Pressures on children's and young people's services: A deep dive

May 2020











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1. Introduction

For a number of years, charities have warned of the profound impact that reductions in local authority funding have had on the ability of councils to deliver high quality children's services to keep children safe, and ensure they have the opportunity to flourish.

The most recent analysis – jointly produced by Action for Children, Barnardo's, The Children's Society, National Children's Bureau and NSPCC and published alongside this report – shows that since 2010 funding for children's services across England had fallen by nearly a quarter (23%). At the same time, spending figures had reduced by only 6%. Whilst the figures are stark, they raise questions about what these mean in reality for those faced with making decisions about the provision of children's services in the face of an exceptionally challenging financial context.

To start to answer this question, Action for Children, Barnardo's, The Children's Society, NCB and NSPCC collaborated on a research project to understand the implications resulting from ongoing funding cuts. Through a series of more than 20 interviews with three local authorities across England, data has been compiled to inform this report, drawing upon the experiences and perceptions of staff working on the front line of funding cuts.

The methodology, research questions, and key characteristics of the three local authorities are presented in **Section 2**. This is followed by contextual information taken from the accompanying quantitative funding report detailing key statistics on funding reductions and spending changes across early and late intervention services in **Section 3**. After the context has been set, **Section 4** goes on to build a picture of how funding reductions have resulted in losses of, and reductions to, services, whilst **Section 5** details the specific groups that were reported to have been disproportionally affected by service reductions or efficiencies. Despite reductions, **Section 6** provides an overview of innovative practices adopted by local authorities to help mitigate service reductions. **Section 7** describes the acute worries local authority staff held about the future in a climate of continued funding reductions. Lastly, **Section 8** provides an overview of findings and conclusion.

2. Methodology

A total of 21 interviews were conducted between November 2018 and September 2019, across three different local authorities in England. Each local authority was anonymised, with key characteristics and changes in spending habits (from 2010/11 to 2018/19) presented in **Table 1** below.

Interviews were approximately an hour each, and participants were drawn from local authority staff working across children's services; including Special Educational Needs and Disabilities (SEND), Safeguarding and Child Protection, Commissioning, Looked-After Children, Youth Services, Education, and Finance.

Interviews were analysed line-by-line using a semi-structured thematic approach. All quotes in this report have been anonymised and identified with a participant number. Analysis explored the text through five key research questions – but allowed key themes to emerge from the data. The research questions were as follows:

- What do children's services departments provide, and why? What counts as late and early intervention?
- To what degree have services have been lost altogether or cut back (by nature of provision, opening times or levels of outreach)?
- Have service reductions affected any particular at-risk groups?
- To what degree has service innovation helped to protect the effectiveness of children's services in the context of funding cuts?
- What is the impact of continued funding reductions on children's services likely to be in coming years?

	Local Authority 1	Local Authority 2	Local Authority 3
Location	South East	North East	South West
Туре	County	Unitary	Unitary
Geography	Urban	Urban	Rural
Level of deprivation ¹ (1-5)	2	5	1
Number of interviews	9	7	5
Change to overall funding ²	Decrease	Decrease	Decrease
Change to early intervention spending ²	Decrease	Decrease	Increase
Change to late intervention spending ²	Decrease	Increase	Increase

Table 1. Characteristics of local authorities who participated in the research.

¹ Based on the Index of Multiple Deprivation Quintiles for 2019. 1 being least deprived, 5 being most deprived.

² Further details about the methodology used for this analysis can be found in "*Children and young people's services: Funding and spending 2010/11 to 2018/19*".

In interviews, children's services are referred to as those provided by a local authority children's services department. This may not directly correspond with the definitions of children's services used for council reporting on spending. In the interviews, early intervention services have been broadly referred to as services which support children who do not meet thresholds for – or as an alternative to - a statutory intervention. Interpretations of early and late intervention differ between research participants and were explored during interviews.

Interview analysis was supplemented by data on funding available for, and spending on, children's services. This is based on our report – published alongside this one – which updates the findings on children's services funding and spending. The key findings are summarised in Section 3.

3. Funding and spending on children's services

The accompanying analysis "*Children and young people's services: funding and spending* 2010/11 to 2018/19" was based on Section 251 Outturn data supplied by local authorities and published by the Department for Education. The report examined the latest funding and spending trends across children's services and should be read in conjunction with the findings presented in this report. However, a short summary is provided here to help frame the subsequent discussion.

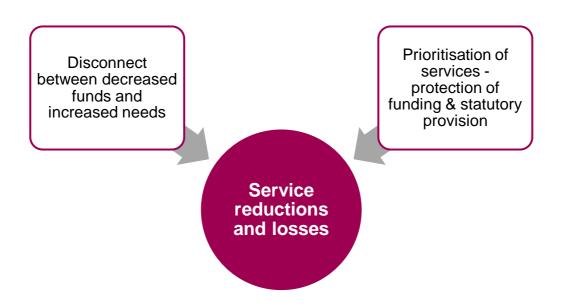
Estimated funding for children's services fell from £9,654m in 2010 to £7,429m in 2019 – representing a 23% decrease. During the same period, overall spending by local authorities on children's services fell from £9,654m to £9,118m – a 6% fall. As such, the reduction in spending was considerably lower than the equivalent reduction in funding. As discussed in this report, this trend was also reflected in our research within local authorities. Participants frequently described a situation in which they sought to protect spending in children's services as best they could in the face of rising demand.

