programmes), child counselling and parenting classes. We are working with the National Association of Child Contact Centres (NACCC) to ensure that all of these services achieve the enhanced accreditation by June 2009.

Our Commissioning and Partnership team played a key role in the implementation of the Children and Adoption Act 2006 which provides the courts with more flexible powers to facilitate and enforce contact between children and their families. We supported DCSF in the procurement and management of over 60 providers of contact activities, and domestic violence perpetrator programme providers and commissioned Relate to produce materials for use by parenting information programme providers. Our FCAs have been trained to advise the courts on the suitability of parents for the range of different services. For details on training for Cafcass staff on the Children and Adoption Act 2006 please see page 54.



We have been working in partnership with a number of third sector organisations such as ParentlinePlus and Respect, and five local authorities on a DCSF sponsored project to

contact between non-resident parents and their children through a 'virtual' web-based child contact centre called Dads' Space 1-2-1. The site encourages dads to maintain and enhance their relationship with their children and enables children to stay in contact with their dad, even in sometimes difficult circumstances.

provide extended telephone support counselling for separated and divorced parents following a referral from Cafcass. The service works with parents over a six week period and focuses holistically on three key areas: parenting and family relationships; looking after themselves, finding and making use of help; and support outside the family (from both statutory and informal agencies and networks).

Family Drug and Alcohol Court

We are also involved with another DCSF funded project called Dads' Space, which pilots new ways of improving fathers' access to online information and support and which facilitates

In S3 (Greater London) we are involved in the Family Drug and Alcohol Court (FDAC) which is a pilot scheme run in conjunction with three London councils: Camden, Islington and Westminster, and which is based on a model of working used in the USA. The focus is on providing intensive support from a multi-faceted team of professionals to parents with substance misuse problems, in order to improve their chances of being able to provide a safe and secure upbringing for their children.

case study



In one case that was referred to the FDAC, the parents responded very positively to the scheme and the child has remained with them under a supervision order.

The local authority became aware during the woman's pregnancy that both she and the father used drugs and were not responding to their interventions. The case was referred to the FDAC and, at court, the couple signed up to the programmes and showed very high levels of engagement.

The Cafcass practitioner worked within a multi-skilled team comprising social workers, mental health worker, adult psychologist and child / adolescent psychologist. She attended court hearings and court review meetings, visited the family regularly to monitor their progress and the safety of the child and contributed to the reports submitted to court.

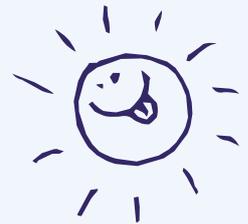
Following the hearing and the acceptance of the parents onto the scheme, the child was placed, on an interim basis, with the paternal grandmother, who had also attended the court. There was a written agreement that the mother and father would also reside there, in order to help reduce the risk factors to the child and provide supervision for the parents. Due to the fact that the parents were doing extremely well it was agreed that they could return home with the baby, with a high level of monitoring and support. The baby was also made subject of an interim supervision order for additional protection.

She told us that, "The benefit of the scheme is that all of the services are available immediately so there is no delay in providing a tailored package for the family. It is also better for the child because it speeds up the process and you know at an earlier stage how things are going for the child and whether the parents are properly engaging and are likely to be able to achieve positive changes in their parenting capacity within the timescales of the child."

ContactPoint

ContactPoint is a key element of the Every Child Matters programme and is one of the key recommendations to come out of Lord Laming's review into the death of Victoria Climbié. It is a national online directory, designed to assist children's professionals in delivering coordinated support and safeguarding for children and young people. It will allow Cafcass practitioners to see which other agencies are involved with a child and will strengthen their reports to court by allowing them to inform the court of other agencies' involvement with a child.

During 2008-09 we have been moving towards implementation by defining requirements for integration with our Case Management System (CMS) and agreeing the management structure for ContactPoint across Cafcass. Operational staff are expected to begin training in its use by Autumn 2009.



Border Agency

Many of our cases are increasingly involving complex legal issues, such as service users' immigration status, and require the involvement of various different agencies. In N4 (North and East Yorkshire and Humberside) one of our practitioners became involved in a step-parent adoption case which also involved immigration issues and the involvement of the Border Agency, with which we have a joint protocol on the sharing of information between our two organisations.

case study

The case concerned a three-year old child who had been born in the UK but whose mother had arrived here from an African country as an illegal immigrant. The mother was pregnant at the time of her arrival and had claimed asylum on the basis that her country of origin was war torn and that she had been raped by soldiers. She had made an application for leave to remain but had been turned down twice and was due to be deported. However, in the intervening period, she had married a man who had been granted asylum and had established a settled family life. They had had a child between them and she was pregnant with her third child. The husband had also made an application to adopt her first born child. Even though the child had been born in the UK, he was

essentially stateless because of his mother's immigration status.

The practitioner was particularly concerned about the possibility of the mother and first born child being deported at any time and the effect that this would have on the family, and in particular on the child. She dealt with the case by ensuring that the child was made a party to the proceedings and that a solicitor was appointed to represent the child. The child was also added to Cafcass' list of children we have an interest in. The case was referred to the High Court which ruled that the Border Agency had 28 days to release information on the woman and child's case. The Agency granted the woman leave to remain, which allowed the practitioner to continue with the adoption proceedings which were also shortly thereafter completed.



Multi Agency Risk Assessment Conferences (MARACs)

Our staff are increasingly participating in local MARACs. Judith Hubert, a Service Manager in C6 (Norfolk, Suffolk and Essex), outlines the value of these meetings:

case study

"In Suffolk we have found attending MARACs invaluable. It made us more aware of their importance in protecting victims of domestic violence (DV) and consequently any children of those relationships. It has also given us the opportunity to establish strong links with statutory and charitable / voluntary organisations that are there to protect victims through the best means possible.

able to speak with the FCA involved who confirmed that in their case the mother was alleging DV but had been unable to comply with requests to submit statements to this effect due to poor mental health. As a result of liaison with the MARAC co-ordinator in Suffolk and the FCA, we were able to put before a court, in a different part of the country, information about a multiple perpetrator of DV that might otherwise have gone unnoticed and where a court may have ordered contact due to insufficient information.

In one case, information in the list of referrals and our Case Management System (CMS) showed that a domestic violence perpetrator in Suffolk was also involved in a contested contact dispute in another part of the country. I was

Since the inception of the MARAC in the Ipswich and district area, there are now two more MARACs – one in the West of the County and one in the North East and we are currently appointing FCAs to attend on our behalf."

Direct work with children

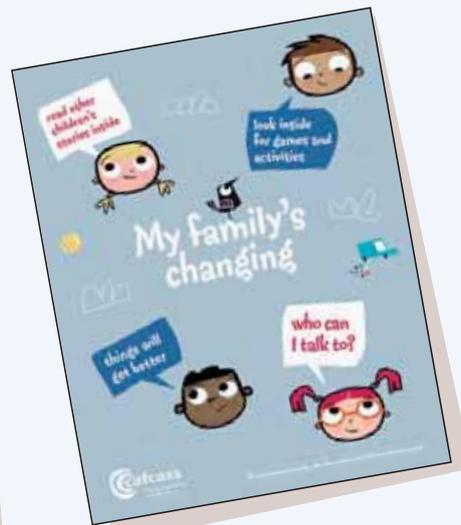
In line with the Government's Every Child Matters agenda, we are committed to contributing to the well-being of children throughout England and to helping them make a positive contribution. In the past year we have developed a number of tools to help children to become more actively involved in their case, such as the child impact tool called 'How it looks to me' (see page 33) and a suite of emoticon and activities stickers which are designed to help children, including those with learning difficulties, convey their wishes and feelings. Our staff also have access to a computer program called 'In My Shoes' which can be used with children to explore facets of their home life. In N8 (Cheshire and Merseyside) a Family Support Worker (FSW) used the program to discuss with a child details about their family, which revealed information that had not previously come to light, on which family members were living with the child and whom she understood to be her main carers.

Child engagement tools

Cafcass has developed leaflets called 'My Family's Changing' to help children whose parents are divorcing and separating. Kirsty Bilski, a local authority emotional health and well-being worker in South Somerset (West), has used the leaflets in her work with school children:

case study

"To my mind, the leaflets are worth their weight in gold because they show divorce and separation from a kid's perspective. They show how the child is not alone or isolated in a bubble where they're the only ones experiencing this. Children find them amazing and very 'permission giving'. I think anything that promotes or encourages children to openly talk about their difficulties is special. They are useful for showing parents how their children may be feeling and inform in a way which opens up communication and encourages helpful and useful conversation within the family."



case study

Needs, Wishes and Feelings

In Worcester (C4), the team's close relationship with the courts and focus on the wishes and feelings of children has helped to maintain the throughput of cases and achieve the best outcomes for children with as little delay as possible. Service Manager Maggie Stephens explains how this approach helped to speedily resolve one case:

"We recently had a case which was a potential 9.5 which involved an older child who had been subject to proceedings for years due to the entrenched conflict between her parents. Instead of automatically starting 9.5 proceedings, we liaised with the local court over the best way forward and worked directly with the child to ascertain her wishes and feelings. By this stage the child was a young teenager, and was able to articulate her views very clearly and tell us what she wanted. By focusing on her wishes and feelings, we were able to avoid the case becoming a 9.5, which can take more time and resources, and submitted a report to the court which reflected her views, and led to a ruling from the court which took into account safeguarding concerns and that also respected her wishes."

Engaging with children

Talk2Me

Talk2Me is a peer support group run in our Portsmouth and Southampton offices (service area S6) for children and young people whose parents are divorcing or separating. The course comprises six weekly sessions where young people come together to talk about their situations with the help and guidance of two Cafcass Family Support Workers (FSWs). The sessions cover a range of topics including family diversity, dealing with emotions, bullying and building self-esteem, and have included presentations from Connexions.

case study

One 12 year old girl who attended the course told us: "The Cafcass workers were really nice and didn't make you say anything you didn't want to say and if you wanted to have a confidential chat you could. Some of the things we did was make 'soup' – this is when you write down how you're feeling on a piece of paper and mix it in with everyone else's – this was good 'coz it helped you get stuff off your mind. We also made punch bags by stuffing a pillow case full of newspaper so you can let out your stress. I was a bit nervous before I went to the group because I didn't know anyone but now I am friends with one of the girls I met there and we still keep in touch. If someone was going to the group now I would say to them just be yourself, be nice to everyone. Tell people what you've been through and don't be nervous because other people are going through the same thing."

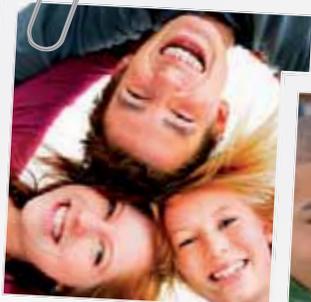
Cafcass Young People's Board

We are also committed to ensuring children and young people have the opportunity to contribute to the development of Cafcass' services and have an established Young People's Board, made up of young people aged between 11 and 20, most of whom have experience of Cafcass, the family courts or the care system. They contribute in a number of ways such as sitting on interview panels, participating in staff training events and attending full Board meetings. One young person outlined the importance of being involved with the Young People's Board:

"I'm passionate about children's rights and being involved with Cafcass has given me an awareness of things I'd never previously known or thought about – it's really interesting and it is good to meet other people as well. I've never had a case with Cafcass so I am able to bring a different, impartial view of the organisation which I think people really value. I've also found that as a Board we're very involved with senior managers. It doesn't feel hierarchical at all and we know that if there is a problem or we want to get in touch we can do so and they'll respond. I think that's really fantastic."

This year, in recognition of the huge amount of time and energy its members have devoted to improving the lives of others, the Young People's Board received a Diana Certificate of Excellence Group Award. This gives public recognition to young people who go that extra mile to make a profound difference to the lives of their friends, families, schools and communities.

One of the key roles undertaken by the Young People's Board this year has been to inspect service areas N2 (Durham and Teesside), N7 (Greater Manchester) and S1 (Avon, Wiltshire and Gloucestershire) with the support of the Children's Rights team. In order to do this, the young inspectors have been given specialist training covering confidentiality, diversity and cultural awareness and on how to run focus groups. The inspectors' role has been



to assess the interview and reception facilities at offices, the written information sent to children and young people and the take up of Cafcass services for children and young people such as our online feedback tool, HearNow.

Zeeshan Shahid, 14, is one of our young inspectors:

"I've inspected four offices in the N7 area – Manchester, Stockport, Rochdale and Bolton – to see whether they were child-friendly. The staff at the offices were very enthusiastic and eager to make improvements – for example by providing a wider ranger of toys which I think would help to make a big difference to children."

"I've been a member of the Young People's Board since autumn 2008. For me it means that something positive has come out of what happened to my family and means that I can help other children by showing adults what we think."

Usman Ali, 16, is another of our young inspectors:

"I was impressed by the attitudes of the staff and their capacity and willingness to include young people and listen to our constructive criticism. As a young inspector, you see things in the same way as other young people and no adult can do that. And as it's a service for children and young people, it makes sense to have young people doing an inspection and providing their feedback and impressions."

The Young People's Board also runs our peer mentoring service, Hear4U, which also received a Diana Certificate of Excellence Group Award. Currently, 18 members of the Board are trained as peer mentors to provide support to other young people who have a case with Cafcass. Service users can email a question to the mentors and receive a response from another young person who has been through a similar situation. All enquiries are moderated and checked for safeguarding issues by an FCA before being passed onto the mentors. From April 2009, once children and young people have logged on to our portal, MyCafcass, they will also be able to text a question to the peer mentors.

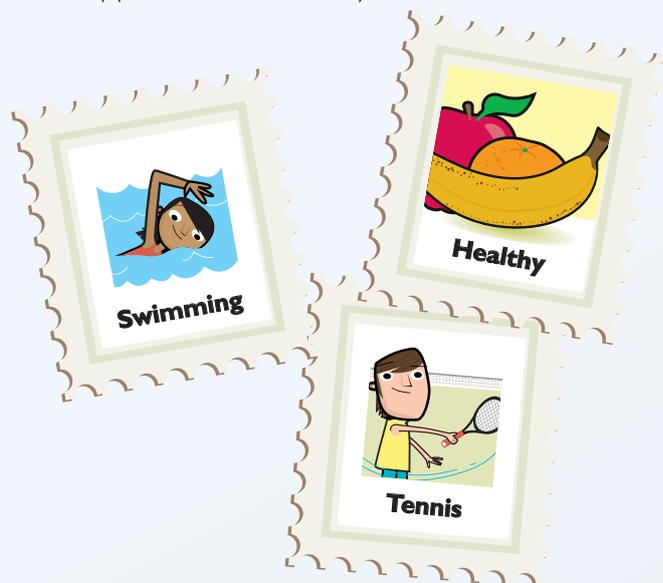


hear4u

Two members of the young People's Board receiving their Diana award from Esther Rantzen

In turn, we have set up a mentoring system for members of the Young People's Board, linking them to senior members of the organisation. So far, six young people have signed up to the scheme and are currently being mentored by Cafcass staff, including members of the Board and Heads of Departments. The aim of the scheme is to provide young people with a healthy role model who will support and assist in the young person's development. We have also made available work experience placements to members of the Young People's Board.

Cafcass has contributed to the wider debate on children in care by publishing a report on the health and well-being of looked after children in September 2008. The report was produced in collaboration with Professor Adrian James from the Centre for the Study of Childhood and Youth, University of Sheffield, following an event attended by 100 children and young people currently in care in the previous February. The report found that young people in care were generally happy but they sometimes felt the affects of stress, wanted better advice on relationships and more support to eat healthily.



People who use our services

Children we worked with this year

In 2008-09 we worked with a total of 79,096 children and young people across England as part of new cases received in the year. This comprised 40,366 males (51%) and 38,730 females (49%) as shown in Figure 10. As the table below shows, and in keeping with trends from previous years, the majority of the children we work with are under ten years old.

However, if we take into consideration the children whose cases were referred to us prior to 2008-09 and on which we continue to work, and those whose cases were closed during the year, the total number of children we worked with is approximately 150,000. Additionally, we support many more children and families through the work we commission from contact centres around the country.

