

LOCAL GOVERNMENT HEALTH CHECK

1. CHILDREN'S SERVICES: UNDER PRESSURE AND UNDER FUNDED

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- LAST YEAR SAW THE BIGGEST RISE IN THE NUMBER OF CHILDREN IN CARE FOR SEVEN YEARS
- THE NUMBER OF CHILDREN SUBJECT TO A CHILD PROTECTION PLAN HAS ALMOST DOUBLED IN THE PAST 10 YEARS
- THE NUMBER OF CHILDREN IN CARE INCREASED BY 10%
- THERE HAS BEEN A 40% REAL TERMS DECREASE IN LOCAL AUTHORITY SPENDING ON EARLY INTERVENTION SINCE 2010
- THREE-QUARTERS OF ENGLISH COUNCILS EXCEEDED THEIR PLANNED BUDGETS FOR CHILDREN'S SERVICES LAST YEAR, TOTALLING A £605M OVERSPEND
- LABOUR CALLS ON THE GOVERNMENT TO TAKE URGENT ACTION TO REVERSE THESE TRENDS, AND PROVIDE LOCAL GOVERNMENT WITH SUSTAINABLE FUNDING

KEY FINDING 1: LOCAL AUTHORITIES ARE FACING AN INCREASING DEMAND FOR CHILDREN'S SERVICES

The number of looked after children continues to increase; it has increased steadily over the last nine years. At 31 March 2017 there were 72,670 looked after children, **an increase of 3% on 2016.**¹

Labour research has also identified that the number of serious child protection cases has **doubled in seven years** with major increases in the number of new cases.² Almost one quarter of children requiring support or care are **under the age of 5.**⁹

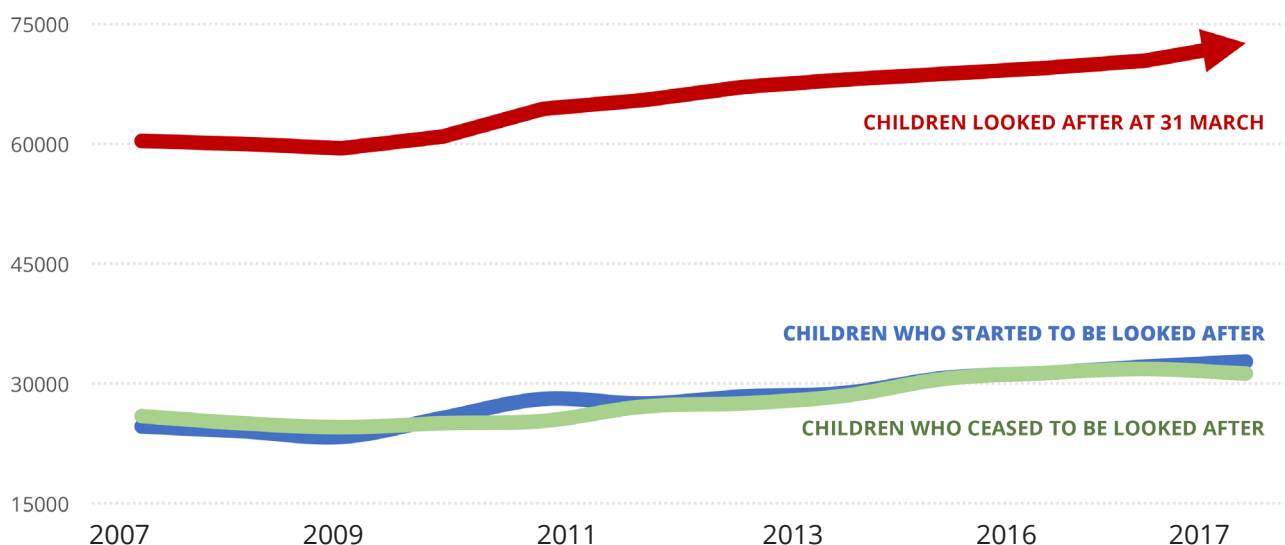
ONE IN 64 ARE AT RISK

The number of Section 47 enquiries this year alone was a **record high of 185,000.** This means that 1 in 64 children are at risk of abuse or neglect in England.²

Figures produced by the Department for Education also show that the number of children supported through child protection plans has almost doubled over the past 10 years, and **this year saw the biggest annual increase in children in care since 2010.**²

Between 2010 and 2016, the number of children assessed by social workers being in need rose by 5% and **around 500 new child protection cases are launched in England each day.**¹ After seven years of brutal cuts that have stripped the capacity of our public services, local authorities are struggling to meet the demand for these services that they are legally required to provide.