The accompanying analysis also revealed that spending on early intervention services had fallen year-on-year from £3,484m in 2010/11 to £1,864m in 2018/19 – a decline of nearly half (46%). Early intervention spending covers sure start children's centres, family support services (including disability); and universal and targeted services for young people. Meanwhile, spending on late intervention services increased from £5,563m in 2010/11 to £7,153m in 2018/19 - a rise of 29%. Late intervention spending covers statutory work across safeguarding, looked-after children and youth justice. This pattern of spending was reflected in the research in that reductions in early intervention services were believed to have led to increased use of services down the line of need when issues were more serious and complex.

Despite the overall downward trend in funding since 2010, local authorities increased their spending substantially in the 12 months between 2017/18 and 2018/19 - rising from £8,796m to £9,118m to reach its highest level since 2012. This was largely driven by an increase in spending on late intervention services, particularly for services for children in care – which had increased by 40% in the last decade.

4. Service reductions and losses

All local authorities interviewed described some level of service reduction or losses that they had experienced in recent years, as a direct result of decreases in the available funding. Indeed, there were two main themes highlighted in relation to service reductions and losses across the three local authorities:



4.1 Disconnect between decreased funds and increased need

Within the context of funding reductions, participants noted that there was a negative correlation between decreased funds and a growing increase in the populations' need for services. Participants across all three local authorities cited increases in cases involving a myriad of factors including mental health problems (both for children and young people but also parental mental health), high levels of deprivation, domestic violence, substance misuse, knife crime, migration across local authority lines, children with special educational needs and disabilities (SEND), education and health care plan (EHCP) assessments, and looked-after children and those on the edge of care.

Consequently, participants spoke frequently with regard to the increase in complexity and demand within local need. Indeed, one member of staff with over ten years' experience highlighted the scale of need in recent years:

"I've never seen the type of need from some of our families that we're seeing now" (LA2, P2)

In one local authority, high levels of deprivation were cited as one of the most pressing contributing factors towards increased need within the local area, making it "*a hard place to live*" (LA2, P1) for many families. Participants linked deprivation with both intergenerational cycles of issues, and increases in looked-after children, which was seen to be an integral funding priority.

In another local authority, an increase in the population was discussed as one of the main issues contributing to the rising level of need. Indeed, as a result of benefit reductions and the unaffordability of housing in nearby areas, there had been increased migration inwards from individuals and families into the authority from the surrounding areas. Local authority staff

spoke about this in relation to increasing demand – but also in relation to indirect issues in adding to the complexity of need. For instance, it was hypothesised that neighbouring areas were pushing out the most vulnerable and *"poor"* (LA1, P1) households, forcing them to move areas and therefore cutting off or reducing their networks of social support. Consequently, this may lead to escalating needs and increase pressure on the local authority.

These cases illustrate just a few instances of the increase in need and complexity seen by local authority staff. Whilst authorities faced different issues in terms of their most pressing concerns, there was wide acknowledgement that the funding available had not increased to meet the additional need. The disconnect between level of need and funding simply did not add up in participants' eyes. Consequently, participants voiced frustration with the resources available and the tension this created:

"There is not enough money for everyone to do everything or help everyone" (LA3, P2)

However, children, as a vulnerable group, were deservedly felt to be a *"top priority"* (LA3, P3) area that the local authority made the fewest cuts or reductions to. Staff spoke of the various measures they had employed to protect and prioritise these services, despite the overall funding landscape, and despite year on year pressure for authorities to make savings.

In some cases, prioritisation of funding for children's services, came at the expense of other areas of spending. In the local authority with the smallest decrease in funding, participants described how continued spend in children's services was at the *"expense of potholes in the road somewhere else in the council"* (LA3, P5). In line with this quote, there was an acknowledgement that spending cuts within the wider authority were partially justified in order to support children's services. In contrast, staff did not want cuts to funding to translate to cuts to children's services.

In other cases, the protection of children's services (and potentially other areas of council provision) came from the use of reserves to top up inadequate funding available. However, reliance on the authorities' reserves was also seen to be unsustainable long-term:

"What we can't keep on doing is we've just kept on saying demand's gone up again, so we need to find some money, we'll use one-off resources and then our savings target just keeps increasing. We can't keep doing that you know year on year because the reserves will run out." (LA2, P4)

4.2 Prioritisation of services

As a consequence of funding cuts and increasing rates of demand and complexity within local need, staff acknowledged difficult decisions needed to be made with regard to the allocation of funding for services:

"We've got a declining overall budget at a time when demand is significantly increasing. So what the council's then faced with is with the choices of, you're starting to get into the statutory and non-statutory services and obviously it's the non-statutory services that start to go, but as you get smaller and smaller it becomes increasingly difficult to cut the non-statutory services." (LA2, P4)

"When you put those choices forward then you have to be very clear as to what the consequences are and then do you try and protect children's, or do you try and protect social care, or do you close this or stop doing that? That's the choices that have to be made." (LA1, P2)

For some areas of service provision, a level of protection was achieved through ring-fenced funding, which reduced the difficult 'choices' that had to be made. In particular, respondents in

Local authorities 1 and 2 highlighted the role of the Troubled Families funding in protecting family support services. Indeed, the Troubled Families funding was cited as *"plumping"* (LA2, P4) up or bolstering children's services. Grant funding was also discussed in relation to protecting services. There was acknowledgement that grant funding was given for a specific purpose and naturally came with some level of protection for its intended purpose. However, there were concerns over the sustainability of both forms of funding protection in the current economic climate.