Figure 10: Children in new cases 2008-09



Service user diversity

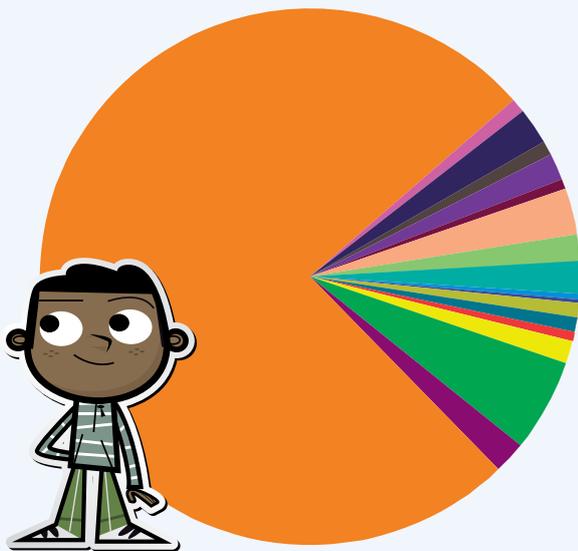
We are committed to providing a high quality service to all our service users, and to actively promoting fair and equal treatment. This year we formally set this out in our new Customer Care Standards:

- We will provide a friendly, professional service and treat everyone with respect at all times.
- We will treat everyone fairly and provide access for all.
- We will be helpful, well informed and work hard to get things right for children.
- We will use plain English, avoid jargon and provide interpretation and translated materials when needed.
- We will provide clear and accessible information on our services.

- We will use comments and feedback to improve our services.
- We will ensure that our complaints process is clear, transparent and fair and that we resolve problems quickly.

We continue to use our diversity monitoring of all service users to help us gain a better understanding of issues such as the ethnic and cultural heritage and religious beliefs of our service users in order to provide a more responsive service that is shaped around their needs. In working with families, our FCAs actively address diversity issues and take into account the complexity of their needs and rights in order to ensure the best possible long-term outcomes for children and young people. Throughout 2009-10, we will be strengthening our work in this area through a national equality and diversity campaign designed to promote the value of diversity in both our workforce and service users.

Figure 11: Service user diversity 2008-09



Engaging with service users

A new Customer Services and Quality (CSQ) team came into existence on 1st April 2008 to strengthen our engagement with service users and to learn from their experiences of our service. The team's work this year has included developing a new, simpler complaints procedure that introduces a more open, accountable and independent approach to complaints and that better reflects our roles and responsibilities as a modern public service organisation. It introduces the use of independent observers to ensure that service users' concerns are addressed fairly and to a good standard, and brings us in line with local authority practice. CSQ managers took part in training on complaints and disciplinary investigations to ensure that they undertake complaints investigations thoroughly, focus on resolving complaints issues quickly and challenge poor practice where this is found. In 2009-10 we will further strengthen this function by increasing the number of managers responding to complaints nationally to nine to improve our response times to complaints. We have also established a telephone response team in Taunton to respond to enquiries about our work, and quickly link service users to the right people in Cafcass to address their issues.

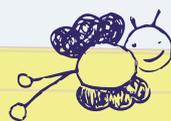
The team has also been involved in the development of our national Learning Action Panel (LAP) to ensure that Cafcass has a clear system in place for linking the lessons learnt from complaints, focus groups, serious case reviews and feedback from HearNow to practice improvement. Some significant areas where service user feedback has influenced our work include the introduction of our new Welcome Packs¹¹ from April 2009 in response to concerns from service users about the quality of our written information. We have also begun a campaign across the country to help improve our focus on providing a fair and equal service to all service users, in response to challenges about how we meet the diverse needs of the population we serve. To find out more about this, please see page 50; and page 43 to find out more about local initiatives. Following feedback from families on the quality of our assessments of domestic violence, we are also revising our Safeguarding Framework, providing increased levels of training and working with organisations such as NSPCC and CAADA to strengthen our work in this area (please see pages 32 and 54 for further details).

¹¹ The Welcome Packs provide all service users at the start of a case with clear and consistent information about Cafcass and contain information specific to the kind of case an individual is involved in. They also provide information on the new Cafcass portal, MyCafcass, which is a secure, personalised website where both adults and children can receive further information relevant to their individual case and access other resources such as HearNow, Hear4U and video resources.

In Bradford (N5), two of our FCAs have set up a practice network covering Bradford and Calderdale with professionals from local authorities and other organisations, such as Surestart, to share learning disability related practice issues. Learning from the group has raised awareness amongst our staff of the issues facing parents with learning disabilities. Individual staff members in the office have also developed links with other community services, such as women's refuges and refugee groups, to ensure that we are actively engaging in the issues that affect some of our service users and to ensure that there is a designated liaison point between Cafcass and the relevant organisation.

Figures from the City Council show that the ethnic minority population in Bradford accounts for approximately 18% of the District's total population, the vast majority of which is of Asian origin. The team has worked hard to establish links to different faith and community groups and has worked with representatives from the Hindu, Muslim and Sikh communities, to increase our understanding and awareness of the, often, complex faith and cultural dimensions of the cases that are referred to us. The team is currently working with a local mosque to try to develop a way in which it could help to facilitate safe contact between children and families.

case study



In C1 (Derbyshire and Nottinghamshire) one of our practitioners worked with a family who were members of a small religious community. In order to understand the specific religious beliefs of the family he spent time finding out about the religion and used the online Cafcass message forum to seek advice from other Cafcass practitioners who had been involved in other similar cases. In this instance the children were reluctant to have contact with their father because of their religious beliefs

with their father and their rights to exercise a particular aspect of their religious faith, which was clearly very important to them. Ultimately, the practitioner was guided by the children's wishes and feelings because of their age and understanding and made recommendations which saw one child have occasional direct contact and the other indirect contact only.



following the breakdown of their parents' marriage. The challenge was to weigh up the children's needs to have a relationship

The practitioner said, "This was a very difficult case – there were no significant risk issues involved and very serious consideration had to be given to direct contact being re-established. However, the children's beliefs were so important to them that in this case their wishes and feelings were my main consideration in making my recommendation to the court."

Feedback from service users

HearNow is an online, multiple-choice questionnaire that allows children over five years and adults to give feedback on the kind of service they have received from Cafcass. It allows us to analyse and report on the factors that drive service user satisfaction.

Information from HearNow will be used to help us plan our services around the needs of service users. In particular, analysis of the HearNow data suggests that satisfaction with Cafcass is linked to communication and the quality of the relationship that exists between the FCA and service user. Service users also value knowing how to contact the FCA and how to make a complaint, and we will be strengthening our provision of this information in 2009-10 through the introduction of our new Welcome Packs.

The principal drivers of satisfaction for each age group have been identified as:

Children (5-8 years)

A perception that the Cafcass worker “made things better for me” and “knows what I think and how I feel”.

Young People (9-17 years)

A perception that Cafcass “told the court what I wanted” and that the Cafcass Worker “understands my situation”.

Adults

Perceived ease of accessibility of Cafcass workers, a perception that the court report was accurate and knowing how to make a complaint.

Response rates and service user satisfaction

During 2008-09 we received a total of 793 valid responses on HearNow. Of these:

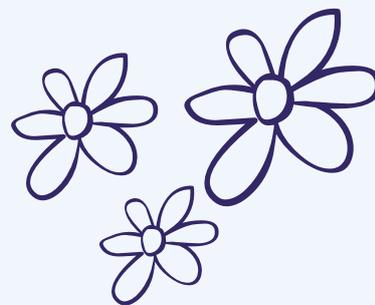
- 90 (11.3%) were from children aged 5 to 8 years old
- 233 (29.4%) were from young people aged 9 to 17 years old
- 470 (59.3%) were from adults.

The overall rate of satisfaction with Cafcass' service amongst all age groups for 2008-09 is 63.6%. For further information on service user satisfaction rates, please refer to KPI 6 on page 24.

Comments, compliments and complaints

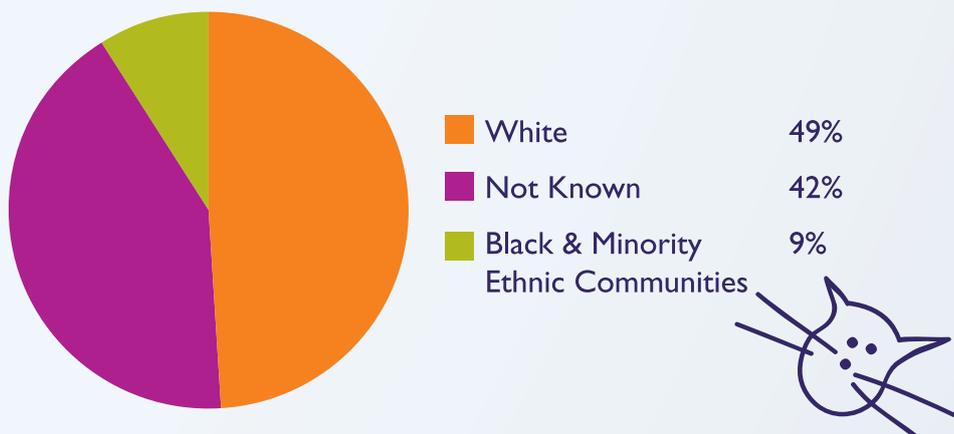
During the year we received 253 comments, 387 compliments and 1,050 new complaints. Taken as a whole, including private and public law work, complaints were received in 2.1% of all new referrals that Cafcass began work on in 2008-09. Complaints made about our private law work accounted for 86.7% or 910 of the complaints made. Complaints made about our public law work accounted for 7.5% or 79 of the complaints made. 5.8% or 61 complaints were not directly related to casework.

We received roughly an equal number of complaints from fathers and mothers with fathers accounting for 41% of complaints received and mothers 40%. Grandparents, solicitors and others accounted for 16% of complaints. 3% or 31 complaints were received from children and young people in their own right, which is an increase on previous years and may reflect the active steps that we have taken, through the redesign of our leaflets and our website, to ensure that information and advice to children and other service users is more accessible. However, we recognise that the small number of children making formal complaints may be artificially low.



Of the complaints received during 2008-09, the largest proportion of complainants (49%) were white (of which 496 were white British, 13 white other and nine white Irish). 9% of complainants were from black and minority ethnic communities (see Figure 12). However, we do not know the ethnicity for 42% of complainants. Of the 42% where the ethnicity was unknown, in 23 cases (6%), the complainant was unavailable; 15 complainants (4%) refused to provide any information on ethnic origin and in 333 cases (90%) the information was not returned to us. This highlights an area which we need to address so that we are better able to plan our services and ensure that they meet the needs of all service users.

Figure 12: Ethnic origin of complainants 2008-09



Outcomes of complaints concluded in 2008-09

Of the complaints concluded during 2008-09, 47% were concluded on the basis that the issues raised were not upheld. A total of 40% of complaints were either upheld in full or contained more than one issue, in which some were upheld and some were not upheld (recorded as partially upheld). At the close of 2008-09, 13% of our complaint records were withdrawn at the request of the person making the original complaint.

This year, in response to feedback from service users, we have changed the way in which we deal with complaints. In line with our new complaints process we are directly responding to complaints that in previous years would have been referred back to the courts and were recorded as issues 'resolved within the courts process'. Under the new procedures, there is an increased focus on trying to resolve the issue locally, rather than referring to court and this has resulted in an increase in

complaints that have been upheld. This new way of working means that it is therefore not possible to make direct comparison with previous years' figures.

The Parliamentary and Health Service Ombudsman (PHSO) was asked by MPs to examine seven enquiries by members of the public about Cafcass administration. Of these, the PHSO upheld or partially upheld four cases that required corrective action. At the time of going to print the remaining three were still subject to PHSO enquiry.

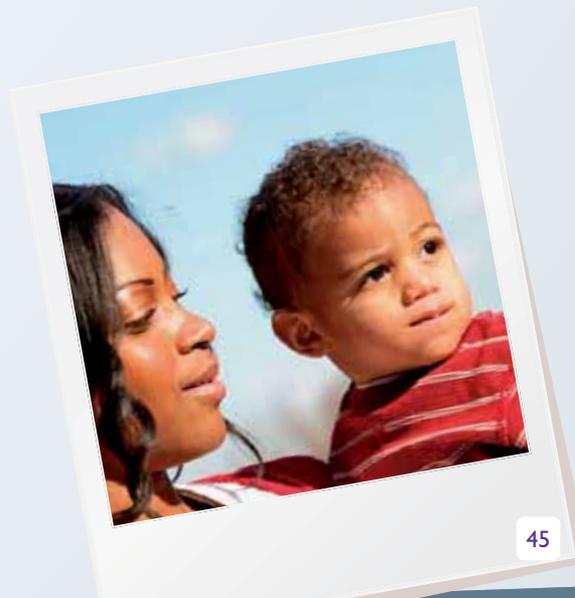
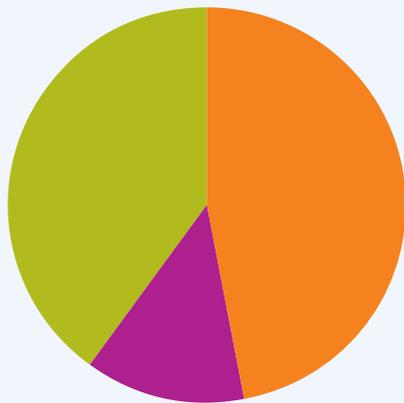
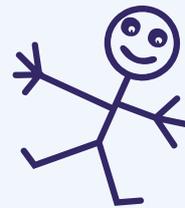


Figure 13: Complaint outcomes of all received complaints



- Not upheld in complaints procedure 47%
- Withdrawn by complainant 13%
- Upheld or partially upheld in complaints procedure 40%

Below is a selection of compliments that Cafcass received during 2008-09:

"There was a general consensus from all advocates involved in this case that the FCA had worked this case exceptionally thoroughly. She has provided a consistent and considered analysis of the relative strengths / weaknesses of the parents and commanded their respect throughout this most complicated case. She did an excellent job and was instrumental in obtaining necessary findings and effecting changes to the care plans for the children."

Solicitor, S3 (Greater London)

"I was very pleased with the service provided by Cafcass with regards to my daughter's wishes and feelings interview. The practitioner who interviewed my daughter was very reassuring and understanding."

Mother, S5 (Sussex and Surrey)

"I was treated with respect, provided with good and clear information and shown support and interest in finding a positive way forward that placed my daughter's needs first and foremost ... Her manner was professional; my questions were answered openly and clearly, inspiring confidence..."

Father, S3 (Greater London)

"We are extremely grateful for all you have done, your dedication to your work is second to none. The children who have you as their guardian are definitely in good hands. If our case has highlighted to other professionals also just how important the full assessments are of children before they are placed, then that is a bonus and our battle has not totally been in vain ... I don't think there is anymore we can ask, or indeed there is that you can do for us. You have been of great help and support and we thank you for that."

Mother and father, N4 (North and East Yorkshire and Humberside)



Engaging with stakeholders

case study

Staff from the Peterborough office (C2), attended one of the monthly meetings run by the local Families Need Fathers (FNF) group. Issy Atkinson, a Service Manager, was one of two members of Cafcass staff who attended the meeting:

"The meeting gave us the opportunity to talk to the members about what we do and to hear their feedback. We were able to tell them about Cafcass' feedback mechanisms and reassure them that we wanted to hear their views so that we could improve our service. It also gave us the opportunity to talk through the way in which we make our recommendations to court and to reassure them that we treat both parents fairly. We discussed the issue of child safety and how this is our paramount concern. We were also able to explain that where it is safe to do so, our position is that ideally children should have contact with both parents but that where allegations of domestic violence or abuse are raised by either party, we have to take these seriously. I think it was valuable to be able to address their concerns and reassure them and we hope to attend another meeting later in the year."

Ian Tyes, Chair of the Cambridge FNF group told us:

"We were delighted to welcome representatives of Cafcass to our Cambridge meeting and the larger than average attendance were able to ask questions and discuss Cafcass' approach to dispute resolution, false allegations, parental alienation and Section 7 reports in an open, constructive and informative meeting. We are grateful to them for their helpful comments and trust that they also

appreciated the feedback of our members and experienced first hand the agony, emotion and frustration that we have all faced in attempting to identify the 'best interests of the children' within the limits of the family court system. We look forward to welcoming them back in the Autumn."

The team has also forged ties with the local Women's Aid group. Sara Faulkner and Julie Grundy are Child Support Workers at Women's Aid. They work with children who have witnessed domestic abuse and their mothers who may be going through the family courts.