In the next section, the cuts that have hit local government are outlined, demonstrating the impact of austerity on local government and the specific cuts that have hit early intervention services.



KEY FINDING 2: EARLY INTERVENTION FUNDING HAS FALLEN BY 55%

Most children's social workers agree that early intervention is crucial, but since 2010 cuts to local authority funding have resulted in a **40% real terms decrease in spending on early intervention.** At the same time, there has been a 108% increase in child protection investigations as demand for council help has continued to rise exponentially.³

Specific early intervention funding from central government has **fallen 55% between 2010/11 and 2015/16, a reduction of £1.7 billion across England.**²

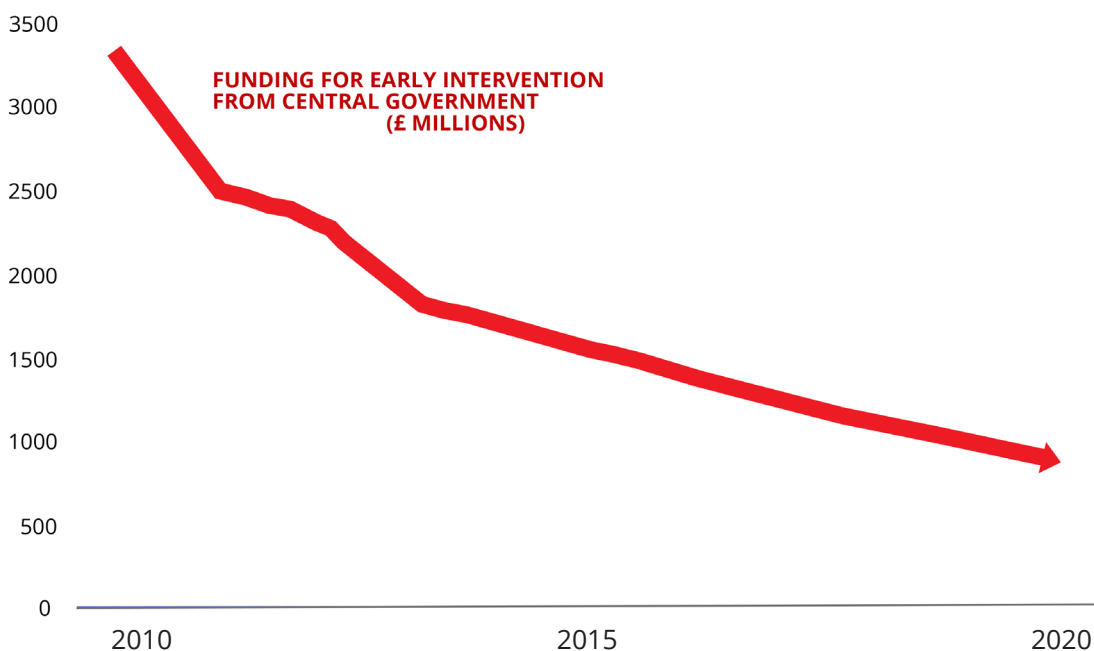
The recent 'Turning the Tide' report by National Children's Bureau (NCB), The Children's Society and Action for Children broke down these cuts, showing that the most deprived councils in England have

cut spending on children's services by almost a quarter – six times as much as the least deprived councils. The biggest cut between 2010 and 2017 was in Yorkshire and Humber at 27%, followed by London and the North West at 22% respectively.