Whilst affording the local authority some level of protection for certain services, there were still difficult decisions that had to be made regarding the prioritisation of funding for services. It remained a reality that due to the legal protection of statutory services, these were least likely to experience cuts:

"You can't suddenly say well we're not going to take these children into care, or we've got all these children in care we can't pay for them now. The nature of the service is such that you can't just decide to cut... It's almost a demand led budget effectively isn't it?" (LA2, P4)

In contrast, cutting early intervention services and/or non-statutory services was acknowledged as an easy or *"quick win"* (LA1, P2) as they were the most vulnerable services, considering the current financial climate.

"Because they're not statutory, because they're extra, people find them easy [to cut], they are low hanging fruit to just cut off and say we can afford to save that because we don't have to do that." (LA1, P7)

The other local authorities concurred, and staff acknowledged that from both an evidence and experience based perspective, they knew where funds 'should' be targeted, i.e. in preventative or early help services, in order to improve the outcomes for children and prevent the escalation of emerging issues unnecessarily. However, staff across all three local authorities expressed frustration that with the funds available, this model was not always practical. Thus, staff were not able to engage in as much preventative work as they had previously done, due to the overarching context of austerity throughout the country:

"We're saying early help is most important in the lives of these children and young people. And that juxtaposition of having to say this is really important but this is where we're going to take the money from, I think, is the real challenge of where we're at in this point in time." (LA3, P3)

Whilst this was reflective of the experience of staff in all three local authorities, staff in each local authority were able to identify areas that they spoke about with pride for maintaining some level of service within non-statutory provision. Within local authority 1, which had the second largest reduction in early intervention spending, staff spoke proudly regarding their protection of early intervention services which they saw as reducing the number of looked-after children and those on the edge of care. In local authority 2, which had a similar reduction in early intervention spending, pride was articulated in relation to maintenance of some provision of youth services. Lastly, in local authority area 3, which had substantially increased their early intervention spending in light of wider funding cuts, staff spoke confidently about their continued early intervention offer, albeit with fewer staff members.

Despite this effort, all three authorities described how preventative, non-statutory, work inevitably suffered some service reductions and losses to various degrees. Even in the area with the smallest decrease in funds (and an increase in their early intervention spending), cuts to some preventative services had taken place.

Consequently, it was observed that the threshold at which 'early' help was offered had been pushed up the scale in some areas, as opposed to encompassing the broad spectrum of services local authorities were once able to offer:

"We would see early help very much as one up from a more universal offering...and that service is unapologetically targeted at vulnerable families and vulnerable children." (LA1, P3)

"When we first developed our early intervention strategy, which was in 2010/11, our resources were all right. I mean, you could always have more but at the time, compared to where we are now, we were significantly better off. When we talked about early help it was quite a broad offer that encompassed those who were just starting to show that there were problems in the family. I would say where we are now – we've shifted the targeted support right up the system, which is butting up at the moment against child in need, really, so it's that pre-child in need. So, our internal early help offer is about before you get to child in need." (LA2, P2)

As illustrated by the above quotes, staff observed that resources were being directed disproportionally at the high end of the spectrum of need, generally encompassing the most vulnerable cases, without the time or resources to commit to planning to intervene earlier. Thus, funds were taken out of the early help budget to help fund other services down the line of need. This was especially true for local authorities 1 and 2 who had reduced their early intervention spending significantly, but had seen smaller reductions, or even increases, in late intervention spending.

Staff repeatedly highlighted that where spending had been increased (or had only small reductions), it was often the statutory nature of those services which had made cuts difficult, due to the legal obligation to provide support.

One statutory area that was repeatedly acknowledged was around provision for looked-after children. However, staff also noted that these services were disproportionally expensive with a large degree of funds being spent on a small proportion of the most vulnerable, and that it would be both better for children, and relieve cost pressures, to invest in services which prevent children needing to be looked-after in the first place. These high statutory provision costs contributed to budget pressures across children's services more generally (strategies to reduce costs in this area are discussed in Section 6.3).

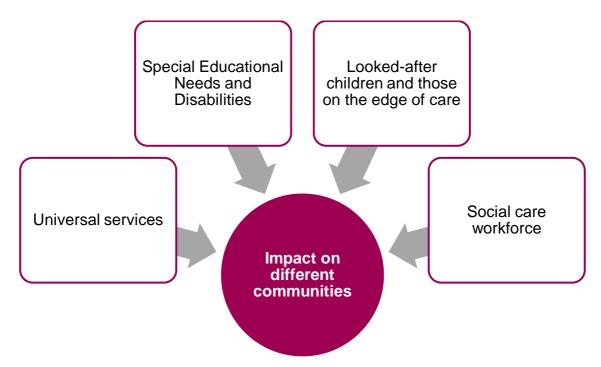
Despite the impact of cuts and efficiencies, participants in all three local authorities highlighted that reductions in funding had motivated professionals to evaluate the efficiency of existing services. In some cases, this had resulted in alternative ways of thinking, which led to agile, innovative, and novel ways of delivering or commissioning services (discussed further in section 6). It was felt that:

"We've salami sliced the budget and cuts and things as far as we can go so now, we've got to think about how we reshape those services." (LA2, P6)

However, there was a wider sense that the shortfall in funding was also beginning to limit and restrict innovation; beyond a certain level of efficiency saving, service and funding reductions were counterproductive to innovation. Indeed, participants highlighted that innovation involved an element of both risk and, in some circumstances, upfront capital through investment. Thus, innovation occupied a small window within the overall context of funding cuts.