"We met up with two Cafcass Family Support Workers to find out more about Cafcass. It was really enlightening to hear about their role in helping families and how they are very much reporting on what people say and in not taking sides. They showed us a number of tools which they use in their work with children and what was really lovely to hear was how these can be geared to individual children, how children's views are very much taken into account and they are listened to. The whole session was really informative and we hope to replicate this meeting with our staff who work in the Women's Centres in Grantham and Lincoln, and to continue to build this relationship."



Our workforce

Cafcass is the biggest single employer and contractor of social workers in England, and we are committed to ensuring we develop our workforce so that we can continue to improve the service we provide to children and their families.

Investing in our staff – Strategic Pay Review

In 2008-09 we successfully implemented our Strategic Pay Review (SPR). The three-year package, which covers the period from 1st April 2008 to 31st March 2011, is designed to allow us to recruit and retain staff with the right experience and quality to carry out challenging work to the highest possible standard. Over the next three years we are making a significant investment in our workforce – out of our three-year budget settlement from our Sponsorship Department, DCSF, £24 million is being spent on improved pay, which represents an increase in expenditure on pay costs by 19% and is one of the most competitive pay deals in the social care sector. This will take our workforce budget expenditure from £74.6m in 2007-08, to £88.9m by March 2011, and has resulted in a minimum cash increase for all eligible staff of 2% year on year. The strategic importance of this is that our pay levels will remain competitive for the next few years. Without the SPR, we were unable to compete with other frontline organisations for talented children's social workers and the consequences for recruitment and retention were already becoming serious.

The SPR has introduced a new common pay structure and pay progression system and a single set of terms and conditions for all Cafcass staff. Within each job role the benchmark for reaching target salary is set at the

level of satisfactory performance – we have budgeted for all staff to attain this level with robust support mechanisms in place to help make this a reality through our new performance management system, Quality for Children.

Quality for Children – Strengthening our performance

In 2008-09, we substantially strengthened our performance management framework through the introduction of Quality for Children. The new framework gives managers the tools to manage effectively; it clearly outlines our expectations of staff in each job role; and allows us to electronically record, monitor and report on quality of work and how this impacts on improved outcomes for children and families.

Under the new system there is an increased focus on supervision, which takes place every six weeks, allows the worker and manager to identify areas that require improvement or further support and gives managers the opportunity to challenge inadequate practice in a transparent way. Assessments made throughout the year in supervision then feed into the annual appraisal.

Strategic workforce planning

This year we have also strengthened our ability to collect, analyse and report data trends on the characteristics of our workforce. This has allowed us to ensure that we are planning properly to meet our changing service needs, and our HR Team is working with local teams to address any gaps in the capacity of local staffing.

For example, in service area C3, the Coventry office was able to improve its performance in private law through a recovery plan, which involved workforce planning and a recruitment drive. The team was successful in recruiting four new FCAs and two FSWs to deal with private law demand from the local court, which is one of the busiest in the country.

Flexible workforce

Self-employed contractors (SECs) and bank staff continue to provide a valuable service and are often deployed as part of flexible workforce plans in order to allow us to respond to fluctuations in demand for our service. We have established a Flexible Workforce Advisory Service, led by one of the London-based Heads of Service, in order to provide consistent advice and support about the deployment of SECs, bank and agency staff. One of the aims of the service is to modernise SECs' contractual arrangements and to promote a holistic and consistent organisation-wide approach to performance management and practice improvement.

In many areas, including S6 (Hampshire, Dorset and Isle of Wight) and N5 (West Yorkshire), SECs and bank staff have been invaluable in helping us to continue to provide a service where we have struggled to recruit staff to permanent posts or where we have witnessed a sudden influx of cases. What is striking in each of these instances is individual staff member's commitment to children and families and their willingness to learn new skills and adapt to the changing nature of the work.

Investing in staff

Cafcass is committed to developing its workforce, retaining talented staff and ensuring that they have the skills and knowledge to carry out their roles. This year we have provided each permanent employee with access to an Individual Learning Account (ILA) worth £250 per year which can be spent on, or put towards, a course of study or any other source of support.

In 2008-09, we have continued to pursue our 'internal first' policy. This has been particularly successful in the context of the restructure in which 26 FCAs have been promoted internally into Service Manager positions. We have also continued to take active steps in developing a more diverse workforce that is representative of the communities we serve, and two internal black and minority ethnic (BME) applicants have been promoted to Service Manager positions in Greater London (S3).

In the coming year we plan to develop a range of entry-level trainee / apprenticeship schemes and career pathways for a range of professional

case study

Norman Chapman-Adams is a long-standing member of staff in the Portsmouth office (S6) who moved onto the bank scheme last year, despite being eligible for retirement. For much of his career, both at Cafcass and previously at the Family Court Welfare Service, he has specialised in private law and is currently carrying a full caseload.

"I always planned to continue working for Cafcass after I reached retirement age as I enjoy the work and I wanted to keep active. I enjoy enabling parents make the safe arrangements for their children and nowadays tend to do lots of work at Directions Appointments at court, trying to steer parents away from proceedings and encouraging them to use their parental responsibility to help make safe arrangements in the best interests of their children."

Ruth Chase, Head of Service for S6 said, "I am tremendously grateful to all the staff across S6 for their hard work throughout the year. In Portsmouth, our bank staff have played a crucial role in helping us to maintain a service. They bring with them a wealth of experience, a passion for the work and have a real commitment to the families and children we serve."



level roles across the organisation, reflecting the desire to 'grow our own' talent. We are also keen to promote student placements and have already had some success in this area, including in C3 (Leicestershire, Northamptonshire and Worcestershire), N6 (South Yorkshire) and N3 (Lancashire and Cumbria) where we have an established student unit in the Blackburn office that operates across the service area. The students typically spend 100 days with Cafcass, primarily carrying private law cases. This year the team offered temporary contracts, following competitive interview, to three of the students once they had qualified. This proved a creative way of ensuring continuity within the team, of providing career and practice development for the newly qualified social workers, and helped us to manage the throughput of private law work.

In Birmingham (C5), the team, including two FCAs who acted as practice assessors, has supported four students. One student commented on the scheme saying, *"The prevalence of domestic abuse in private law cases surprised me. This has led me to focus my attention on the effects of domestic violence on individuals and how to appropriately identify and respond to the individual's needs."*

Workforce diversity

Cafcass is committed to all aspects of equality and diversity and to ensuring all employees are treated with dignity and respect. Our aim is to develop a truly inclusive work culture where a positive value is placed on diversity, both within our workforce and with our service users.

We have set ourselves four key diversity objectives:

- **Leadership** – putting equality and diversity on the agenda from the top.
- **Service Delivery** – ensuring that the services we deliver meet the needs of the multi-racial and diverse communities we serve.



- **Mainstreaming** – ensuring equality and diversity is integral to all our strategies, policies and plans and translated into targets; ensuring behaviours match our vision.
- **Inclusivity** – developing a broad and inclusive focus across all equality and diversity issues.

This year we joined the Stonewall Diversity Champions Programme which provides access to experts who will help us to ensure that our workplace, culture, policies and procedures are fully inclusive of our lesbian, gay and bisexual employees. Cafcass employees will also have the opportunity to attend Stonewall seminars and events and to apply for a place on the Stonewall Leadership programme. With the charity's support, Cafcass aims to set up a lesbian, gay, bisexual and transgender (LGBT) support network to provide a forum for Cafcass to engage directly with the needs of our LGBT employees. Our work with Stonewall will also help us to better understand and meet the needs of gay, lesbian and bisexual young people with whom we work, and of same-sex parents.

Throughout 2008-09, Cafcass will run a national equality and diversity campaign designed to promote and increase awareness of diversity issues amongst our staff. This will focus on different strands of equality and diversity including age, gender, race, disability and religion. The first campaign for this year, 'Inclusivity For All', will focus on Cafcass' commitment to improving the working environment for our LGBT employees.



We have established a Disability Advisory Group which comprises disabled employees from across the organisation, the National Health Safety and Well-being Adviser and a member of the National Equality and Diversity Steering Group (NEDSG). The group works towards removing barriers to disability and considers key issues that impact on disabled employees at work, such as reasonable adjustments to working arrangements and the physical environment. This year, this has resulted in a number of employees benefiting from voice-activated software. We have also adapted our intranet and internet to be more accessible for disabled users through multiple accessibility options.

Workforce data

The data below was taken from our HR database, KCS, on 31st March 2009. It includes all permanent, fixed term contract and bank staff, but not self-employed contractors (SECs).

Figure 14: Number of staff in age group

	Number of staff in age group					Total Staff
	18-30	31-40	41-50	51-60	61+	
FCA's	6	110	335	572	152	1175
All Staff	116	263	553	845	306	2083

Figure 15: Gender of Cafcass staff

Job Type	Gender	Number by Gender	Total number of staff by job type	Gender percentage by job type
FCA	Female	910	1175	77.4%
	Male	265		
Service Manager	Female	97	131	74.0%
	Male	34		
FSW	Female	75	81	92.6%
	Male	6		
Other Staff	Female	577	696	82.9%
	Male	119		
All Staff	Female	1659	2083	79.6%
	Male	424		



Figure 16: Ethnicity of Cafcass staff

Job Type	Asian	Black	Chinese	Mixed	White	Other	Unknown	Total	%BME
FSW	7	1		1	70	2		81	11.11%
FCA	20	70		10	1052	17	6	1175	8.51%
Bank Scheme	5	13		1	152		1	172	11.05%
Service Manager	2	12		2	115			131	12.21%
Head of Service	1	1		2	25			29	13.79%
Senior Manager	3			1	20	1		25	16.00%
Specialist Staff	5	8			99	3		115	11.30%
Admin	25	13	2	5	298	1		344	13.08%
Cleaner	1				10			11	9.09%
Totals	69	118	2	22	1841	24	7	2083	10.13%
% Workforce	3.3%	5.7%	0.1%	1.1%	88.4%	1.2%	0.3%		

Figure 17: Cafcass Black and minority-ethnic (BME) staff by job group

Job Type	BME Staff In Post				% BME of Total Staff			
	2006	2007	2008	2009	2006	2007	2008	2009
FSW			7	9			9.72%	11.11%
FCA	115	114	104	100	8.30%	8.20%	7.69%	8.51%
Bank Scheme			11	19			7.05%	11.05%
Support Staff	63	53	60	59	12.40%	11.00%	12.22%	12.55%
Service Manager	8	14	11	16	6.10%	10.20%	9.57%	12.21%
Head of Service			2	4			10.00%	13.79%
Senior Manager ¹²	4	7	4	4	8.70%	12.30%	16.67%	16.00%
Totals	190	188	199	211	9.20%	9.10%	8.94%	10.13%

¹² Heads of Service were included in the Senior manager figures from 2005 to 2007 inclusive.



Figure 18: Number of staff with notified disability

	None	Notified disability	Not Known	Total Staff
All Staff	1930 92.7%	137 6.6%	16 0.8%	2083
FCA's	1077 91.7%	85 7.2%	13 1.1%	1175

Figure 19: Sickness absence data

Sick absence headlines					
Average Working Days Lost		Total Days Lost		% Lost to Long-term	
9.7		20,224		67.18%	
Analysis of key reasons for absence					
Stress, Depression, Anxiety		Other		Infections + Cold / Flu	
27.9%		21.9%		11.4%	
				Musculo-Skeletal	
				9.0%	
Analysis of average working days lost					
Departmental Data			Sickness Absence Days and Average Working Days Lost		
Department Size Classification	Total No of Staff (headcount)	Total No of Staff (WTE)	Total Days Lost	Average Working Days Lost Per Person	Average Working Days Lost Per WTE
Medium	2083	1749.6	20,224	9.7	11.6

The formula used to obtain the average working days lost is *number of days lost / number of staff*.



Training and staff development

Our Knowledge, Learning and Practice Development (KLPD) team continues to support staff in delivering the best possible services to children and families by providing training and development opportunities that help all employees to be more confident, well-informed and capable in their roles. This year our staff have attended a total of 5,221 training days, run by both external organisations and Cafcass.

Our national training programme has included training relating to core areas of practice such as domestic violence (DV2 and DV3 training); risk assessment; and communicating with children, as well as areas such as generic and cultural assessments; attachment, separation and loss; and family group conferencing accreditation. Under the new structure, each service area has appointed a Service Manager for Quality Improvement which has allowed us to provide more tailored training such as individual coaching, workshops and team-based events. We have also supported staff in preparing for major shifts in practice, such as the introduction of new requirements under the Children and Adoption Act 2006 by providing training to over 800 staff, including FCAs, Service Managers, Heads of Service and business support staff in each service area. We also held three 'Relate Co-Parenting' training events for FSWs on their future role in delivering the voluntary Co-Parenting courses as part of the Child Contact Support Services.

This year we have focussed on ensuring that our Service



Managers and Heads of Service have the skills to manage and lead our practice improvement agenda and that they also have the opportunity to develop their skills. We have run a series of Service Manager conferences throughout the year to develop the Service Management community and to offer staff the opportunity to reflect and discuss the current practice and learn from the experience of others. Service Managers have been offered training in supervision skills and several have undertaken the PQ in Leadership and Management at the University of Birmingham. In addition, all managers have been provided with a one-day course in Performance Management and Heads of Service have benefited from an ongoing development programme, which has included areas such as strengths-based management, supervision skills, presentation skills and resilience.

We also recognise that excellent frontline practice needs to be supported by suitably qualified and skilled business support staff and we are developing a Business Academy to provide training and learning opportunities for these employees. We have signed up to the Skills Pledge and, through the Academy, aim to accredit all our support staff to NVQ level 2, or equivalent, as a minimum qualification by 2010.

Following on from last year's major National Standards training, the team is also undertaking a project to evaluate the impact of training on improving frontline practice (assisted by the recruitment of a National Research Officer) and the findings will be available later in 2009.

We have continued to maintain strong ties with a number of universities. We have developed a family justice professional module with Sheffield and Manchester Metropolitan Universities, a PQ Enabling Learning module specific to Cafcass run by Nottingham Trent University; and are working closely with Royal Holloway to develop a Higher Specialist Award in family justice practice.

Legal roadshows

The Cafcass Legal team has continued to deliver Legal Roadshows to practitioners on a range of topics including the law on kinship placements and Shari'ah law. Next year's Legal Roadshow will offer practitioners the opportunity to discuss a wide variety of topics including case law on the Children Act's welfare checklist, the Human Fertilisation and Embryology Act and the new Children and Young Persons Act.

Cafcass research conference

Four hundred delegates, many of whom came from local authorities and other external stakeholders, attended the multi-agency Cafcass

Research Conference on 27th February 2009 at the Birmingham NEC to hear the latest messages from research. The conference was planned by a multi-agency group including parents and young people. In addition to papers commissioned from respected academics, research completed by Cafcass as a part of our commitment to evidence-informed practice was included within the papers selected through the anonymised peer review process. This speaks highly of the quality of research being completed internally to inform practice development.



Business development and financial commentary

Modernising our IT

This year we have moved towards a new seven-year IT contract with Fujitsu, aimed at ensuring that our IT infrastructure is better able to support practice improvement and efficient working across the whole of Cafcass. Major benefits and improvements to data security through Cafcass' membership of the GSI (Government Secure Intranet) are also planned.

Much of this year has been spent preparing for the implementation of our new Flex desktop environment, which will provide us with enhanced security through a Cabinet Office sponsored, cross-government shared service. It will also help us to deliver a more reliable, responsive and cost effective IT system, ensuring that service users and Cafcass staff have appropriate information when they need it, whilst also safeguarding the sensitive and personal information that we hold. In parallel, we have made a series of additional changes and upgrades to our IT estate including changes to our Case Management System (CMS) and the upgrading of our central services to provide greater capacity. We have

also completed the procurement of a new wide area network with enhanced security which we will implement fully next year.

Implementation of Flex will be a major challenge, as the change of provider from Unisys to Fujitsu could bring with it major risks to business continuity and productivity, if there are implementation problems which cannot be fixed quickly.

These developments have been supported by the recruitment of a new Head of IT and the restructuring and recruitment of our new IT team, most of whom will come into post in the first quarter of 2009-10.

