**Investing in children’s services**

**Joint budget briefing**

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| **Key messages**   * Councils face a funding gap for children’s services of at least **£3 billion by 2025**, not accounting for future growth in demand. * Between 2010-11 and 2015-16, central government funding for local authorities’ children and young people’s services **decreased by £2.4 billion** (24%) in real terms. * Local authority children’s services are at breaking point. The Budget is the opportunity for the government to get these critical services back on track. |

1. ***Demand for children’s services is rising, but funding has significantly reduced***

**Demand for children’s services is increasing.** Between 2006 and 2016, the number of child protection enquiries undertaken by local authorities rose by 140%. Over the same period, the number of children subject to a child protection plan almost doubled.[[1]](#footnote-1)

Directors of Children’s Services report that children and their families are facing more entrenched and complex problems and providing support for them is proving more resource-intensive.[[2]](#footnote-2) Councils are spending more than they budgeted for children’s services. In 2016-17, they spent £430 million more on children in care and £172 million more on safeguarding.[[3]](#footnote-3)

**Despite the increase in demand, funding for local authorities to provide services for children, young people and their families has significantly reduced.** Between 2010-11 and 2015-16, central government funding for local authorities’ children and young people’s services decreased by £2.4 billion (24%) in real terms.[[4]](#footnote-4)

Analysis by the Local Government Association indicates that councils face a further funding gap for children’s services of up to £2 billion by 2020, reaching £3bn by 2025.[[5]](#footnote-5) What this figure does not take into account is the increasing gap if demand continues to increase – and there is little evidence to suggest that the trend of increasing demand will reverse.

1. ***Early help services are disappearing meaning many children only get support when they’re at crisis point***

**Services which intervene early in the development of problems are key to preventing children and families falling into crisis and needing more intensive support**[[6]](#endnote-1).

The Early Intervention Foundation estimates that acute statutory services costs the state £17 billion per year in England and Wales, with the lion’s share (£6.4 billion) borne by local authorities[[7]](#endnote-2).

**Reductions in funding and increased demand means many councils have had to concentrate their limited resources on work with children with the highest level of need.**

Between 2010-11 and 2015-16, local authority spending on preventative services decreased in real terms by 40 per cent, while spending on acute statutory services increased by 7 per cent[[8]](#endnote-3). This has meant reducing children’s centre services, parenting and family support and services for young people. Between 2012 and 2016, around 600 youth centres closed[[9]](#endnote-4), and government figures indicate that one children’s centre has closed a week since 2010[[10]](#endnote-5).

**Cuts to preventative services are likely to continue.**

Central government funding for local authority preventative services is projected to decrease by a further 29% in real terms, between 2016/17 and 2019/20[[11]](#endnote-6).

**Failure to intervene early can leave children trapped in a “revolving door” of the social care system.**

Recent data from the Department of Education shows the demand on children’s services - 571,000 children were referred to children’s social care services 646,120 times[[12]](#footnote-6). More than 20% of children referred were referred in the previous 12 months.[[13]](#footnote-7)

1. ***The autumn budget is a golden opportunity to get children’s services back on track***

The time to act is now – the autumn budget is the opportunity for the government to ensure children’s services are adequately funded so that children and families can access the care and support they need.

We know that the consequences of inaction are grave, and the gap between the demand for support and the resources available for councils to provide that support is continuing to widen.

The government should use the autumn budget to commit to the following:

* Address the shortfall in funding for children’s services, allowing local authorities to invest in preventative measures and taking into account local need.
* Develop a cross-government vision for children and young people to inform and shape the spending review taking place in 2019, putting the wellbeing and welfare of children and young people at the heart of long-term decisions about the use of national and local resources.

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| **Question to the Minister**   * To what extent does the Minister feel the state of children’s services is sustainable? * Can the Minister comment on whether they feel investing in children’s services pays off in the long run? |

1. Local Government Association (2017) Bright Futures [↑](#footnote-ref-1)
2. Association of Directors of Children’s Services (2016) Safeguarding Pressures Phase 5 <http://adcs.org.uk/assets/documentation/ADCS_Safeguarding_Pressures_P5_Exec_Summary_FINAL.pdf> [↑](#footnote-ref-2)
3. Local Government Association (2017) Bright Futures [↑](#footnote-ref-3)
4. Action for Children, National Children’s Bureau, The Children’s Society (2017) Turning the tide: Reversing the move to late intervention spending in children and young people's services <https://www.ncb.org.uk/resources-publications/resources/turning-tide> [↑](#footnote-ref-4)
5. LGA (2017) Growing Places <https://www.local.gov.uk/sites/default/files/documents/3.27%20Growing%20Places_WEB-1.pdf> [↑](#footnote-ref-5)
6. No Good Options (2017) No Good Options: Report of the Inquiry into Children’s Social Care in England <https://www.ncb.org.uk/sites/default/files/uploads/No%20Good%20Options%20Report%20final.pdf> [↑](#endnote-ref-1)
7. Early Intervention Foundation (2016) The Cost of Late Intervention: EIF analysis 2016 http://www.eif.org.uk/publication/the-cost-of-late-intervention-eif-analysis-2016/ [↑](#endnote-ref-2)
8. Action for Children, National Children’s Bureau, The Children’s Society (2017) Turning the tide: Reversing the move to late intervention spending in children and young people's services <https://www.ncb.org.uk/resources-publications/resources/turning-tide> [↑](#endnote-ref-3)
9. Association of Directors of Children’s Services (2017) A country that works for all children <http://adcs.org.uk/general-subject/article/a-country-that-works-for-all-children> [↑](#endnote-ref-4)
10. Based on data provided by Government in response to written question 123506, answered 22 January 2018 [↑](#endnote-ref-5)
11. Action for Children, National Children’s Bureau, The Children’s Society (2017) Turning the tide: Reversing the move to late intervention spending in children and young people's services <https://www.ncb.org.uk/resources-publications/resources/turning-tide> [↑](#endnote-ref-6)
12. Department for Education (2017) Characteristics of Children in need, main tables: table A1 <https://www.gov.uk/government/statistics/characteristics-of-children-in-need-2016-to-2017> [↑](#footnote-ref-6)
13. Department for Education (2017) Characteristics of Children in need, main tables: table A1 <https://www.gov.uk/government/statistics/characteristics-of-children-in-need-2016-to-2017> [↑](#footnote-ref-7)