5. Impact of funding reductions on different communities

Interviewees in all three local authorities were asked whether particular communities or groups had been affected by reductions in funding and, potentially, reductions in service provision. Four key groups or areas of service provision were identified as being disproportionately affected by reductions in funding – and these were highlighted across all three local authorities:



5.1 Universal services

Given the prioritisation of need at the higher end of the spectrum, focusing on statutory duties, staff highlighted the reduction of universal services as an area of work that had been disproportionately affected by reductions in funding. Subsequently, there were feared to be knock on effects for children, families, carers, and the community as a whole.

Even in the authority with the smallest funding reductions, which had managed to increase their early intervention funding, reductions in high volume services were still cited as an issue. For instance, one issue raised was the reduction in the number of health visitors within the local area. As a result, they saw fewer children than historically - and these were likely to be at the more severe end of the risk spectrum. Whilst this had not led to the cessation of the entire early intervention service, it had placed increased pressure on the service and was felt to reduce the quality of the service that they were able to deliver.

Concerns were also raised that reductions in funding for universal services had impacted on the availability of services to support the social, emotional, and mental health (SEMH) needs of children. Reductions or losses of early intervention services catering to the community were found to have resulted in fewer services to pick up on lower level mental health and wellbeing issues. As a result, this was said to be putting pressure on mental health services later down the line, where more serious issues were being identified for their first time, which had not been addressed earlier.

Local authority 1 also discussed the specific reductions in universal support through children's centres within the local area. Whilst some level of service provision through children's centres had been sustained, their focus had changed from a universal service to a service specifically

for families working with a social worker. Subsequently, parents without this level of support could no longer access support from children's centres:

"Children centres nationally are an early intervention, anybody can access. We've lost children's centres through austerity. We've always had children's centres as part of our social care provision. Our family centres are for families that, if they've got a social worker and we're actively working with them. It's not open access, you can't walk up to our family centre and say can you give us some parenting support?" (LA1, P8)

The reduction in universal services across all three local authorities was spoken about in relation to having a direct impact on children today. However, staff were also acutely aware of how this would also affect future generations. Indeed, there was acknowledgement that children's experiences in early childhood are shaped by their familial environment. One participant articulated this concern, where reductions in early intervention and universal services at present may perpetuate a negative cycle and lead to increased need in the future:

"The worry is they [children] will then become our parents who aren't particularly well equipped to deal with their own emotions and all that sort of stuff. I feel like that is a bit of a rising issue in terms of moving with the world we are living in." (LA3, P2)

5.2 Special education needs and disabilities

In addition to reductions in universal services, there were certain groups of children and young people where service reductions and losses had a significant impact. Some participants in local authorities 2 and 3 highlighted children with special educational needs and disabilities (SEND) as disproportionately affected. Whilst funding for SEND services is provided by the High Needs Block of the Dedicated Schools Grant, the purpose of the Children and Families Act 2014 was to improve multiagency support across Education, Health and Social Care, emphasising the importance of joint assessments and commissioning of services. It is clear from our interviews that the increased cost of SEND provision is a major contributor to the overall funding pressures facing local authorities' children's services.

In one local authority, there was a view that the legislation around EHCPs and SEND had good intentions for providing support for children and young people but had resulted in some new challenges for staff members and those who worked in this area. Due to the new legislation, an EHCP was now viewed by parents as the "*gold standard*" (LA3, P3). Consequently, EHCPs and SEND diagnoses were being pushed by schools and parents as a way of enabling their child to get the appropriate support.

As a result, there had been a perceived increase in the number of children and young people with SEND diagnoses and EHCPs within this local authority. However, there had not been a simultaneous increase in the services available to support this group of children and young people. Thus, a large proportion of staff time was being spent assessing children and young people's needs, despite the fact there were not always follow-on services to refer to. One participant stated:

"All our staff are pushing themselves into assessment, and you can't assess the death out of people. I've got people saying, I've got half an hour to assess you, but I don't have 3 hours to do anything to help you." (LA3, P3)

Local authority 1 also discussed a perceived increase in SEND diagnoses but attributed this to better knowledge and understanding of issues, including Autistic Spectrum Disorders. Consequently, staff had widened their knowledge and experience of these disorders and therefore identified children earlier and more often. Despite the different reasons for the

perceived increase in diagnoses, staff in local authority 1 agreed that diagnoses created expectations, which served to increase demand for services.

In addition to high expectations following diagnoses, staff members highlighted that there were further exacerbating factors affecting this population. Participants reflected on the comorbidity of SEND and socio-emotional mental health needs. Such comorbidities were identified as key factors in the increased complexity of cases in recent years; however, again, resources had not increased at the same rate.

Given that there had not been a simultaneous increase in SEND provision, local authorities often had no choice but to turn to costly independent, alternative, or specialist provision to meet the needs of these children and young people (and the expectations of parents). Whilst this ensured that services were not reduced for this population, the change in the nature of provision inevitably led to budget pressures, given the disproportionate cost of independent provision in comparison to in-house provision, which was not always available.

5.3 Looked-after children and those on the edge of care

Another group of children and young people that was discussed in relation to disproportionate impacts of service reductions and losses was looked-after children and those on the edge of care. However, the impact on children and young people in these groups varied from local authority to local authority.