Improving our offices

During the year we have continued to make improvements to the Cafcass estate, drawing on our Area Property Plans to identify those offices in most urgent need of improvement or replacement. This is a three-year project and a roll-out schedule has been planned for the remainder of the estate during 2009-11. In particular, we have undertaken work in London, Cornwall, Chatham and Chesterfield with the aim of providing a welcoming

environment for children and families and of maximising our resources. In some cases, this has involved taking advantage of lease breaks and expiries to find more suitable and cost-effective office locations, including those shared with other organisations. Over the coming year, we will continue to work to ensure that, particularly in rural areas, we work closely with Children's Centres and Extended Schools to develop the potential for shared facilities.

In Colchester (C6) we have re-established a presence in the town by moving into new office space in a co-location with Barnardo's. The town centre location has allowed us to maintain good contact and enhance our working relationships with the courts, and means that families no longer have to travel to the Chelmsford office to receive a service. In S7 (Cornwall, Devon, Somerset), we opened a new office in St Austell in early April 2008.

Using data from CMS, we were able to calculate that roughly 60% of our service users were based within a five mile radius of the town – relocating here has made it more convenient for the majority of our service users although we have also maintained an office in the court in Truro and have use of interviewing facilities in Redruth for service users based in West Cornwall.

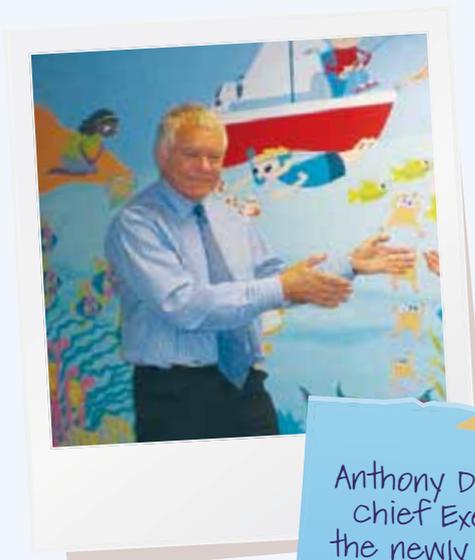
The commitment of our staff to providing improved facilities for children and families has been such that in several offices including Hull (N4) and Lancaster (N3), teams and individuals have decorated family rooms and painted murals in receptions to make our offices

case study

Miranda Smith, the Office Manager in St Austell, outlines the changes we've made:

"We've tried to make the office as child-friendly as possible and have included some really innovative elements. These include a fish tank, which was an idea that our Young People's Board came up with and the overall effect is a really colourful office which is a much more child-friendly environment.

We've been actively seeking feedback on service users' experiences of the office by asking them to fill out a feedback form on the 'meet and greet' and the actual physical appearance of our office. One adult told us, "The office is a really warm, friendly, modern, place. My daughter and I loved the fish tank!" We're using the feedback to continually improve and will be buying some new games, as they've suggested, so that there are things for children to do before they meet their FCA."



Anthony Douglas CBE
Chief Executive at
the newly decorated
office in Hull



The new Cafcass
St Austell office



more welcoming and child-friendly.

Procurement

In 2008-09, our procurement capability was strengthened through the appointment of a National Head of Procurement and a Procurement Adviser. The team's service objectives are to ensure value for money, transparency, sustainability and legal compliance within the organisation.

This year, a key focus has been to assist with the practice improvement agenda by seeking cost savings which can be redirected to frontline practice, for example through the consolidation of finance systems and the introduction of various e-Tools. The team has assisted in setting up a contract with a temporary staff agency to supply experienced social workers to Cafcass to help with the throughput of work. It has also continued to implement collaborative procurement agreements from DCSF and OGC including a national stationery contract, hotel bookings, leased cars and rail travel all of which have provided significant savings. The team has also supported major Cafcass projects such as the new wide area network (WAN) and the re-procurement and replacement of the Finance Managed Service. It has also supported the implementation of the Children and Adoption Act 2006 by advising on the formal procurement process of child contact support services through the Office Journal of the European Union (OJEU).

Sustainable development

Our Sustainable Development Steering Group's aim is to help Cafcass 'Reduce, Recycle and Reuse' and to develop strong models of work to ensure that Cafcass recognises and limits its negative impact on the environment.

Work this year has included:

- Working with our stationery supplier to move to the use of recycled paper only.
- Restricting lease cars to those with lower carbon emissions.
- Piloting a system of rail travel which provides information on carbon savings.

- Removing all bottled water coolers across the estate and replacing them with plumbed water filters.
- Printing all Cafcass publications on recycled or Forest Stewardship Council (FSC) rated paper.
- Sponsoring the planting of 25 trees through Carbon Managers during the year.

In 2009-10, sustainable development will be supported by the creation of a Carbon and Energy Management Strategy that will aim to reduce emissions from our use of energy, water, waste and transport, and will run an awareness programme to help reduce our carbon footprint.

Reporting of personal data-related incidents

No protected personal data related incidents were formally reported to the Information Commissioner's Office (ICO) during 2008-09. Figures 20 and 21 overleaf show that four incidents did not fall within the criteria for reporting to the ICO and were recorded centrally. Cafcass has appointed a Senior Information Risk Owner (SIRO) and six Information Asset Owners (IAO) to manage our risk and we have assessed ourselves at Information Assurance Maturity Level 1.



Figure 20: Summary of Protected Personal Data Related incidents formally reported to the Information Commissioner's Office in 2008-09

Date of incident (month)	Nature of incident	Nature of data involved	Number of people potentially affected	Notification steps
n/a	There are no incidents to report	n/a	n/a	n/a
Further action on information risk	<p>Cafcass will continue to monitor and assess its information risks in order to identify and address any weaknesses and ensure continuous improvement of its systems.</p> <p>We have reviewed our internal security policies and procedures, including those which specifically deal with the secure handling of information and protected personal data. Cafcass has ensured that these policies are compliant with the mandatory minimum standards of protection, specifically regarding limiting the use of removable media to the minimum necessary for business operation, and providing encryption on any necessary non-encrypted media devices.</p> <p>Planned steps for the coming year include an information assurance training programme for all Cafcass staff.</p> <p>Area Business Managers have been asked to ensure and confirm that all their staff are aware of the existing policies and procedures.</p> <p>In 2009-10, Cafcass will strengthen its data handling controls by locating and assessing all data sets, assess third party access to Cafcass data and provide comprehensive training to the SIRO and IAOs.</p>			

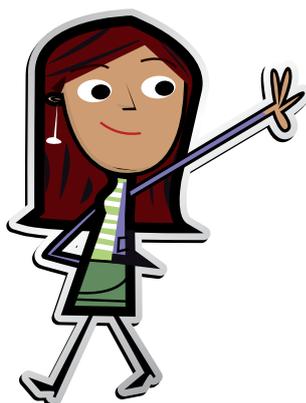


Figure 21: Summary of other Protected Personal Data Related incidents in 2008-09

Incidents deemed by the Data Controller not to fall within the criteria for reporting to the ICO, but recorded centrally within the department, are set out in the table below.

Category	Nature of incident	Total
I	Loss of inadequately protected electronic equipment, devices or paper documents from secured Government premises	0
II	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured Cafcass premises	3
III	Insecure disposal of inadequately protected electronic equipment, devices or paper documents	0
IV	Unauthorised disclosure	1
V	Other	0

Public sector information holders disclosure

Cafcass has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

Financial Commentary

For the year ended 31st March 2009 Cafcass received grant funding from central government of £117.957m, an increase of £9.324m from the year before. The additional funding has been used to continue to work on improving services and towards ensuring that areas such as safeguarding, equality and diversity and children's involvement in the service are better supported. This increase has also been used to help with improvements in how we are working in areas such as IT and to fund our Strategic Pay Review.

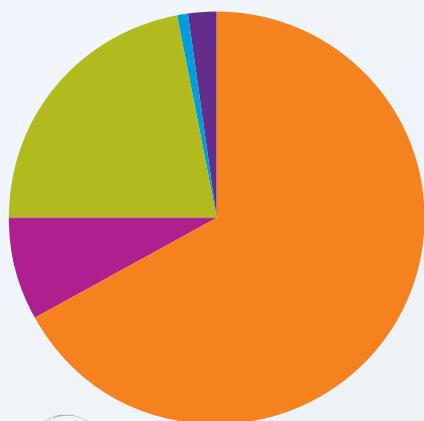
This year, Cafcass has also put additional time into improving the financial skills of staff involved in managing budgets and producing financial information. A series of training sessions has already been completed with a full day event provided for all Office Managers. This will continue to be rolled-out to Heads of Service and other staff in 2009-10.

As part of the 2008-11 Spending Review we received a three-year budget settlement as follows:

2008-09: £114.855m 2009-10: £124.094m 2010-11: £132.822m

For 2008-09, additional funding was received to cover initiatives such as contact activities and parenting information programmes. A summary of our net expenditure of £123.789m for 2008-09 is shown below and further details are provided within our 2008-09 Accounts at Section 5.

Figure 22: Summary of net expenditure 2008-09



Staff Costs	67%	(£83m)
Self Employed Contractors	8%	(£10m)
Other Operating Charges	22%	(£27m)
Depreciation	1%	(£1m)
Partnership Costs	2%	(£3m)



The funding is received with efficiency savings already deducted and represents an annual year on year increase of approximately 7% over three years. This budget settlement will allow us to plan ahead and invest in delivering a high quality service and fund our ambitious practice improvement programme.

Funding for future years has been included in the DCSF's spending plans and there is no reason to believe that future sponsorship or Parliamentary approval will not be given. It is therefore considered appropriate to adopt the going concern basis for preparation of these Financial Statements.



Annual Accounts 2008-09

The statement of accounts of Cafcass for the year ended 31st March 2009 has been prepared in a form directed by the Secretary of State for Children, Schools and Families with the consent of the Treasury in accordance with the Accounts Direction dated 12th April 2002 given under schedule 2, paragraph 13(2) of the Act.

The Accounts are audited by the Comptroller and Auditor General, who is appointed by Statute. The audit fee is £52,000 (2007-08 £57,000) for the audit of the 2008-09 statutory accounts and £3,000 for the audit of the 2007-08 International Financial Reporting Standards restated Financial Statements and includes no fees for any non-audit services during 2008-09 (2007-08 £nil).

So far as the Chief Executive as Accounting Officer is aware, there is no relevant audit information of which Cafcass' auditors are unaware and he has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that Cafcass' auditors are aware of that information.

The Cafcass Balance Sheet as at 31st March 2009 shows net liabilities of £117.210m, including the pension liability of £112.315m and a provision for onerous contracts of £0.208m. This reflects the inclusion of liabilities falling due in future years, which, to the extent that they are not to be met from Cafcass' other sources of income, may only be met by future grants or grants-in-aid from Cafcass' Sponsorship Department, DCSF. This is because, under the normal conventions applying to Parliamentary control over income and expenditure, such grants may not be issued in advance of need.

Cafcass' policy is to pay bills in accordance with contractual conditions or, where no such conditions exist, within 30 days of receipt of goods and services or the presentation of a valid invoice, whichever is the later. Based on an analysis of 100% of all invoices, in 2008-09 80.4% (2007-08: 81.3%) of invoices were paid within 30 days of the invoice date.

No interest has been paid or claimed by creditors under the Late Payment of Commercial Debts Act (2007-08: nil).



Organisational Structure¹³

NORTH OPERATIONAL AREA

N1: North and South Tyne

Head of Service:	Carole Goodman
Offices:	Hebburn; Newcastle
Children in new cases:	2,051
Number of public law cases:	408
Number of private law cases:	968

N2: Teesside and Durham

Head of Service:	Brian Brown
Offices:	Durham; Middlesbrough
Children in new cases:	2,164
Number of public law cases:	345
Number of private law cases:	1,067

N3: Lancashire and Cumbria

Head of Service:	Pam Jones (interim)
Offices:	Blackburn; Blackpool; Carlisle; Lancaster; Preston; Whitehaven
Children in new cases:	3,444
Number of public law cases:	334
Number of private law cases:	1,698

N4: North and East Yorkshire, Humberside

Head of Service:	David Young
Offices:	Grimsby; Hull; Scarborough; Scunthorpe; York
Children in new cases:	2,732
Number of public law cases:	339
Number of private law cases:	1,371



N5: West Yorkshire

Head of Service:	Julie Brown and David Dunn
Offices:	Batley; Bradford; Leeds; Wakefield
Children in new cases:	4,896
Number of public law cases:	706
Number of private law cases:	2,235

N6: South Yorkshire

Head of Service:	Elizabeth Coe (interim)
Offices:	Barnsley; Doncaster; Rotherham; Sheffield
Children in new cases:	2,765
Number of public law cases:	413
Number of private law cases:	1,392

N7: Greater Manchester

Head of Service:	Shabana Jamal; Maureen Lilley; Myra O'Farrell
Offices:	Bolton; Manchester; Rochdale; Stockport; Wigan
Children in new cases:	4,645
Number of public law cases:	674
Number of private law cases:	2,155

N8: Cheshire and Merseyside

Head of Service:	Angela Hadley (interim)
Offices:	Chester; Liverpool; Sandbach; Southport; St Helens; Warrington
Children in new cases:	4,401
Number of public law cases:	539
Number of private law cases:	2,098

¹³ correct at 15th June 2009.



CENTRAL OPERATIONAL AREA

C1: Derbyshire, Nottinghamshire

Head of Service:	Neville Hall
Offices:	Chesterfield; Derby; Nottingham
Children in new cases:	3,334
Number of public law cases:	403
Number of private law cases:	1,703

C2: Lincolnshire, Cambridgeshire, Hertfordshire, Bedfordshire

Head of Service:	Miranda Fisher
Offices:	Bedford; Lincoln; Luton; Peterborough
Children in new cases:	4,420
Number of public law cases:	506
Number of private law cases:	2,233

C3: Leicestershire, Northamptonshire, Warwickshire

Head of Service:	Vera Boyes
Offices:	Coventry; Leicester; Northampton
Children in new cases:	3,372
Number of public law cases:	404
Number of private law cases:	1,666

C4: Staffordshire, Shropshire, Worcestershire, Herefordshire

Head of Service:	Elizabeth Elgar
Offices:	Shrewsbury; Stafford; Stoke-on-Trent; Worcester
Children in new cases:	3,449
Number of public law cases:	317
Number of private law cases:	1,765

C5: Birmingham, Black Country, Solihull

Head of Service:	Eileen Shearer (interim)
Offices:	Birmingham; Walsall; Wolverhampton
Children in new cases:	3,701
Number of public law cases:	557
Number of private law cases:	1,734

C6: Norfolk, Suffolk, Essex

Head of Service:	Sarah Parsons
Offices:	Chelmsford; Colchester; Ipswich; Norwich
Children in new cases:	4,750
Number of public law cases:	544
Number of private law cases:	2,458



SOUTH OPERATIONAL AREA

S1: Avon, Wiltshire, Gloucestershire

Head of Service: Martin Harris (interim)
 Offices: Bath; Bristol; Gloucester; Swindon

Children in new cases: 3,051

Number of public law cases: 314

Number of private law cases: 1,646

S2: Thames Valley

Head of Service: Valerie Blessington (interim)
 Offices: Milton Keynes; Oxford; Reading; Slough

Children in new cases: 2,812

Number of public law cases: 310

Number of private law cases: 1,412

S3: Greater London

Heads of Service: Jillian Aldridge; Peter Coupe; Halcyon Hamilton; David Stephens

Offices: Archway; Croydon; Holborn; Ilford; Kingston; Uxbridge; Wells Street; Westminster

Children in new cases: 9,702

Number of public law cases: 1,768

Number of private law cases: 4,316

S4: Kent

Head of Service: Áine Campbell (interim)
 Offices: Canterbury; Chatham

Children in new cases: 2,367

Number of public law cases: 229

Number of private law cases: 1,203

S5: Sussex and Surrey

Head of Service: Tony Bird (interim)
 Offices: Chichester; Eastbourne; Guildford; Horsham

Children in new cases: 3,277

Number of public law cases: 465

Number of private law cases: 1,542

S6: Hampshire, Dorset, Isle of Wight

Head of Service: Ruth Chase
 Offices: Basingstoke; Bournemouth; Dorchester; Isle of Wight; Portsmouth; Southampton; Wimborne

Children in new cases: 4,194

Number of public law cases: 452

Number of private law cases: 2,070

S7: Cornwall, Devon, Somerset

Head of Service: Peter Mitchell
 Offices: Exeter; Plymouth; St Austell; Taunton

Children in new cases: 3,569

Number of public law cases: 424

Number of private law cases: 1,717



Heads of Service,
 Quality Assurance
 North: Colin Anderson
 Central: Lynne Marsden
 South: Naintara Khosla

Key roles and responsibilities

The Cafcass board

Cafcass Board members have corporate responsibilities relating to the governance of Cafcass as a non-departmental public body and for ensuring that Cafcass complies with any statutory or administrative requirements for the use of public funds. The Board members are as follows:

- **Baroness Jill Pitkeathley OBE**
Chair of the Board from December 2003 until December 2008.
- **Baroness Howarth of Breckland OBE**
Chair of the Board from December 2008 (formerly Deputy Chair of the Board).
- **Jennifer Bernard**
Deputy Chair of the Board
- **Gillian Baranski**
(co-opted to the Board)
- **Margo Boye-Anawoma**
- **Erica De'Ath OBE**
- **Mark Eldridge**
- **Ernie Finch**
- **Harry Marsh MBE**
- **Richard Sax**
- **Nicholas Stuart CB**
Chair of the Audit and Risk Assurance Committee (Co-opted to the Board)
- **Professor Jane Tunstill**
(term ended 31st March 2009)
- **Dr Toyin Okitikpi**
(co-opted to the Board from October 2008 to March 2009)

The chair and members of the Board are appointed under paragraph 1 of Schedule 2 to the Act and the rules governing the appointment of Board members and co-opted members are covered in regulations 4 to 7 of the children and Family court Advisory and Support Service (Membership, committee and Procedure) Regulations 2005.