1,228 FEWER CHILDREN'S CENTRES SINCE 2010

This funding cut has hit frontline services, with Labour research finding that there are **now 1,228 fewer designated children's centres than in 2010.**⁴ By the end of the decade it is estimated that funding will fall a further £388 million – a further 29% in real terms – **taking an additional £808 million out of early intervention services across England.**³

The next section explores how local authorities have used emergency reserves to protect their communities despite these cuts.



KEY FINDING 3: MANY COUNCILS HAVE SPENT RESERVES TO TOP UP INADEQUATE FUNDING

With rising demand for services, and significant reductions in funding for local government - many local authorities have been forced to spend reserves or plug the hole by transferring money from other departments. This has hit early intervention even harder as extra money is being channelled into urgent support for children and families in crisis, leaving little to invest in early intervention.

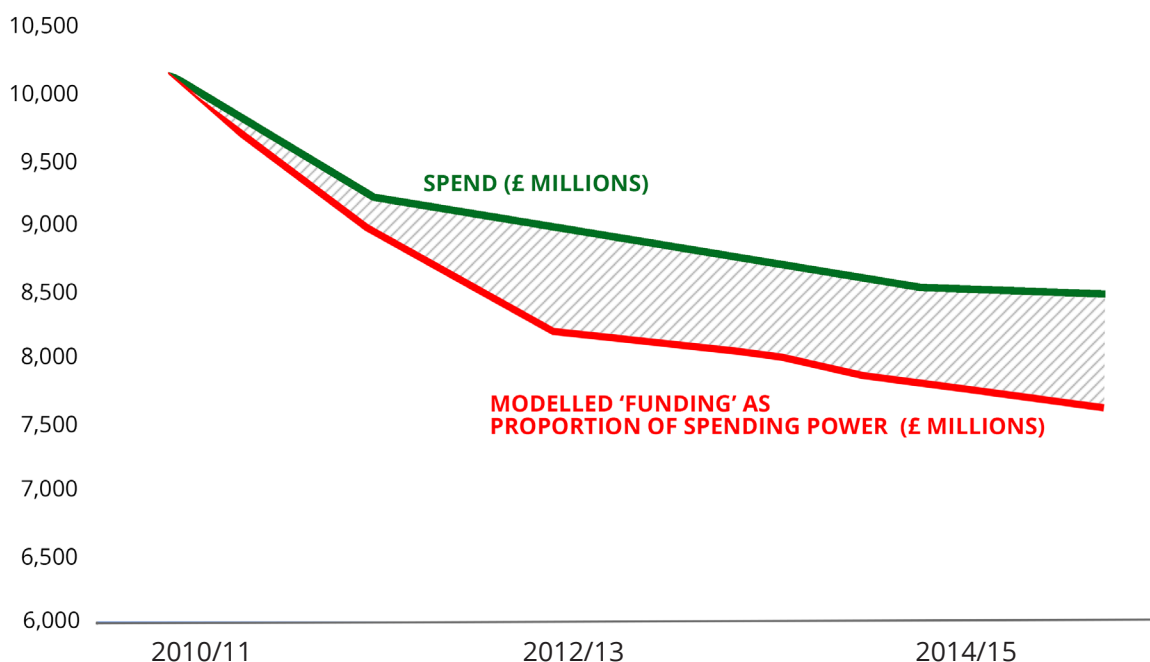
IN 2015/16 OVERSPEND INCREASED TO £605M

Stepping in early to help families is essential for turning vulnerable children's lives around and saves money in the long run, but the current situation has made this impossible.

Analysis by the LGA has revealed that three-quarters of English councils exceeded their budgets for children's services last year, totalling a **£605m overspend**, while the number of young people subject to child protection enquires **increased by 140%** - to 170,000 - in the past decade.⁵

The graph below shows the gap between spend on services and the amount of funding received from central government. This calculation is based on an assumption of constant demand between 2010 and 2016 and as we know that children and family's needs have increased over this period, the funding gap is likely to be proportionally larger than that represented in the data.⁶

The LGA has warned that councils face a **£2 billion funding gap** by 2020 due to the scale of demand.⁵



URGENT ACTION IS NEEDED ON CHILDREN'S SERVICES FUNDING

The situation across children's services is unsustainable, with a combination of reduced budgets and increasing demand. Government cuts to London Boroughs and Metropolitan Councils means the rise in demand is pushing them towards the financial brink.