Indeed, the local authority with the highest decrease in funding discussed how (possibly due to limited early intervention services) there had been a significant increase in looked-after children, particularly within the 10-14-year-old age group. This had knock on effects and saw the number of children in expensive placements increase.

In contrast, local authority area 1, who had the second highest decrease in funding, spoke of their conscious efforts to reduce the numbers of looked-after children through their edge of care provision. Staff in this authority discussed how, principally, this decision was made because it achieves the best outcomes for children and young people and was the right and moral thing to do. Secondly, staff noted that it also helped to reduce the high costs of providing care placements. Financially, this was achieved through a virtuous cycle of investment between services which reduced the need for children to enter the care system, and savings from reductions in the care population were reinvested into edge of care services:

"Care is the most expensive way of dealing with children and families in trouble. That is absolutely the most expensive way of dealing with it. So, anything that can avoid that has to be sensible financial management." (LA1, P8)

Despite this, there were concerns raised about the limited service provision, even for this 'protected' group, with a disconnect between supply and demand. Participants highlighted concerns about escalating costs of care placements – including both residential care and fostering placements. Limited marketplace availability in terms of providers available to local authorities was a particular concern, meaning that some authorities had no choice but to commission placements from independent agencies, who in some cases, generated substantial profits from the placements they provide. This affected both the support available to children and the financial impact of the increased cost of private placements. Thus, disproportionate funds were being spent on the small number of the most vulnerable children and young people.

Indeed, the costs of providing support for looked-after children were found to be high and, in some cases, were driving local authorities' reliance on reserves (discussed further in section 7). Whilst in local authority 1, there was a view that these numbers were decreasing, in areas

worse hit by funding reductions, the number of looked-after children had risen substantially (by over two-thirds in local authority 2). Subsequently, there were worries regarding the mounting cost in terms of the level of need for intensive support within this, potentially growing, group of children and young people. Thus, the cost of high-level needs within the looked-after children population was felt to exacerbate the already stretched budgets across children's services generally.

"We are seeing children becoming looked-after because we are struggling to get traction on the level of demand and to turn the curve of that level of demand, and we do everything we can to support children within their families, but their lived experiences, those adverse childhood experiences, their trauma is having such a significant impact on them that we are still seeing higher numbers of children looked-after. That in turn is creating the budget pressure in children's services and that budget pressure is my biggest concern for the future." (LA2, P3)

As a result of need and restricted funds, participants across the three local authorities highlighted numerous ways that they felt they had made efficiencies in this area, whilst still trying to ensure decisions were made in the best interests of children and families (discussed further in Section 7). For example, in local authority 1, as discussed, staff had reinvested savings into edge of care services. In local authority area 2, participants discussed the increased recruitment of in-house foster carers and reduced outsourcing of residential placements. Similarly, in local authority area 3, staff highlighted reduced reviews for looked-after children at the point of leaving care under a needs-driven and responsive approach.

5.4 Social care workforce

Finally, service reductions and losses were also seen to affect social care staff working in local authorities. These professionals were cited as those who bore the brunt of funding cuts, in spite of the fact they worked in statutory services.

In order to deliver services, it was noted that all local authorities needed a well-equipped workforce. However, with cuts to funding (and possibly redundancy situations) there were worries that there were insufficient numbers of social care staff to effectively support the needs of looked-after children and those on the edge of care. One local authority staff member simply commented: "*We still haven't got enough social workers to meet all the needs of all the children*" (LA3, P3). This was particularly concerning in the local authorities where the numbers of looked-after children had increased dramatically over recent years. Consequently, with fewer members of staff this required those that were there to wear many hats to make up for the shortfall, it also resulted in higher than ideal caseloads for some - one participant described how social workers had caseloads "coming out of their ears" (LA1, P3). These large caseloads were counterproductive to building relationships with vulnerable children and families.

In addition to the numbers of social care staff in relation to looked-after children and those on the edge of care, there were also worries about the retention of these members of staff. The reductions in staff, and high turnover of staff members, were seen to have a negative effect on children's outcomes and experience:

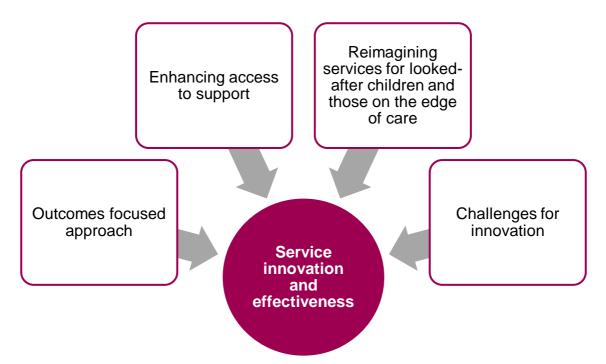
"It creates delay and drift for outcomes for children. It means you are leaving children in situations which you would ideally not be because the person who was completing the parenting assessment has left and the new person coming in has got to read it all again. You know it is a real challenge and that does create problems." (LA3, P2)

Furthermore, as well as the negative effects on children, participants across all three local authorities acknowledged the difficulties within this profession for the workers themselves.