New members appointed to the Board from May 2009 are:

- Professor Ian Butler
- Shireen Ritchie
- Mary MacLeod
- Professor June Thoburn

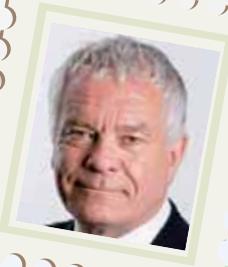
Important responsibilities of Cafcass Board members include:

- Ensuring that high standards of corporate governance, including risk management, financial, operational and compliance controls are observed at all times.
- Establishing the overall strategic direction of Cafcass within the policy and resources framework agreed with DCSF.
- Ensuring that Cafcass operates within the limits of its statutory authority and any delegated authority agreed with DCSF and in accordance with any other conditions relating to the use of public funds.

The Cafcass Corporate Management Team



From left to right: Lamorna Wooderson; Vince Clark; Sherry Malik; Anthony Douglas; Christine Banim; Bruce Clark; Jane Booth (Nancy Palmer not pictured)



Anthony Douglas CBE
Chief Executive



Jane Booth
Corporate Director
Safeguarding and
Practice Development



Sherry Malik
Corporate Director
Strategy and
Performance



Lamorna Wooderson
Corporate Director
Business Development

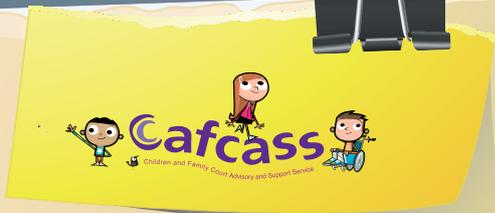
Christine Banim, Operational Director Central
Vince Clark, Operational Director South

Nancy Palmer, Operational Director North until July 2009. Thereafter Darren Shaw (interim).

Bruce Clark, Director of Policy

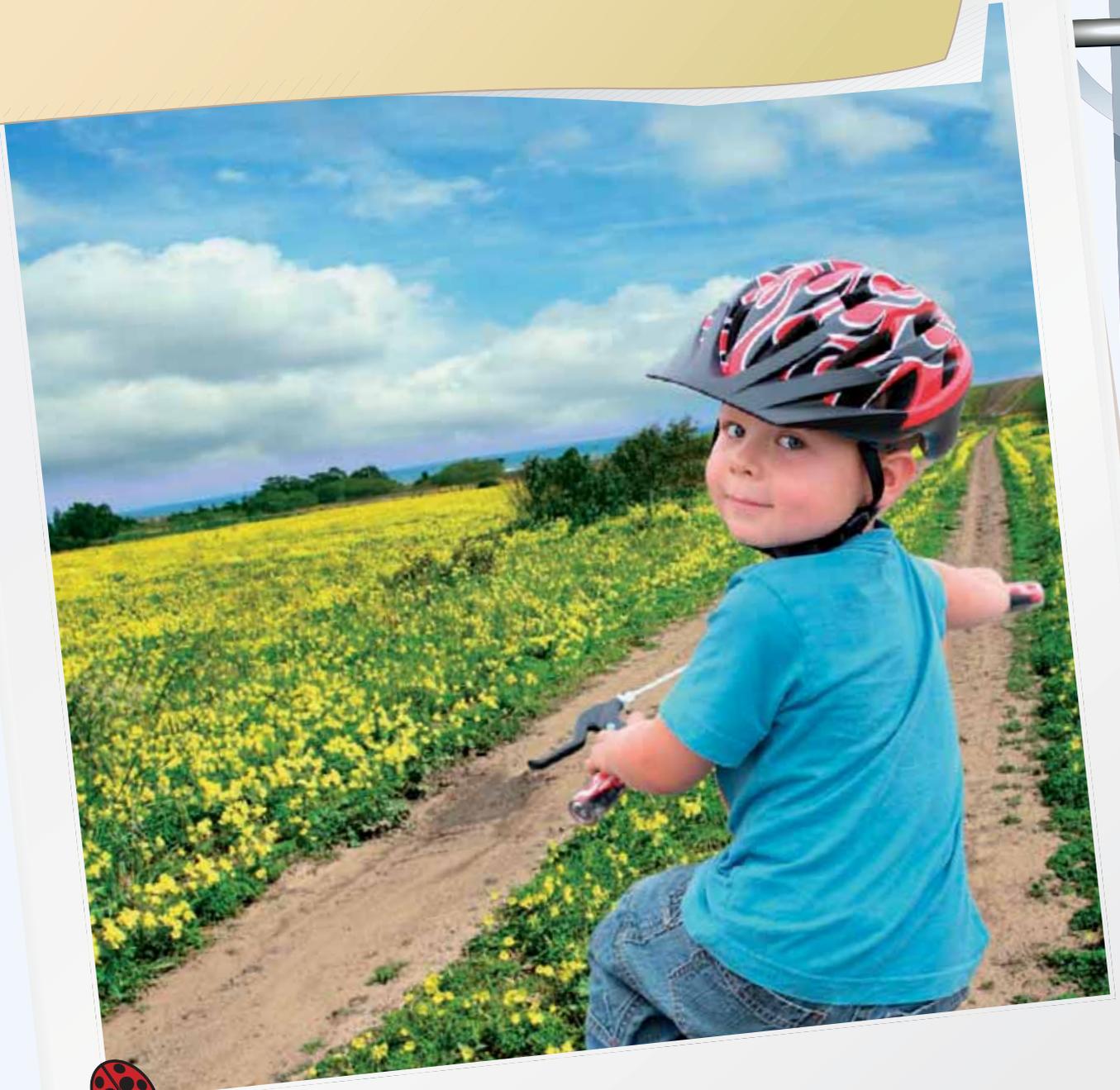
Anthony Douglas CBE
Chief Executive and Accounting Officer

Date: 26th June 2009



Section 2

Remuneration Report



Remuneration Policy

Cafcass staff members are subject to levels of remuneration and terms and conditions of service (including superannuation) within the general pay structure approved by the Department for Children, Schools and Families (DCSF), the Sponsorship Department.

Remuneration Panel

A Remuneration Panel identifies appropriate remuneration packages for Cafcass' senior executives. The Panel is made up of three Board members, the Chair, the Deputy Chair and the Chair of the Audit and Risk Assurance Committee.

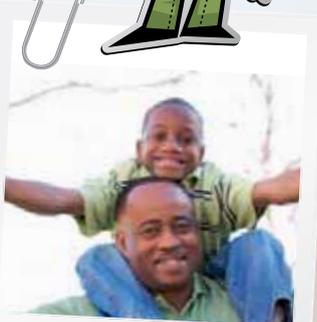
Governance

The Remuneration Panel recommends proposals for the remuneration of the Chief Executive to DCSF and approves proposals from the Chief Executive about the remuneration of senior executive staff. DCSF approves annual pay reviews and performance related payments for the Chief Executive. DCSF appoints Cafcass Board members and determines their remuneration. Board members are statutory office holders and as such do not hold a contract of employment.



Service contracts

Cafcass appointments are made in accordance with the Cafcass Recruitment Code of Practice, which recognises that in order to provide a world-class service to the children and families that we serve it is vital that we recruit and retain people who share our aims and values, and who have the skills and abilities to perform effectively at all levels through fair and open competition. Unless otherwise stated, those covered by this Report hold appointments that are open-ended until they reach the normal retiring age of 65. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the individual contract of employment. Members of the Corporate Management Team are required to provide four months' notice to terminate their contract.



- Anthony Douglas CBE, the chief Executive, was appointed on a three-year contract commencing on 1st September 2004. This contract was renewed in September 2007 for a further three years.
- The Cafcass Board members are appointed on contracts for up to three years.

Board members' remuneration (audited information)

Board members	2008-09		2007-08	
	Salary £000	Benefits in kind (to nearest £100)	Salary £000	Benefits in kind (to nearest £100)
Baroness Howarth of Breckland OBE (commenced term as Chair on 10th December 2008)	21	-	10	-
Gillian Baranski (Co-opted to the Board)	10	-	10	-
Jennifer Bernard	10	-	10	-
Margo Boye-Anawoma	10	-	10	-
Erica De'Ath OBE	10	-	10	-
Mark Eldridge	10	-	10	-
Ernie Finch (started 1st April 2008)	10	-	-	-
Dr Toyin Okitikpi (Co-opted to the Board from 1st October 2008 to 31st March 2009)	5	-	-	-
Harry Marsh MBE	10	-	10	-
Richard Sax	10	-	10	-
Nicholas Stuart CB (Co-opted to the Board)	10	-	10	-
Professor Jane Tunstill	10	-	10	-
Baroness Pitkeathley OBE (concluded term as Chair on 10th December 2008)	31	-	44	-



Salary and pension entitlements

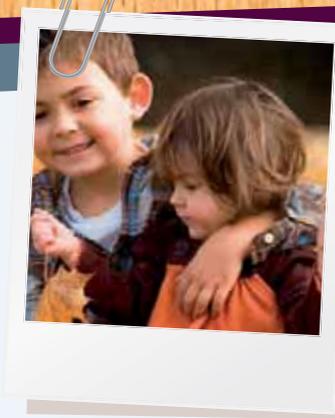
The remuneration for Cafcass Board members is shown on page 68, and the remuneration for the Corporate Management Team is shown on page 70. Remuneration includes gross salary, allowances and, for the Corporate Management Team, up to 10% performance-related pay (PRP) and employer's contributions to the West Yorkshire Pension Scheme. The PRP is determined through the appraisal and performance management process; it is based on a robust assessment of the employee's performance against agreed objectives set at the beginning of the appraisal period. All PRP payments to senior managers are agreed by the Chief Executive and approved by the Remuneration Panel. Pension benefits are not provided for Board members. Cafcass salary ranges are established by considering the factors, such as relevant external comparator pay levels, internal relativities, affordability, recruitment and retention risks and political sensitivity. Further information on the Cafcass pension schemes can be found in notes 1(e), 5 and 18 to the Accounts.

Benefits in kind

None of the Cafcass Board members or the Corporate Management Team received benefits in kind.

Pension benefits

Columns 4 and 5 of the table on page 70 show the members' cash equivalent transfer value (CETV) accrued at the end and at the beginning of the reporting period. Column 6 reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation and 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 the end of the period.



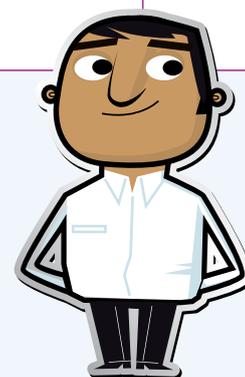
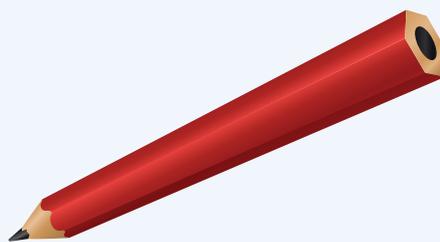
Cash equivalent transfer values

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 figure shown relates 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. The CETV figure and, from 2004-05, the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the pension provider and for which the pension provider has received a transfer payment commensurate to the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing of additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries. From 1st April 2008, there has been a change in the calculation methodology for CETV and lump sum accruals in accordance with Local Government Pension Scheme regulations and Cabinet Office guidance and the pension figures reported are in accordance with the new regulations.



Core Corporate Management Team remuneration 2008-09

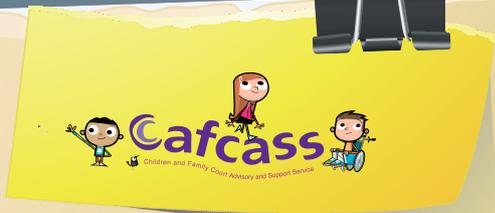
		1	2	3	4	5	6
	Salary, including performance pay 2007-08 £000	Salary, including performance pay 2008-09 £000	Real increase in pension and related lump sum at age 60 £000	Total accrued pension at age 60 at 31st March 2009 and related lump sum £000	CETV at 31st March 2008 (nearest £000)	CETV at 31st March 2009 (nearest £000)	Real increase in CETV after adjustment for inflation and changes in market investment factors (nearest £000)
Anthony Douglas CBE, Chief Executive	161	169	2.5–5.0 plus 0.0–2.5 lump sum	60–65 plus 180–185 lump sum	1424	1551	115
Lamorna Wooderson Corporate Director (Business Development)	107	128	5.0–7.5 plus 12.5–15.0 lump sum	45–50 plus 140–145 lump sum	960	1167	198
Sherry Malik Corporate Director (Strategy and Performance)	107	127	2.5–5.0 plus 7.5–10.0 lump sum	25–30 plus 75–80 lump sum	380	379	-10
Jane Booth Corporate Director (Safeguarding and Practice Development)	107	128	5.0–7.5 plus 10.0–12.5 lump sum	35–40 plus 100–105 lump sum	685	842	148

Anthony Douglas CBE
Chief Executive and Accounting Officer

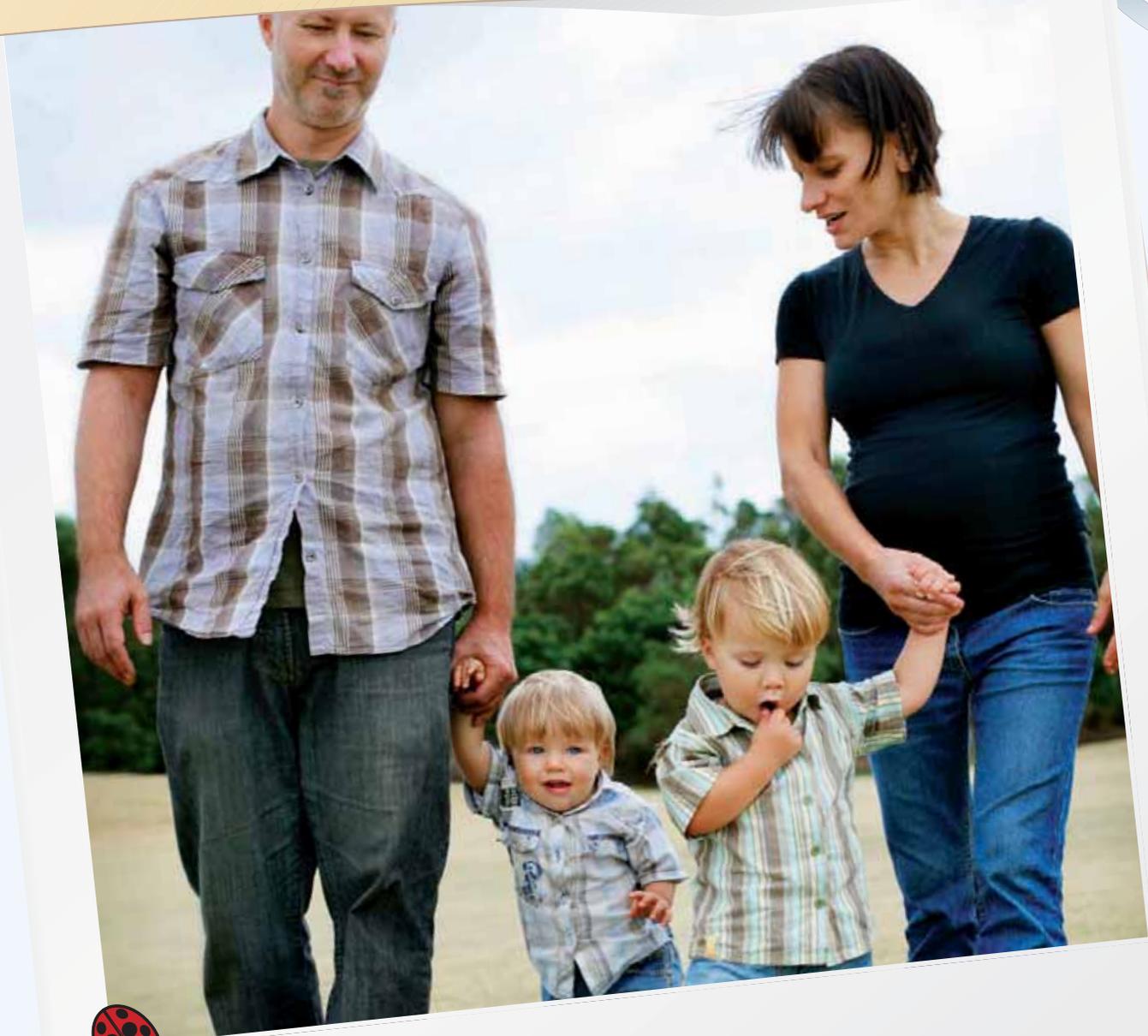
Date: 26th June 2009





Section 3

Statement of Accounting officer's Responsibilities



Under the Criminal Justice and Court Services Act 2000, the Secretary of State for Children, Schools and Families has directed Cafcass to prepare for each financial year a statement of accounts in the form and on the basis set out 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 Cafcass and of its income and expenditure, recognised gains and losses and cash flows for the financial year.

