

Local Government Association Briefing

Childrens social care in England

House of Commons

9 October 2018



Briefing

Key messages

- Making sure all children and young people have the bright future they deserve is a key ambition of every council. Councils want all young people to be able to enjoy their lives, reach their full potential and make a good transition to adulthood with good health and wellbeing.
- The positive work of councils in helping our children and young people have the best start in life has been illustrated by the latest Ofsted data on children's social care which shows that, in 2017/18, the proportion of council children's services rated good or outstanding has increasedⁱ.
- Councils have worked tirelessly to protect support for vulnerable children, and have increased their spending on children's social care by almost 10 per cent over the past four years to a record £8.8 billion in 2017/18.
- Spending on children's social care has increased at a faster rate than any other area of council business. All areas except adult social care have seen a reduction in spending, yet councils had to spend £816 million more than they had budgeted for children's social care during the last year alone. This underlines the urgent need for a sustainable funding solution to be found.
- Although local authority spending on children's social care has risen, it has not kept pace with growing demand. Children entered care at a rate of 90 a day last year, and a child is now referred to children's services every 49 seconds.
- The increase in demand for immediate child protection support has left councils struggling to continue funding vital early intervention services that can help to reduce this pressure in the longer term. This problem has been exacerbated by ongoing cuts to the government's Early Intervention Grant, which has been reduced by almost £600 million since 2013 and is projected to decrease by almost £100 million more by 2020.
- The funding gap facing councils' children's services will reach £3 billion by 2025. We are calling for this to be plugged and the cuts to early intervention funding to be reversed. This will help councils continue to deliver high quality services for their residents.

Further information

Funding children's services

The National Audit Office has found that local government funding has been reduced by 50 per cent in real terms since 2010.ⁱⁱ We have calculated that children's services are facing a funding gap of around £3 billion by 2025, just to maintain their current level. This does not allow for any enhancements in services.

Councils have worked hard to protect budgets for essential child protection services, but funding pressures have led to difficult decisions elsewhere,

increasingly leaving children and young people unable to access support until they reach crisis point.

The latest revenue spending statistics, published by Ministry for Housing Communities & Local Government (MHCLG) last month, show that overall council spending for 2017/18 was down by £447 million on the previous year.ⁱⁱⁱ At the same time, councils spent a record £8.8 billion on children's social care, an increase of 4.3 per cent (nearly £370 million) on the previous year and 9.3 per cent (£753 million) on 2014/15.

This shows that councils are increasingly having to divert money from other vital services which keep our communities running to meet an unprecedented surge in services which support our children and young people.

Children's social care is one of the few areas where councils are consistently forced to overspend on their budgets, by £816 million in the last year alone. Perhaps unsurprisingly, the largest overspends are found in reactive services such as looked after children and child protection.

Our analysis shows that government funding for the Early Intervention Grant has been reduced by almost £600 million since 2013, and is projected to decrease by almost £100 million more by 2020. This represents a 40 per cent reduction by the end of the decade, with a significant impact on the ability of councils to continue supporting high quality early help services, including as children's centres and youth services.

Rising demand

The Children's Commissioner has warned that more than two million children in England are growing up in families where there are dangers including domestic violence and parents struggling with alcoholism. Earlier in the year, we highlighted the unprecedented demand that councils' children's services teams are facing:^{iv}

- The number of children subject to child protection enquiries has increase 151 per cent in ten years, from 73,800 in 2006/07 to 185,450 in 2016/17.
- Over the same period, the number of children on child protection plans has increased by more than 23,000.
- 90 children a day entered care in the last year, and councils saw the biggest annual increase of children in care since 2010, reaching a new high of 72,670 in 2016/17.

Social workers, carers and teachers work tirelessly to ensure every child has the best start in life, and councils need the powers and funding to make sure this continues to happen. Maintaining a stable, high quality social care workforce is central to the delivery of effective support for children and families, but recruiting and retaining social workers remains a big challenge for councils across the country.

We are calling on the Government to do more to support councils to help recruit and retain high quality social workers.

Children's mental health

Supporting child and adolescent mental health and wellbeing continues to be a priority for councils. At least one in 10 children and young people have a diagnosable mental health condition and the unreported figures are likely to be higher. Looked after children are four times more likely to experience mental health issues than their peers. Despite the increasing demand, funding for children's mental health has stagnated and only 6.7 per cent of mental health spending goes to children and adolescent mental health services (CAMHS).