Interviewees described social care jobs as demanding, hard, and "doing so much with so little" (LA1, P7) – which resulted in a heavy reliance on staff members' moral compass and good will. "We're just going to squeeze so much out of social workers, that people are going to leave." (LA1, P7)

6. Service innovation and effectiveness

As mentioned in section 4, service reduction and losses prompted local authority staff to reconsider and re-evaluate what and how they were delivering services, with the aim of re-organising or re-energising existing services to cater to the best interests of children and families. Four key themes were identified in relation to approaches to innovation in practice:



Whilst staff members across all three local authorities spoke about different areas of innovation within their local practice, one local authority wanted to debunk the term 'innovation'. Instead of being something novel or ground-breaking, in most cases when staff spoke about their innovative practice, this was in relation to much more everyday aspects of service delivery and provision. Thus, instead of completely overhauling service delivery, for the most part, innovation meant making services more effective and efficient through small, manageable changes. One participant discussed this:

"I think a lot of the time when we use that big word, innovate, somebody is thinking about some new big project. Where, actually, I think it's often the conversation and somebody says something just in a different way, they use a different set of words, or they come at it from a different angle, and you suddenly think, oh yes, that gives us room for manoeuvre, that changes the way we want to work." (LA3, P3)

6.1 Outcomes focused approach

As illustrated by the above quote, one of the key changes within innovative practice could result from looking at issues from a different angle. Indeed, this shift in perspective was discussed in two, out of the three, local authorities that were interviewed. Both local authorities 1 and 3 felt they had made a move away from an output focused approach, with a focus on direct deliverables such as the number of people that a service has been in contact with, or the

number of activities carried out. Instead, there had been a move towards a more outcomes focused approach, focusing on the impact or success of these services in effecting change. This was largely driven by senior leadership teams within the local authority and was a *"testament to how effective leadership actually can change what's happening on the ground"* (LA1, P1).

Overall, this new strategic goal aimed to look at services in a different way, putting people at the heart of this process. In this way, services are evaluated not by how many people have passed through the doors, but in a way that questions the impact they have had on service-users. As articulated by one participant, *"it's the outcome that's important, not the service as such"* (LA1, P3). This alternative way of looking at service provision was viewed as helping local authorities to re-evaluate which services to provide or commission, based on their effectiveness and cost-effectiveness.

This approach was thought to help local authorities to move away from commissioning in yearly intervals, and instead integrate reviews within this commissioning process on both an individual level and a service level to ensure that services were having the desired effect:

"It really is important that we're able to say we spent this much money, and this is what we did with it and that's been good value." (LA3, P3)

In this way, commissioners are able to assess value for money within services, saving on services which may not be as effective. Moreover, staff will be able to review individual-level change, which may result in more responsive services, and more positive outcomes for children and families.

For example, staff in local authority 1 extended the outcomes focused approach to services the local authority commissioned from outside organisations. It was noted that this focus on outcomes, rather than output, increased the flexibility of the offer and was seen as a more effective way of meeting local need:

"What we haven't done there is prescribe to the provider a model, we haven't said this is what we want you to do, this is how we want your teams to operate. That for us has been difficult to resist. What we have said is that this is a set of outcomes, these are the things that we want you to deliver for families across [local authority], how you go about that, how you use the workforce, how you use the financial envelope, it's entirely at your disposal, we're not prescribing anything to you. So, in that way, by being non-prescriptive around the model, you give the provider some freedom to do something different in tendering." (LA1, P3).

Staff in local authority 3 working with looked-after children also discussed the flexibility which taking an outcomes-focussed approach allowed them. Staff noted that this new approach had helped them to review various therapies to better understand and question if a therapy that a child had been having for some years did not appear to be 'working', why this might be the case, and what they could change in order to better support the child.

This sort of assessment at the individual, rather than service, level was seen to be a move in a positive direction. Using the example of looked-after children, staff noted that there were risks involved with children in good placements getting lost or forgotten in the system. Indeed, if a child was doing well in a 'good' or 'outstanding' children's home, they may become less of a priority in comparison to a case where the placement was breaking down. However, with more assessment and re-assessment embedded into the systems, there may be less risk of cases being overlooked.

Whilst an outcomes focused approach was viewed as a positive shift, it did not come without its challenges. Indeed, the measurement of 'impact' could be complex with many variables and

was far from a single thing to define and measure. This naturally caused initial issues for local authorities and other organisations in moving towards this newly implemented outcome focused approach.

6.2 Enhancing access to support

Innovative practices highlighted in interviews focused on building capacity, to free up or increase resources, and efficiency, to use resources in a cost-effective way and minimise any wasted time or effort. Staff members noted that developing stronger relationships between and within the locality was integral to enhancing access to support for individuals and families and increasing capacity and efficiency of local authority services. Increased access to support came from many avenues including community-based support, changing thresholds of access to support, and moving away from working in silos to more integrated approaches.

With regard to building relationships within the community, enhancing community resilience and support was cited as key for helping families and neighbours to rely on social support. Subsequently, building these relationships enables communities to support each other, decreasing the reliance on the local authority and increasing access to peer support.

An example of how one local authority was trying to build communities was given as the Empowering Parents, Empowering Communities (EPEC) programme, which trains parents to lead groups in the local community to promote effective parenting (more information in Figure X). Whilst only a recent investment locally, participants felt like there had been positive results from this and could potentially help to keep children living at home, rather than being looked-after. Moreover, it was identified as a sustainable model of supporting families:

"From a sustainability point of view, it's significantly cheaper but, regardless of that, it's significantly better for other parents to hear it from parents, because parents listen to parents. Parents don't always listen to professionals." (LA2, P2)

Whilst the other local authorities had not invested in the same programme to build communities, another one of the interviewed local authorities was actively considering it. Indeed, they had hopes of introducing a peer support system for parents, whereby trained parents coached other parents to increase communication, support, and the development of positive parenting skills. It was hoped that this would ultimately have a range of positive outcomes for both children and parents in increasing permanence, reducing the numbers of children in care, and provide parents with avenues of support. Thus, it was clear that across the board local authorities saw the value in increasing community support.