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

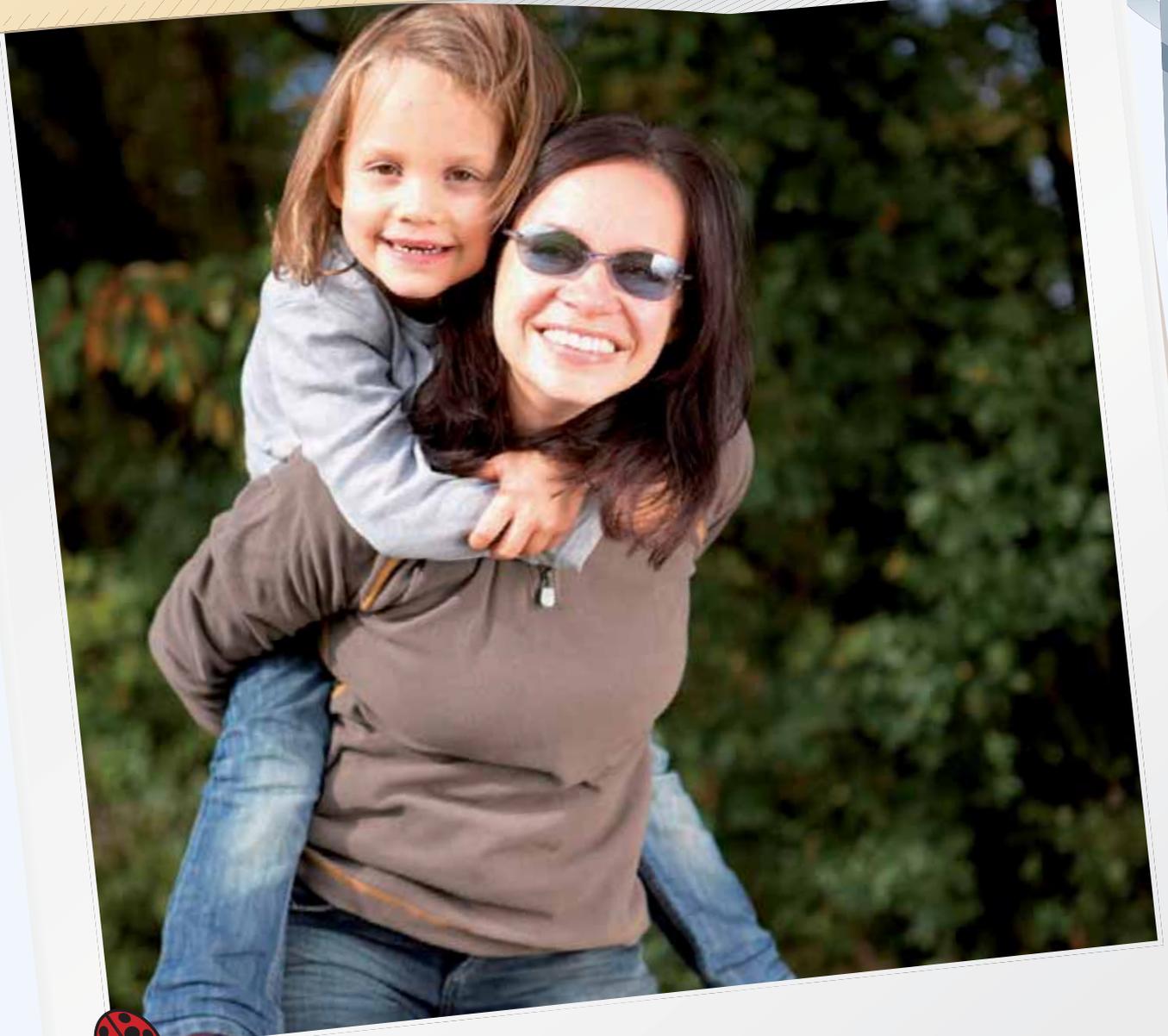
- Observe the Accounts Direction issued by the Secretary of State for Children, Schools and Families, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgments and estimates on a reasonable basis;
- State whether applicable accounting standards, as set out in the Government Financial Reporting Manual, have been followed, and disclose and explain any material departures in the Financial Statements; and
- Prepare the Financial Statements on a going concern basis.

The Principal Accounting Officer of the Department for Children, Schools and Families has designated the Chief Executive as Accounting Officer of Cafcass. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding Cafcass' assets, are set out in the Accounting Officers' Memorandum issued by Her Majesty's Treasury and published in Government Accounting.





Section 4 Statement on Internal control



Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Cafcass' policies, aims and objectives, whilst safeguarding the public funds and Departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting.

Cafcass' aims and objectives are set by the Board in accordance with relevant legislation and the Framework Document agreed with the Department for Children, Schools and Families (DCSF). Cafcass is an executive non-departmental public body (NDPB). It is headed by a non-executive Board appointed by the Secretary of State for Children, Schools and Families, as set out in the Act, varied by the Transfer of Functions Order, January 2004. The Chief Executive, three Corporate Directors and three Operational Directors have executive responsibility for the management of Cafcass on a day-to-day basis and support the Board and Cafcass as a whole. All main Board meetings, which occur every six weeks, receive reports on finance and performance. On a quarterly basis the Board receives reports on governance and risk issues, and reports from the Audit and Risk Assurance Committee (formerly the Audit Committee). The Audit and Risk Assurance Committee, whose membership and Chairman are appointed from the non-executive Board members, meets a minimum of four times each year and performs the statutory functions of the Audit Committee.

The DCSF sponsors Cafcass and appropriate arrangements are in place to ensure that the DCSF is fully informed of the business of Cafcass and that we, in turn, are informed of the DCSF's requirements of Cafcass. This includes six-weekly sponsorship meetings with the Chief Executive, Corporate Directors, Operational Directors and DCSF officials and regular catch-up meetings between the Chief Executive and senior DCSF officials. One-off meetings to solve specific problems are also convened and followed through as required. The Chair and Chief Executive meet with the sponsoring Minister on a regular basis, and

bring matters of significance to Ministerial attention.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide a reasonable and not an absolute assurance of effectiveness. The system of internal control is based on a continuous process designed to identify and prioritise the risks to the achievement of Cafcass' policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to then manage those risks efficiently, effectively and economically. The system of internal control has been in place in Cafcass for the year ended 31st March 2009 and up to the date of approval of the Annual Report and Accounts, and accords with Treasury guidance.



Capacity to handle risk

As Accounting Officer, I am the primary owner of the Corporate Risk Register, supported by the Corporate and the Operational Directors, with the Corporate Director (Strategy and Performance) leading on risk. The Chairs of the Board and the Audit and Risk Assurance Committee also play key roles in the overall leadership of risk management in Cafcass.

Throughout 2008-09, budget delegation has been in place for frontline teams in all local service areas. This builds on our experience of local delegation and is supported by local financial training, monthly financial monitoring returns and quarterly budget reviews. Local controls are not yet strong enough and will be a continuing high priority in 2009-10.

During 2008-09 we have continued to bed down the substantial restructuring of the organisation undertaken during the



previous year when we moved from regions, as the main units of accountability, to local service areas. All frontline teams produced a local business plan, with the identification and monitoring of key risks being managed at the operational area and local service area levels. During 2008-09, work has begun to provide Heads of Service with training on the Cafcass risk management policy. This training is being supported by guidance and sharing of best practice to ensure that the management of risk is delegated and embedded at the service area level and is robust and integrated at all levels of the organisation. Meanwhile, reliance continues to be placed on the professional judgment of the senior and local management teams to identify risks and deal with these appropriately in the assessment of risk, its mitigation and the escalation of risk to and between the senior management team.

During 2008-09 we continued to operate a shared risk register with DCSF. The shared risk register is monitored and updated at sponsorship meetings and shared with the Board and Audit and Risk Assurance Committee as part of its scrutiny of the Cafcass internal risk register.

The risk and control framework

The corporate risk register identifies the key strategic risks which may prevent Cafcass achieving the objectives outlined in the 2007-10 Strategic Business Plan (now updated as the 2009-11 Business Plan). Local risk registers inform the corporate risk register.

The risk register is a working document. It is regularly reviewed by both the Audit and Risk Assurance Committee and by the Board. In year, it is kept under continuous review so that it captures accurately real time changes in risks. Cafcass seeks to maximise its reputation in all its activities and to minimise those risks which could lead to an adverse reputation.

Both the corporate and local registers are monitored and reviewed quarterly by the Corporate Management Team (CMT) and at local Service Improvement Meetings. As part

of these meetings those responsible for geographical areas and specialist functions also complete self-assessments, assessing their performance against a range of financial, service delivery and quality indicators.

Information Assurance

The Accounting Officer has overall responsibility for ensuring that information risks are assessed and mitigated to an acceptable level. A Senior Information Risk Owner (SIRO) supports this responsibility, in accordance with Cabinet Office requirements. The day-to-day duties are delegated to the Information Asset Owners, the Corporate Governance Officer, and the IT Security Officer.

Cafcass has in place a SIRO at Corporate Director level. The SIRO is the focus for the management of information risk at Board level. The role of the SIRO is to lead and foster a culture that values, protects and uses information for the public good and advises the Cafcass Accounting Officer on the information risks via annual risk assessments of performance.

Cafcass has assigned Information Assets, defined as information of value which is owned and / or used by the various business areas (data sets, databases and or ICT systems) to Information Asset Owners (IAO). Each IAO has categorised and classified all assets according to the DCSF Impact Level tables. Guidance is provided on the control, transportation and disposal of information, relating to the conditions set out by the respective protective marking. The IT Security Officer will provide advice on IT Security issues, based on the Cafcass IT Security Policy to the SIRO, IAOs and Corporate Governance Officer.



The role of the Corporate Governance Officer is to work with the SIRO to co-ordinate Cafcass' overall information risk approach, ensuring that professional support and advice is offered to the organisation. The officer provides expertise in the relevant legislation, ensuring that staff understand their legal obligations and realise potential opportunities. All staff are required to undertake training to enable a greater understanding of information assurance and their responsibilities.

Staff are required to read and comply with the guidance contained in the Cafcass Information Assurance Policy. Staff are to comply with instructions contained in that policy or subsequently issued by SIROs, IAOs and the Corporate Governance Officer at all times – failure to do so may amount to gross misconduct resulting in disciplinary action.

IAOs, the Corporate Governance Officer and IT Security Officer are available for guidance and advice on specific Information Assurance issues.

We have self-assessed against the Information Assurance Maturity Model (Cabinet Office) at level 1. We have developed an action plan with an objective to reach Level 3 by April 2011. Progress towards this objective is reported quarterly to the Audit and Risk Assurance Committee.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within Cafcass who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit and Risk Assurance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Internal control bulletin

A system of internal control has been fully in place across Cafcass throughout 2008-09. I have required every local office / National Office team to be the subject of a process leading to an internal certificate that covers ten control areas. Every location submits returns that culminate in a certified annual return completed by the responsible Operational Director, Corporate Director or National Office team or unit manager. The Internal Financial Control training and procedures, which have operated in the year alongside targeted training, have resulted in significant further improvements and progress in year. None of the issues raised through this process gave rise to significant internal control concerns.

Audit and Risk Assurance Committee

A duly constituted Audit and Risk Assurance Committee has operated throughout the year and its terms of reference reflect best practice. It consists of six non-executive members of the Board. The Audit and Risk Assurance Committee met six times in 2008-09 and its work is summarised in regular reports to the Board and an annual report which is also shared with the DCSF Audit Committee. The attendance of the National Audit Office (NAO) at these meetings provides a valuable opportunity to introduce their experience, views and advice on best practice. The committee has previously reviewed its procedures against The Audit Committee Handbook (HM Treasury March 2007) and concluded that it complies with that guidance in all significant aspects of its work.

At its meeting in March 2009, the Audit and Risk Assurance Committee reviewed its Terms of Reference to enhance its oversight of the arrangements for management of risk within Cafcass. The Board duly approved the change of name from the Audit Committee to the



Audit and Risk Assurance Committee to reflect this increased emphasis at its meeting in March 2009.

Internal audit

Our internal audit provider is PricewaterhouseCoopers (PwC). The Audit and Risk Assurance Committee agreed the internal audit strategy and plans for 2008-09 at the March 2008 meeting.

During 2008-09 we have used a log to track progress of all internal and external audit recommendations and to manage outstanding actions. Progress is reported regularly to the Audit and Risk Assurance Committee. Formal sign-off is obtained from the responsible officers, together with supporting documentation. PwC undertook a review of our process for ensuring that internal audit recommendations are adequately monitored, recommendations implemented within agreed timescales and that appropriate evidence supported the closure of recommendations. PwC awarded a 'high' level of assurance (the highest rating achievable), in relation to both the design and operation of controls.

I receive an annual report on the findings of the internal auditors, which includes their professional opinion as to the level of assurance that is applicable to Cafcass. For 2008-09 the auditors gave moderate assurance on the design adequacy and effectiveness of the system of internal control. They give the following definition of moderate assurance: *"We will provide 'moderate' assurance in our annual opinion where we have identified mostly low and medium rated risks during the course of our audit work on business critical systems, but there have been some isolated high risk recommendations and 1 or the number of medium rated risks is significant in aggregate. The level of our assurance will therefore be moderated by these risks and we cannot provide a high level of assurance."*

The auditors have drawn my attention to improvements to be made in the control framework relating to processes such as

business continuity, data handling and some local office controls. These control issues have been accepted and action plans are being implemented.

Ofsted

During the reporting period, inspections were carried out in three service areas. These were S1 (Avon, Wiltshire, Gloucestershire), C5 (Birmingham, Black Country and Solihull) and N2 (Teesside and Durham). These inspections were undertaken as pilots of a new inspection approach through which each of the 21 Cafcass service areas is likely to be inspected every three years. Each service area is required to carry out and keep under review a Self Evaluation Form which considers the performance of the area against a number of operational and managerial criteria. While the focus of the Ofsted Inspection Programme relates to practice rather than internal controls, their reports also identify areas for improvement in response to which the inspected areas have produced and are implementing actions plans.

Two of the three inspection reports above were graded as 'inadequate' for service effectiveness, with 'satisfactory' capacity to improve. One report was graded as 'satisfactory' for both service effectiveness and capacity to improve. Whilst all reports noted improvements compared to some services inspected in the previous year, the reports confirmed the scale of improvement work still needed in some frontline services in 2009-10.