Labour and the LGA are calling on the Government to create a cross-Whitehall ambition for children and young people, making clear the role that all departments should play in addressing this growing crisis.

Labour is calling on the Government to work with local Government and the voluntary sector to better understand the factors driving increased demand for child protection services. LGA analysis shows that the national Early Intervention Grant to councils has been cut by almost **£500 million since 2013, and is projected to drop by a further £183 million by 2020.**⁷ The Government must also commit to sustainable investment in preventative services as a matter of urgency.

The Government must act quickly to ensure councils can continue to provide essential services for vulnerable children and families by developing sustainable funding for

children's services. Like many areas of local government finance, the Government need to provide clarity on their future plans for funding, and work with local leaders to ensure that funding is sufficient to meet local need. No longer can funding be regressively focussed on past spending, and instead funding needs to be based on the cost of delivering current and future services.

Pressure on children's services has also risen dramatically in rural areas.⁸ These counties can no longer be taken for granted by the Conservatives. Labour has pledged to introduce a 'rural-proofing' process so that all our laws, policies and programmes consider their impact on rural communities.

KEY DEMANDS:

- **PROVIDE MUCH NEEDED INVESTMENT FOR OUR PUBLIC SERVICES INCLUDING HEALTH, EDUCATION AND LOCAL GOVERNMENT**
- **CREATE A CROSS-WHITEHALL AMBITION FOR CHILDREN AND YOUNG PEOPLE**
- **URGENT ACTION TO ENSURE SUSTAINABLE INVESTMENT IN PREVENTATIVE SERVICES**
- **FUNDING NEEDS TO BE BASED ON THE COST OF DELIVERING CURRENT AND FUTURE SERVICES**
- **RURAL-PROOFING POLICIES TO MITIGATE FOR THE INCREASED IMPACT ON RURAL AREAS**

References

1. Department for Education, SFR 50/2017.
2. Section 251 data published by the Department for Education (DfE). This data provides a record of spend by local authorities on their children and young people's services each year. Further information on section 251 data is available here: www.gov.uk/government/collections/section-251-materials (or <https://goo.gl/haV4s8>)
3. "Turning the Tide" a report by the National Children's Bureau, Action for Children and The Children's Society.
4. Although actual details of closures are not available, we can make a comparison of the number of centres open today and in 2010. In April 2010 there were a total of 3,632 designated children's centres in England (Source: DFE Number of sure start children's centres April 2010) and present day figures can be accessed through the Department for Education here: <https://get-information-schools.service.gov.uk/Establishments/Search?tok=zZxDGbr7> (or <https://goo.gl/MwLEBq>)
5. LGA, Children's social care at breaking point, council leaders warn: <https://www.local.gov.uk/about/news/childrens-social-care-breaking-point-council-leaders-warn> (or <https://goo.gl/DtoZMB>)
6. Data via 'Turning the Tide' a report by the National Children's Bureau, Action for Children and The Children's Society.
7. "Bright Futures - getting the best for children, young people and families", a report by the LGA.
8. CCN research presented here: <https://www.countycouncilsnetwork.org.uk/new-analysis-shows-spike-demand-rural-childrens-social-services/> (or <https://goo.gl/EeD2zc>)
9. Department for Education, SFR61/2017

Appendix

1. Local Authority Funding Allocations, 2010-2020: <https://drive.google.com/open?id=1lh3JZ0-TUlw2nrLX8j8Zcmf-xi6g5aCKo4qRDqEijy4> (or <https://goo.gl/GftQuv>)
2. Data for looked after children, 2006-2017: <https://drive.google.com/open?id=1129OVzsYzpKTha7dx5Cf30efXiZHvpWGDQdBr4AccTw> (or <https://goo.gl/DEVvgw>)
3. Local Authority Revenue Spending Power, 2010-2020: <https://drive.google.com/open?id=1w4qcHuAL-BIprDYKBZRGm5nAIEZq59eIsPbsMW5ACIs> (or <https://goo.gl/w9NVUQ>)

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