In our response^v to the Government's children and young people's mental health green paper, we highlighted that measures to tackle the crisis in children and young people's mental health are long overdue and we are pleased the Government's response confirmed it is taking steps to address this. Our Bright Futures campaign includes a call to prioritise CAMHS and calls on the Government to properly fund councils' children's services departments. We recommend that Government:

- Releases the promised £1.7 billion for CAMHS to ensure adequate and sustainable funding.
- Improves standards and makes sure funding is spent wisely. This includes strengthening the governance over how funding is spent and recognising the expertise of health and wellbeing boards locally.
- Prioritises prevention and early intervention funding to councils to allow them work with schools to commission independent school based counselling.

Youth work and youth services

Youth work and youth services have an important role to play in providing safe spaces for young people, and building trusted relationships which can enable young people to share concerns that they may feel unable to raise with their family or those perceived as authority figures such as teachers or social workers. They can then be directed to the right opportunities and support to help them make a positive transition to adulthood.

However, councils were forced to cut spending on local youth services from £650 million in 2010/11 to just £390 million in 2016/17 as a result of government funding cuts. More than 600 youth centres closed and nearly 139,000 youth service places were lost in the UK between 2012 and 2016.

In contrast, there has been £1.2 billion worth of government investment into the National Citizen Service (NCS) between 2016 and 2020, despite just 12 per cent of eligible teenagers taking part in 2016. While the NCS is a good programme, we believe this should form part of a much wider offer to young people. We are calling on the Government to devolve some of this funding to councils to support youth work that meets the needs of young people locally.

Special Educational Needs and Disability

Councils have responded strongly in implementing the reforms to Special Educational Needs and Disability (SEND) support that were set out in the 2014 Children and Families Act. We are, however, concerned that the progress that has been made could be at risk as funding levels have not kept pace with rising demand.

This rising demand for support, combined with an underestimation of the cost of implementing the reforms, and changes to school and high needs funding, have had a significant financial impact on councils. There are concerns that unless additional funding is found, councils will be unable to meet their statutory duties to support children with SEND.

The Government needs to provide significant, ongoing and sustainable funding to help councils manage the rising demand in support from pupils with SEND. We are calling for an urgent review of funding to meet the unprecedented rise in demand that councils are experiencing.

The move to placing children with SEND in specialist schools, as well as the use of out of area placements, has added to the pressure on council budgets. Creating additional capacity in mainstream settings to support children with SEND will be beneficial both in terms of raising levels of inclusion and diverting those children away from more expensive specialist provision.

Effective joint commissioning or co-production which brings together partners from health, education, care and local parent-carer forums, is vital in ensuring that appropriate SEND support is provided. In some areas these joint commissioning arrangements are more advanced than others, but in all cases pressures on health, school and council budgets are acting as a barrier to more effective joint working.

Bright Futures

We have produced a seven point action plan for coordinated action across the public, community and voluntary sectors, which will help drive the improvement necessary to consistently offer the brightest future for children and families. Taken together, the vision represents an ambitious plan, whilst at the same time recognising the challenges and actions we can take in response. If we want to make sure every child and young person can look forward to a bright future, local and national government must be united in their determination to get the best.

Central to the vision is a call for all government departments to unite behind a shared ambition for children and young people, recommending the introduction of a 'children and young people impact assessment' to bring a greater focus to the implications of national policy decisions on our younger residents.

The vision outlines seven principles for effective children and young people's services:

- A stronger focus on outcomes for children
- Consistently strong local leadership
- A culture of continuous improvement
- The right support for children at the right time
- Sustainable funding to help children thrive
- A better understanding of what works for children
- Strengthened morale and support for social workers

We have also published *Bright Futures: Our Vision for Youth Services*. This outlines our aspirations to support councils in providing youth services and provides a starting point to take a fresh look at youth provision, encouraging true collaboration between all providers. It also highlights six key principles of effective youth services to support young people's transition to adulthood:

- Youth-led
- Inclusivity, equality and diversity
- Respect
- Quality, safety and well-being
- Empowerment
- Positivity

ⁱ Ofsted, Children's social care data 2017/18,
<https://www.gov.uk/government/publications/childrens-social-care-data-in-england-2018/childrens-social-care-data-in-england-2017-to-2018-main-findings>

ⁱⁱ NAO, Financial Sustainability of Local Authorities,
<https://www.nao.org.uk/wpcontent/uploads/2018/03/Financial-sustainability-of-local->

[authorites-2018-Summary.pdf](#)

iii Local authority revenue expenditure and financing statistics:

<https://www.gov.uk/government/collections/local-authority-revenue-expenditure-and-financing>

iv LGA response to Children's Commissioner report on children in care,

<https://www.local.gov.uk/about/news/lga-responds-childrens-commissioner-report-children-care>

v LGA response to Government response on children's mental health Green Paper,

<https://www.local.gov.uk/about/news/lga-responds-childrens-mental-health-green-paper-consultation-response>