Progress with areas of further work for 2008-09

In order to strengthen the control and compliance culture for the Case Management System (CMS) and data / records management, a team of Case Management System trainers continued to update and revise training materials and they delivered extensive training to local teams.



Cafcass also gained GSI accreditation during 2008-09. Work on the move to a new IT provider (Fujitsu) continued through the financial year with roll-out commencing just after the end of the financial year, following conclusion of a soft launch to a small number of pilot sites. The Audit and Risk Assurance Committee receive regular briefings on progress with implementation.

Areas of further work for 2009-10

Improvement Plans continue to be progressed to address the fundamental practice issues raised through Ofsted's service area inspections and our own internal practice audits. Service Improvement Meetings are now convened in each service area to oversee practice and improvement activities generally, with specific action plans in place for those service areas subject to Ofsted Inspections during 2008-09 under the pilot programme, referred to on page 78.

The Service Improvement Meetings also keep under review the service area Self Evaluation Form which provides a comprehensive analysis of the performance of the area against the criteria used by Ofsted in its inspection programme.

Cafcass is also conducting trials in 2009-10 to develop new models of work in both public and private law, to ensure all cases receive an appropriate input at the earliest possible stage, in particular to ensure any issues of risk are assessed and acted on quickly, with a proportionate intervention thereafter on cases.

The ongoing implementation of the new IT contract will continue to be a dominant feature in 2009-10 with the same degree of oversight and risk management in place. Experience of the implementation to date has shown there are substantial risks to be managed in the delivery of an infrastructure and service that meets, on a consistent basis, the standards of performance required by Cafcass for its operations.

General work to improve the organisation's risk management approach will be to target the escalation process from service area through to the Senior Management Team and Board. Embedding the practice of the regular assessment and review of risks at the service level through the Service Improvement Meeting process will provide a more formalised structure to the escalation process.

Cafcass will also use the early part of this new financial year to ensure its financial plans and management are robust and will deliver the level of efficiency savings required through its Remit Letter and any further requirements.



Anthony Douglas

Anthony Douglas CBE
Chief Executive and Accounting Officer

Date: 26th June 2009





Section 5

Accounts 2008-09



The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the Financial Statements of the Children and Family Court Advisory and Support Service (Cafcass) for the year ended 31st March 2009 under the Criminal Justice and Court Services Act 2000. These comprise the Operating Cost Statement, the Balance Sheet, the Cash Flow Statement and Statement of Recognised Gains and Losses and the related notes. These Financial Statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Cafcass Accounting Officer and auditor

Cafcass and its Chief Executive as Accounting Officer are responsible for preparing the Annual Report, which includes the Remuneration Report, and the Financial Statements in accordance with the Criminal Justice and Court Services Act 2000 and the directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Accounting Officer's Responsibilities.

My responsibility is to audit the Financial Statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the Financial Statements give a true and fair view and whether the Financial Statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Criminal Justice and Court Services Act 2000 and the Secretary of State for

Children, Schools and Families' directions made thereunder. I report to you whether, in my opinion, the information in the Annual Report, which comprises the Overview by the Chair, the Chief Executive's Report, the Management Commentary, and the unaudited part of the Remuneration Report, is consistent with the Financial Statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if Cafcass has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by HM Treasury regarding remuneration and other transactions is not disclosed. I review whether the Statement on Internal Control reflects Cafcass' compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of Cafcass' corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited Financial Statements. This other information comprises the Overview by the Chair, the Chief Executive's Report, the Management Commentary, and the unaudited part of the Remuneration Report. I consider the implications for my report if I become aware of any apparent misstatements or material



inconsistencies with the Financial Statements. My responsibilities do not extend to any other information.

Basis of audit opinions

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the Financial

Statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by Cafcass and its Accounting Officer in the preparation of the Financial Statements, and of whether the accounting policies are most appropriate to Cafcass' circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the Financial Statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error; and that in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the Financial Statements and the part of the Remuneration Report to be audited.



Opinions

In my opinion:

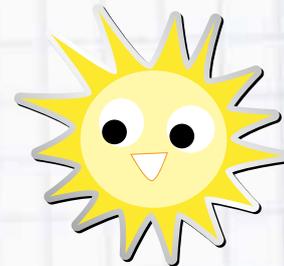
- the Financial Statements give a true and fair view, in accordance with the Criminal Justice and Court Services Act 2000 and directions made thereunder by the Secretary of State for Children, Schools and Families, of the state of Cafcass' affairs as at 31st March 2009 and of its operating costs, recognised gains and losses and cash flows for the year then ended;
- the Financial Statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Criminal Justice and Court Services Act 2000 and the Secretary of State's directions made thereunder; and
- information, which comprises the Overview by the Chair, the Chief Executive's Report, the Management Commentary, and the unaudited part of the Remuneration Report, included within the Annual Report, is consistent with the Financial Statements.

Opinion on Regularity

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

Report

I have no observations to make on these Financial Statements.



Amyas CE Morse

Comptroller and Auditor General

National Audit Office
151 Buckingham Palace Road
Victoria
London
SW1W 9SS

Date: 3rd July 2009

The maintenance and integrity of the Cafcass website is the responsibility of the Accounting Officer; the work carried out by the auditors does not involve consideration of these matters and accordingly the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Financial Statements

Operating Cost Statement for the year ended 31st March 2009

	Note	2008-09		2007-08	
		£000	£000	£000	£000
Gross income					
Income from activities	3		206		153
Expenditure					
Staff costs	4	83,399		76,863	
Self-employed contractors	8	10,062		8,877	
Other operating charges	6	27,004		24,535	
Depreciation	7	932		1,142	
Partnership costs	9	2,598		2,310	
			123,995		113,727
Net expenditure			(123,789)		(113,574)
Interest receivable / (payable)	18		(5,733)		451
Cost of capital	1(j)		4,181		2,959
Net expenditure on ordinary activities			(125,341)		(110,164)
Reversal of cost of capital	1(j)		(4,181)		(2,959)
Net expenditure for the financial year			(129,522)		(113,123)

All results arose from continuing activities.

Statement of Recognised Gains and Losses for the year ended 31st March 2009

	Note	2008-09		2007-08	
		£000	£000	£000	£000
Pension fund actuarial gain / (loss)	18	16,238		(66,450)	
Net surplus on revaluation of fixed assets	15	(216)		6	
Recognised gain / (loss) for the year		16,022		(66,444)	

The notes on pages 86 to 101 form part of these financial statements.

Balance Sheet as at 31st March 2009

	Note	31st March 2009		31st March 2008	
		£000	£000	£000	£000
Tangible fixed assets	7		4,773		5,979
Current assets					
Debtors	10	1,755		1,917	
Cash at bank and in hand	11	20		254	
		<u>1,775</u>		<u>2,171</u>	
Creditors: amounts falling due within one year	12	(10,829)		(7,703)	
Net current liabilities			(9,054)		(5,532)
Provisions for liabilities and charges	13		(614)		(875)
Total net assets / (liabilities) excluding pension liabilities			(4,895)		(428)
Provision for pension liabilities	18		(112,315)		(119,658)
Total net liabilities including pension liabilities			(117,210)		(120,086)
Capital and reserves					
General reserve	14		(117,779)		(120,871)
Revaluation reserve	15		569		785
			<u>(117,210)</u>		<u>(120,086)</u>

Anthony Douglas

Anthony Douglas CBE
Chief Executive and Accounting Officer

Date: 26th June 2009



The notes on pages 86 to 101 form part of these financial statements.

Cash Flow Statement for the year ended 31st March 2009

	Note	2008-09 £000	2007-08 £000
Net cash inflow / (outflow) from operating activities	16a	(118,010)	(105,414)
Capital expenditure and financial investment	16b	(121)	(787)
Financing	16c	116,376	106,531
(Decrease) / increase in cash		(1,755)	330

Notes to the Accounts year ended 31st March 2009

The notes on pages 86 to 101 form part of these financial statements.

1 Accounting policies

These Financial Statements are drawn up in accordance with the Treasury's Financial Reporting Manual (FRM) and applicable accounting standards. They are in a form as directed by the Secretary of State for Children, Schools and Families with the approval of the Treasury.

The following accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

a) Accounting convention

The Accounts are prepared under the historical cost convention, modified to include fixed assets at their value to the business by reference to current costs. Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies Act 1985 and accounting standards issued or adopted by the Accounting Standards Board so far as those requirements are relevant. The accounts are also consistent, where appropriate, with generally accepted accounting practice in the United Kingdom (UK GAAP).

b) Going concern

Parliament has voted grant in aid to Cafcass for the 12 months following the Balance Sheet date. Therefore, despite the Balance Sheet position of net liabilities, Cafcass operates as a going concern.

c) Tangible fixed assets

Freehold land and buildings were revalued in the 2008-09 financial year by reference to current cost indices as specified by the Valuation Office Agency (VOA). Freehold land and buildings were last externally valued by the VOA as at 1st April 2007 in accordance with the RICS Appraisal and Valuation Manual, published by the Royal Institution of Chartered Surveyors, insofar as this is consistent with current Treasury accounting guidance. Freehold properties are subject to physical revaluation by the VOA at least every three years and by indexation using current cost indices in intervening years. Leasehold land and buildings and associated improvements are not subject to revaluation or indexation.

Other tangible fixed assets, except for leasehold property, have been stated at their value to the business using appropriate indices published by the Office of National Statistics. Revaluations above the depreciated historic cost of an asset are credited to a revaluation reserve. Amounts equivalent to the depreciation charge on the revaluation element are then credited to the Operating Cost Statement to offset the total depreciation charged on that asset based on the revalued amount.

Any downward revaluation of fixed assets below the asset's depreciated historic cost is offset against any balance in the revaluation reserve relating to that particular asset, otherwise it is charged directly to the Operating Cost Statement.

Tangible fixed assets include those assets costing £2,500 or more. Individual items valued at less than the threshold are capitalised if they constitute integral parts of a composite asset that is in total valued at more than the threshold. Furniture and fittings are not capitalised but fully expensed in the year of acquisition.

d) Depreciation

Freehold land is not depreciated.

Depreciation is provided to write-off freehold buildings and other tangible fixed assets by instalments, on a straight line basis, over their expected useful lives or, for leased assets, over the life of the lease.

Expected useful lives are as follows:

freehold buildings	up to 60 years
leasehold land and buildings	up to 50 years or over the term of the lease
leasehold improvements	over the term of the lease
office equipment	seven years
information technology	five years
vehicles	up to four years

e) Pensions

Employees of Cafcass are members of the West Yorkshire Pension Fund (WYPF), which is funded on a pay-as-you-go basis. A small number of Cafcass staff retained membership of the Principal Civil Service Pension Scheme (PCSPS) by virtue of their earlier employment with one of Cafcass' predecessor organisations.

The amount charged to the staff costs for the PCSPS represents the contributions payable to the scheme in respect of current employees in the accounting period. Contributions are charged on a year-by-year basis in accordance with the requirements of the scheme administrators.

The assets of the WYPF, which is a defined benefit scheme, are held separately from those of Cafcass. The scheme assets are measured at realisable value. Scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability. The pension scheme surplus (to the extent that it is considered recoverable) or deficit is recognised in full on the face of the Balance Sheet. The movement in the scheme surplus/deficit is split between operating charges (within staff costs), financing items and, in the Statement of Recognised Gains and Losses, actuarial gains and losses.



f) Grant-in-aid

Grant-in-aid, used to finance activities and expenditure that supports the statutory and other objectives of Cafcass, is treated as financing and credited to the general reserve, because it is regarded as contributions from a controlling party.

g) Income from activities

Income from activities is generated from training, student placements and one-off receipts in the year. Income is recognised on the issuing of an invoice. All income is stated net of VAT.

h) Insurance

With the exception of comprehensive insurance on contract lease and hire vehicles, Cafcass does not insure but carries its own risks for fire, accidental damage and similar accidents and claims at common law.

i) Operating leases

Rentals under operating leases are charged to the Operating Cost Statement on a straight-line basis over the lease term.

j) Cost of capital

The notional cost of capital is designed to show the opportunity cost of funding the net assets needed to provide a particular service. It is a non-cash charge shown on the Operating Cost Statement. It is calculated at 3.5% (2007-08: 3.5%) of average net assets employed during the year excluding cash balances held by HM Paymaster General. The notional charge is credited back to the Operating Cost Statement before determining the net expenditure for the financial year.

Cafcass is in the unusual position of having a credit charge on the Operating Cost Statement. This is because instead of showing overall net assets on the Balance Sheet, Cafcass has overall net liabilities due to its provision for future payments relating to the pension liability as accounted for under FRS 17 (as detailed in note 18 to the Accounts).

k) Accounting for Value Added Tax

Cafcass is registered for VAT. It is unable to recover most of the VAT incurred on expenditure, although a small amount of VAT can be recovered where it is related to the costs recovered in court cases. Expenditure is therefore stated inclusive of any irrecoverable VAT.

2 Change of accounting policy

Financial Reporting Standards (FRS) 25, 26 and 29, relating to financial instruments, have been applied for the first time in these Financial Statements in accordance with the 2008-09 Government Financial Reporting Manual (FRM). This has had no impact on the 2008-09 figures, and there are no prior year adjustments to reserves resulting from the adoption of these standards.

There have been no other significant changes to the accounting policies as described in the 2007-08 Annual Report.

From the 1st April 2009, the full International Financial Reporting Standards as applicable to Public Sector organisations will apply to Cafcass in accordance with the FReM.

3 Income from activities



	2008-09 £000	2007-08 £000
Training	204	134
Award of court costs	-	14
Other income	2	5
Total income from activities	206	153

4 Staff costs



	Cafcass Board Members	Corporate National Office Staff	Regional Staff	Total
2008-09	£000	£000	£000	£000
Salaries and wages	147	5,752	56,792	62,691
Social security costs	10	465	4,579	5,054
Employer pension contributions (see also notes 5 & 18)	-	3,836	7,742	11,578
Total payroll costs	157	10,053	69,113	79,323
Temporary staff costs	-	835	3,104	3,939
Seconded costs	-	122	15	137
Total staff costs	157	11,010	72,232	83,399
Average whole time equivalent numbers employed	2 ¹⁴	108	1,609	1,719
2007-08	£000	£000	£000	£000
Salaries and wages	152	3,621	53,331	57,104
Social security costs	11	275	4,423	4,709
Employer pension contributions (see also notes 5 & 18)	-	399	12,667	13,066
Total payroll costs	163	4,295	70,421	74,879
Temporary staff costs	-	463	1,489	1,952
Seconded costs	-	-	32	32
Total staff costs	163	4,758	71,942	76,863
Average whole time equivalent numbers employed	2 ¹⁴	79	1,615	1,696

¹⁴ This figure represents the whole-time equivalent of the Board members.

The total staff cost includes a cost of £0.264m relating to severance / voluntary early redundancy in 2008-09. In total 16 employees were involved. In 2007-08 there were voluntary early retirement / redundancy costs of £0.535m involving 18 employees.

The average number of persons employed is shown as full-time equivalents for National Office and regional staff members on permanent or fixed-term contracts who are paid through payroll.

The comparative results for 2007-08 have been reanalysed in accordance with FRS17 to improve comparability to the 2008-09 Accounts. This has resulted in costs previously disclosed as 'other pension costs' on the operating cost statement being split between staff costs and finance costs.

5 Pension costs (and see note 18)

Cafcass participates in the WYPF scheme and the PCSPS. The WYPF scheme is a multi-employer defined benefit scheme in which Cafcass' share of the underlying assets and liabilities are not identified.

The contribution rate determined by the independent fund actuaries, Mercer Human Resource Consulting, is 14.9% for 2008-09. This is based on service to Cafcass and ill health retirements. Employer's contributions to the scheme for the year amounted to £8.273m (excluding costs of £0.027m relating to the severance / voluntary early retirement programme) with 1,908 employees participating in the scheme during 2008-09 (2007-08: £6.800m excluding costs of £0.274m relating to voluntary early retirement / 1,876 employees).

The last independent actuarial valuation of the WYPF scheme was on 31st March 2007 and revealed that the scheme was 90% funded in relation to past service. The valuation is based on assets and liabilities at 31st March 2007. Following the actuarial valuation, the revised employer contribution rates for Cafcass have been set as follows:

- 2008-09 14.9%
- 2009-10 16.5%
- 2010-11 18.2%

The PCSPS is an unfunded multi-employer defined benefit scheme for which Cafcass is unable to identify its share of the underlying assets and liabilities. The scheme's actuary reviews employer contributions every four years following a full scheme valuation. A full actuarial valuation was carried out as at 31st March 2007 and revised contribution rates will apply from 1st April 2009. Full details can be found at www.civilservice-pensions.gov.uk.