Figure X. Empowering Parents, Empowering Communities (EPEC)

EPEC is a community-based preventative/early intervention programme that aims to help children and families get the best start in life through improving the scale, access, and effectiveness of the parenting support available.

The programme utilises a peer-led format; it recruits and trains up local parents through an accredited course to lead parenting groups in the local community. These groups have their content focused on improving parent-child communication, understanding attachment, managing parenting roles and expectations, increasing understanding of children's emotions and behaviour, and equipping parents with effective strategies to promote positive behaviour and development for their children.

EPEC is supported by evidence that suggests it has a positive effect on both parents and children's outcomes². Additionally, it has been identified as a low-cost intervention.

In addition to enhancing access to peer support, local authorities also sought to increase access to support from the local authority itself. In one local authority, staff spoke about a new way of assessing need to ensure services were accessible to families. Staff described how there had been a move away from the previous threshold system and had directed efforts to integrate a new system with a different focus to increase access to support:

"We've got a new threshold document which is trying to think less about how people have to fit into a certain box and category in order to receive a service. Again, I think that it really shows our ambition as a whole partnership to have families getting help wherever they need it from whoever is best to help them." (LA3, P2)

Additionally, the importance of taking more integrated approaches to working were discussed by local authority staff. These included a focus on multi-agency support hubs, or similar integrated approaches, as a means to encourage accessibility of services for families. It was noted that strong working relationships with partners such as the police and local and national voluntary and community sector organisations were key to achieving more integrated support systems. There was recognition that pooling resources was fundamental to achieve sustainable service delivery and community safety. Moreover, there was recognition that more integrated services could cater to the family as a holistic unit:

"One of the compelling conversations that we've had with families is that if you work with us as families and not as children and adults and carers and split us up, then that might be the beginnings of a step towards something that is more successful and more useful." (LA1, P3)

Regardless of the different ways in which local authorities chose to innovate in terms of increasing access to support for children and families, ultimately these strategies stemmed from the same core principle: to increase early intervention services and decrease the escalation of issues.

6.3 Reimagining services for looked-after children and those on the edge of care

Given the statutory duties on local authorities to support looked-after children and the high costs associated with this, all interviewed local authorities discussed the importance of innovative practice with regard to looked-after children and those of the edge of care (as a way of reducing the number of looked-after children). Indeed, innovation within this area was seen as necessary to improve outcomes for children, manage the (often high) numbers of looked-after children, and attempt to keep children out of care (where this was safe to do so).

In local authority 1, staff proudly described their innovative attempts to reduce the number of looked-after children. This had been achieved through investment in early intervention services using money that had been saved from the reduction of numbers of looked-after children. This reduction had been achieved, in part, through a new approach to family therapies for those children on the edge of care. In a change to previous approaches, these therapies were delivered through a series of 8-10 sessions with families on the edge of care. Staff members

³ Day, M., Michelson, D., Thomson, S., Penny, C.,& Draper, L. (2012). Evaluation of a peer led parenting intervention for disruptive behaviour problems in children; community based randomised controlled trial. Available from: https://www.bmj.com/content/344/bmj.e1107.long

⁴ Day, M., Michelson, D., Thomson, S., Penny, C.,& Draper, L. (2012). Innovations in Practice: Empowering Parents, Empowering Communities: A pilot evaluation of a peer-led parenting programme. Available from: https://onlinelibrary.wiley.com/doi/abs/10.1111/j.1475-3588.2011.00619.x

acknowledged that this was a *"fairly short period of time*" but enough to start to *"look at how families might be able to take back control, how they might be able to conceive of things differently*" (LA1, P1). These sorts of short, intensive courses were felt to be particularly effective to intervening earlier, reducing the number of children in care, and saving money in the long-term.

The cost savings of this new approach were seen to be substantial, but more importantly, this approach was felt to improve outcomes for children and families. Despite the success of these initiatives in the local authority, staff highlighted that they had transformed services for looked-after children and those on the edge of care at a time when money was more readily available. Consequently, staff warned that local authorities wanting to go through the same process today would likely find this exceptionally challenging – these challenges of innovation timelines are discussed further in Section 6.

In local authority 2, staff articulated concern over the high costs associated with looked-after children. Consequently, areas of innovative practice within this local authority centre around trying to reduce these costs. One approach to seek to address this had a been a move towards in-house service provision, as opposed to costly independent provision. This was already well underway for foster carer recruitment, whereby the majority of local children were in in-house foster care, which staff had more confidence in:

"We don't have a lot of children in independent fostering agencies...I prefer that for a number of reasons – one, obviously for the finance; but, two, because we have assessed them; we're supporting them. I have more confidence in the work that I'm overseeing, and we are part of, than relying on an independent fostering agency." (LA2, P1)

In addition to in-house foster carers, it was also noted that the local authority had opened their own residential children's homes, rather than relying on independent providers. Whilst these inevitably came with substantial up-front costs, the cost of providing these services in-house was seen to be sensible financial management in the long-term. Most importantly, this approach was seen to have benefits for children and young people's outcomes as those in-house residential children's homes were smaller than independent providers' homes, which was beneficial for the development of strong and positive relationships between staff and children. Thus, it was postulated that these support services may be more effective in the long run in comparison to larger homes.