For 2008-09, employers' contributions of £0.089m (2007-08: £0.087m) were payable to the PCSPS at one of three rates in the range of 19.5% to 25.5% of pensionable pay, based on salary bands.

The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Ten employees participated in the PCSPS during 2008-09 (2007-08: 10) and none of these individuals were in a partnership pension account or a stakeholder pension.



6 Other operating charges

	2008-09 £000	2007-08 £000
Accommodation costs	8,426	7,483
Outsourced finance and ICT services	5,601	3,840
Office supplies, printing and stationery	2,629	2,051
Recruitment costs	744	553
Travel and subsistence	3,941	4,704
Vehicle expenses	492	481
System support costs	872	735
Legal costs	796	785
External audit costs	52	57
Internal audit costs	159	140
Telecommunications and postage	1,603	1,314
Fuel and utilities	302	348
Training costs	1,119	1,171
Downward revaluation of fixed assets	170	77
(Profit) on sale of assets	1	(54)
Movement in bad debt provision	3	(9)
Movement in (other) provisions	(564)	223
Staff related costs	151	151
Interpreters and translators	217	220
Other costs	290	265
Total	27,004	24,535



7 Tangible fixed assets

	Freehold land and buildings £000	Leasehold land, buildings and improvements £000	Information Technology £000	Other assets £000	Total £000
Cost					
At 1st April 2008	2,893	1,333	9,432	55	13,713
Additions	-	-	120	1	121
Disposal	-	(22)	(3,779)	-	(3,801)
Revaluation	(255)	-	(365)	-	(620)
At 31st March 2009	2,638	1,311	5,408	56	9,413
Depreciation					
At 1st April 2008	199	996	6,501	38	7,734
Charged in year	33	112	784	3	932
Disposals	-	(22)	(3,770)	-	(3,792)
Revaluation	(18)	-	(216)	-	(234)
At 31st March 2009	214	1,086	3,299	41	4,640
Net book value					
At 31st March 2009	2,424	225	2,109	15	4,773
At 31st March 2008	2,694	337	2,931	17	5,979

The cost of additions to fixed assets is funded through (capital) grant-in-aid (see Note 14).

Freehold land at 31st March 2009 was valued at £0.820m (2007-08: £0.943m).

Property assets were independently revalued by the Valuation Office Agency as at 1st April 2007 in accordance with the RICS Appraisal and Valuation Manual, published by the Royal Institution of Chartered Surveyors, insofar as this is consistent with current Treasury accounting guidance. A desktop valuation of all property assets was undertaken by the Valuation Office Agency as at 1st April 2009.

The property values have been provided on the basis of Existing Use Value (EUV), apportioned between the land and the buildings with an assessment of the remaining life of the latter (Practice Statement 4.3).

Property valuations do not include any notional directly attributable acquisition costs and have not been reduced for any expected selling costs, as they are not considered material to the valuations.



8 Self-employed contractors

In 2008-09 we contracted the services of 319 self-employed contractors (2007-08: 365) of which amounts paid amounted to £10.062m in the year (2007-08: £8.877m). As self-employed contractors, they are responsible for meeting travel, office and all other expenses related to their work, as well as related tax and national insurance liabilities.

9 Partnership costs

Partnership costs of £2.598m (2007-08: £2.310m) represent the cost of services provided by Cafcass through third party organisations such as contact centres and mediation centres.

In addition to Cafcass' baseline partnership budget, in 2008-09 Cafcass received additional funding of £2.216m from DCSF.



10 Debtors

	31st March 2009 £000	31st March 2008 £000
Other debtors	375	338
Prepayments and accrued income	1,387	1,587
Provision for bad debts	(7)	(8)
Total	1,755	1,917

There is also a balance of £0.015m within other debtors for amounts falling due after one year that relates to accommodation deposits for two properties.

	31st March 2009 £000
Intra-government balances	
Balances with Central Government bodies	68
Balances with Local Authorities	551
Balances with NHS Trusts	5
Balances with Public Corporations	-
Balances with bodies external to Government	1,131
Total	1,755

11 Analysis of changes in cash

	1st April 2008 £000	Cash flow £000	31st March 2009 £000
Cash	21	(1)	20
Bank	233	(1,754)	(1,521)
Total	254	(1,755)	(1,501)

12 Creditors: amounts falling due within one year

	31st March 2009 £000	31st March 2008 £000
Bank overdraft	1,521	-
Trade creditors	4,818	2,614
Accruals and deferred income	1,700	2,627
Taxation and social security	2,754	2,420
Other creditors	36	42
Total	10,829	7,703

	31st March 2009 £000
Intra-government balances	
Balances with Central Government bodies	3,602
Balances with Local Authorities	40
Balances with NHS Trusts	1
Balances with Public Corporations	1,122
Balances with bodies external to Government	6,064
Total	10,829

13 Provisions for liabilities and charges

	2008-09			2007-08	
	Employment		Onerous	Total	Total
	Claims	Other	Contracts	£000	£000
	£000	£000	£000	£000	£000
Balance of provision at 1st April	740	135	-	875	734
Provision utilised in year	(215)	(203)	-	(418)	(149)
Provision reversed unused in year	(450)	(40)	-	(490)	(372)
Increase in provision	30	409	208	647	662
Balance of provision at 31st March	105	301	208	614	875

Cafcass makes provisions for legal or constructive obligations (liabilities), which are of uncertain timing or amount at the balance sheet date, on the basis of the best estimate of the expenditure required to settle the obligation.

Employment claims relate to employment tribunal cases that may be brought against Cafcass, which may or may not result in court attendance. Other provisions relate mostly to voluntary early retirement which is on offer to employees, but not contractually agreed.

The provision for onerous contracts relates to a specific non-cancellable lease commitment on which it is anticipated that unavoidable net operating losses will arise. The obligation associated with this contract will expire in September 2009.

14 General reserve

	31st March 2009 £000	31st March 2008 £000
Balance at 1st April	(120,871)	(47,829)
Net expenditure for the financial year	(129,522)	(113,123)
Pension fund actuarial gain / (loss)	16,238	(66,450)
Grant-in-aid received towards resource expenditure	113,753	105,533
Grant-in-aid received towards purchase of fixed assets	121	917
Other grant funding received	2,502	81
Balance at 31st March	(117,779)	(120,871)

15 Revaluation reserve

	31st March 2009 £000	31st March 2008 £000
Balance at 1st April	785	795
Upward revaluations of fixed assets	1	36
Downward revaluations of fixed assets	(217)	(30)
Revaluation released to Operating Cost Statement	-	(16)
Balance at 31st March	569	785



16 Cash flow statement

16a Reconciliation of operating deficit to net cash inflow / (outflow) from operating activities

	Note	2008-09 £000	2007-08 £000
Net expenditure for the financial year		(129,522)	(113,123)
Depreciation	7	932	1,142
(Profit) / Loss on disposal of fixed assets		9	(3)
Decrease / (increase) in debtors	10	162	(676)
Increase / (decrease) in creditors	12	1,605	1,583
Increase / (decrease) in provisions	13	(261)	141
Downward revaluation of fixed assets	7	387	107
Release of revaluation reserve against disposal	15	-	(16)
Release of revaluation reserve against downward revaluation of fixed assets	15	(217)	(30)
Non cash element of pension costs		8,895	5,461
Net cash inflow / (outflow) from operating activities		(118,010)	(105,414)

16b Analysis of capital expenditure and financial investment

	Note	2008-09 £000	2007-08 £000
Payments made to acquire tangible fixed assets	7	(121)	(917)
Payments made to acquire intangible fixed assets	7	-	-
Proceeds from the disposal of fixed assets		-	130
Net cash inflow / (outflow) from investing activities		(121)	(787)

16c Analysis of financing

	Note	2008-09 £000	2007-08 £000
Grant-in-aid received towards resource expenditure	14	113,753	105,533
Grant-in-aid received towards capital purchases	14	121	917
Other grant funding received	14	2,502	81
Net cash inflow / (outflow) from financing activities		116,376	106,531



17 Commitments

Capital commitments

There were no material contracted capital commitments as at 31st March 2009.

Operating lease commitments

Commitments under operating lease to pay rentals during the year following the year of these accounts are given in the table below, analysed according to the period in which the lease expires.

	2008-09 £000	2007-08 £000
Obligation under operating leases comprise:		
Land and buildings:		
Expiry within 1 year	542	373
Expiry after 1 year but not more than 5 years	1,966	1,727
Expiry thereafter	918	1,267
Total	3,426	3,367
Other:		
Expiry within 1 year	121	141
Expiry after 1 year but not more than 5 years	309	412
Expiry thereafter	1	2
Total	431	555
Total	3,857	3,922

Other commitments

Cafcass has signed a seven-year contract with Fujitsu to provide an integrated information and communication technology service across the organisation. The Flex shared service solution includes a refresh of hardware after four years. The Fujitsu commitment in 2009-10 for the implementation of the Flex system is approximately £1.016m. Once the Flex service commences there is a monthly charge based on the number of users, which is expected to equate to approximately £0.465m per month. Unisys Ltd, the current IT provider, will continue to provide IT services until the commencement of the Flex shared service system at a rate of £0.302m per month.

A six-month extension was signed with the current finance and payroll service provider, UISL, to continue to provide finance and payroll services until 30th September 2009. The commitment to UISL in 2009-10 is £0.301m. A tender process is currently in place to appoint a new finance and payroll service provider for a three-year term, to commence on the 1st October 2009.

All commitments are inclusive of VAT.



18 Pension liabilities (FRS17)

WYPF's actuary, Mercer Human Resource Consulting carried out an FRS 17 valuation for Cafcass as at 31st March 2009.

The scheme provides funded defined benefits based on final pensionable salary. The assets of the scheme are held separately from those of Cafcass and are invested in managed funds. Employer contribution rates are determined by a qualified actuary on the basis of triennial valuations.

Cafcass accounts for scheme liabilities in accordance with FRS 17 – Retirement benefits. This is the fourth year an FRS 17 disclosure has been made and as such there is limited history of movements in liabilities. The in year service cost has been reflected in the Operating Cost Statement.

In addition to the disclosure contained in the primary statements, the following disclosures are in accordance with that standard.

Financial assumptions:

The major financial assumptions used in the valuation were:

	31st March 2009	31st March 2008
Rate of inflation	3.30%	3.60%
Rate of increase in salaries	5.05%	5.35%
Rate of increase in pensions	3.30%	3.60%
Discount rate	7.10%	6.10%

The assumptions used by the actuary are chosen from a range of possible actuarial assumptions, which due to the timescales covered may not be borne out in practice.

Scheme assets:

The scheme assets are valued at 'fair value', the assets are not intended to be realised in the short term and may be subject to significant change before they are realised. The liabilities are valued based on the present value of the schemes liabilities, which are derived from cash flow projections over long periods and are thus inherently uncertain.

	As at 31st March 2009		As at 1st April 2008	
	Expected rate of return	£000	Expected rate of return	£000
Equities	7.50%	100,985	7.50%	139,814
Government bonds	4.00%	20,034	4.60%	18,135
Other bonds	6.00%	9,773	6.10%	7,995
Property	6.50%	6,841	6.50%	9,945
Cash / liquidity	0.50%	8,144	5.25%	7,020
Other	7.50%	17,102	7.50%	12,090
Total market value of assets		162,879		194,999
Actuarial value of liabilities		(275,194)		(314,657)
Deficit in the scheme		(112,315)		(119,658)
Related deferred tax asset		-		-
Net pension liability		(112,315)		(119,658)

History of experience gains and losses:

	2008-09 £000	2007-08 £000	2006-07 £000	2005-06 £000
Differences between the expected and actual return on scheme assets				
Amount	(53,167)	(20,565)	2,054	23,281
Percentage of scheme assets	(33%)	(11%)	1%	14%
Experience gain / (loss) on scheme liabilities				
Amount	69,405	(34,317)	-	(27,594)
Percentage of present value of the scheme liabilities	(25%)	(11%)	0%	(12%)
Total amount recognised in statement of recognised gains / (losses)				
Amount	16,238	(66,450)	15,023	(22,050)
Percentage of present value of the scheme liabilities	6%	(21%)	6%	(10%)

Analysis of other pension costs debited to the Operating Cost Statement:

	2008-09 £000
Current service cost	(11,415)
Past service / curtailment / settlement loss	(72)
Net (interest) / return on assets	(5,733)
Total	(17,220)

Note: Due to tight timescales some of the FRS 17 calculations are based on estimates, the 'Employers contributions' above are estimated costs based on 11 months actual data (ie April 2008 to February 2009). The actual employer pension contributions for 2008-09 are detailed in Note 5, the difference between the actual and estimated cost is immaterial.

Analysis of net return on pension scheme:

	2008-09 £000
Expected return on pension scheme assets	13,777
Interest on pension liabilities	(19,510)
Net gain / (loss)	(5,733)



Analysis of amounts recognised in Statement of Recognised Gains and Losses:

	2008-09 £000	2007-08 £000	2006-07 £000	2005-06 £000
Asset gain / (loss)	(53,167)	(20,565)	2,054	23,281
Liability gain / (loss)	69,405	(34,317)	-	(27,594)
Change in assumptions	-	(11,568)	12,969	(17,737)
Net gain / (loss)	16,238	(66,450)	15,023	(22,050)

A five-year summary of experience gains and losses is not available, as Cafcass has only adopted FRS 17 in the last four years.

Movement in deficit during the year:

	2008-09 £000
Deficit in scheme at beginning of year	(119,658)
Movement in year:	
Current service cost	(11,415)
Employer's contributions	8,325
Past service / curtailment / settlement loss	(72)
Net (interest) / return on assets	(5,733)
Actuarial gain	16,238
Deficit in scheme at end of the year	(112,315)

19 Related party transactions

Cafcass is an executive non-departmental public body that is sponsored by the Department for Children, Schools and Families (DCSF). DCSF as such is regarded as a related party. During 2008-09, Cafcass had various material transactions with DCSF, including the receipt of £116.376m grant funding from DCSF. Cafcass does have occasional small transactions with other central government bodies and local authorities that are considered not to be material.



A register of interest is held for all Board Members and there were no material related party transactions with Board members or the Corporate Management Team during the year other than those associated with remuneration for normal duties.

20 Events after Balance Sheet date

At the Balance Sheet date Cafcass is finalising details of the contract to be awarded as a result of the tender process to appoint a new finance and payroll service provider for a three-year term, to commence on the 1st October 2009.

The Financial Statements were authorised for issue on 3rd July 2009 by Anthony Douglas CBE (Chief Executive and Accounting Officer).

21 Financial instruments

Financial Reporting Standard 13, Derivatives and Other Financial Instruments, requires disclosure of the role which financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the largely non-trading nature of its activities and the way in which Government Departments are financed, Cafcass is not exposed to the degree of financial risk faced by business entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which Financial Reporting Standard (FRS) 13 mainly applies. Cafcass has very limited powers to borrow or invest surplus funds, and consequently financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing Cafcass in undertaking its activities.

As permitted by FRS 13, debtors and creditors that mature or become payable within 12 months from the Balance Sheet date have been omitted from the disclosures.

Fair values

There is no difference between the book value and fair value of any of Cafcass' financial assets and liabilities as at 31st March 2009.

Liquidity risk

Cafcass' net revenue resource requirements are financed by resources voted annually by Parliament, just as its capital expenditure largely is. Cafcass is not therefore exposed to significant liquidity risks.

Interest rate risk

Cafcass is not exposed to significant interest rate risk.

Credit risk

Cafcass is not exposed to significant credit risk.

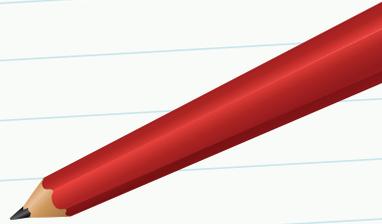
Foreign currency risk

Cafcass is not exposed to any significant foreign currency risk.





General contact details



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Further information is available on our website www.cafcass.gov.uk, including our 2009-11 Business Plan.

Copies of the Cafcass National Standards and the Complaints policy are available on request from Cafcass offices and are published on our website.

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