Lastly, in local authority 3, staff members discussed two new initiatives; one targeted at children on the edge of care, and a second targeted towards care leavers. The first service redesign was motivated by keeping more children at home and out of the care system. Within this service, in situations where there may have been a family breakdown, young people on the edge of care could access a service to facilitate some "*breathing space*" (P3) within the family unit. Secondly, light touch reviews had been introduced for care leavers as a means of targeting need more appropriately. This system necessitated strong relationships between social workers and children and families, to ensure social workers could accurately categorise young people as complex, medium, or low level in terms of their needs. Ultimately, this approach was viewed as providing a better service for children and young people in and leaving care. However, it was also seen to be a more cost-effective model, whereby the local authority could offer tailored support in response to a sliding scale of need.

"That's enabled us to go into light touch and evidence to the authority and Ofsted that we're not just forgetting them – we've got evidence to say that we do know them and that we have escalating systems in place to say when they need more. So, it's complex how we stretch our resources more but to still target the right children that need more and not just blanket all children needing the same." (LA3, P1)

6.4 Challenges for innovation

Whilst participants spoke of areas of innovation within their work in terms of changing perspectives, enhancing access to support, and specific initiatives for looked-after children, concerns were also raised over the maintenance of innovative practice. Indeed, staff articulated concern that if funding for local government reduced further, it is likely that this would reduce innovation in future:

"What [continued funding reductions] could do is it could knock innovation out the system really. And it's through innovation that some of this change stuff happens and the magic happens with families." (LA1, P6)

Consequently, innovation was viewed as a double-edged sword. Up until a certain point, reductions in the funding landscape were identified as motivating efficiencies and innovative ways of working for local authorities. However, after a certain point, it was acknowledged that ultimately reduced funding worked to hinder innovation, which requires upfront investment. Consequently, innovation occupied a small window of opportunity:

"Sometimes I would say we have very innovative ideas and we have a very positive outlook on trying to change lives. But we're almost in a vicious circle because resources are so scarce, we try absolutely everything within our power to be able to push these, you know, initiatives but it's very difficult to maintain because we haven't got the resources." (LA2, P7)

This feeling was articulated throughout the interviews with all three local authorities, including the local authority with the smallest reduction in funding who had increased their early and late intervention spending. Thus, even in local authorities where funding reductions had not been so drastic, there were still concerns over the future of innovation given the current funding landscape:

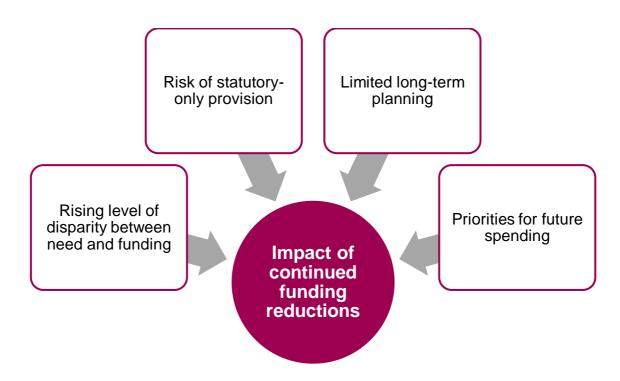
"So even though we've been creative, evidence based, our budgets are going to be cut again and now we're still all thinking, which is great of course, creatively, how do we target our resources even more effectively if we possibly can which we're seeing we can't at the moment so it's a struggle." (LA3, P1)

Despite concerns over the sustainability of innovation, there was a strong sense of creativity and a desire to further innovate amongst children's services staff. Participants had a range of ideas for the future, which cut across health, education, and social care settings and included how technology could be used to help streamline or innovate practice within service delivery. However, it was acknowledged that the likelihood of introducing any further innovations in practice was dependent on future funding.

In spite of these reservations, the value of local authorities sharing innovative practice was identified as vital to continuing innovation to ensure exposure to new ways of doing things and identify best practice. Consequently, even when funds were restricted, innovation could have the potential to continue through shared learning and practice between local authorities.

7. Impact of continued funding reductions

Participants expressed concern over the potential impact of continued funding restrictions and losses, as well as their hopes for future funding. There was a general acknowledgement that the sector needed more money to sustain services and to allow staff room to deliver services in the best and most efficient way possible. Whilst authorities were doing all that they could with the funding available, it was highlighted that *"we try and stretch that cash as far and as wide as possible and be as efficient as we can, but it will run out at some point"* (LA1, P2). Within discussion of some of these fears, four key themes were identified as primary concerns:



7.1 Rising level of disparity between need and funding

As discussed in Section 4, staff across all three local authorities articulated worry over the disconnect between the decreasing funding environment and the increase in local need that had presented itself in recent years. The most prominent concern relating to the impact of continued funding reductions was the continuous and rising level of disparity between need and funding. Even more concerningly, there was acknowledgement that there did not appear to be any sign of a future decline in the levels or complexity of needs amongst vulnerable children.

On the contrary, there were felt to be increases in looked-after children, children with SEND, and mental health problems amongst children, young people and families; without any hopes for improved funding options.

One of the main groups that participants expressed concern over was the rising number of looked-after children. As well as the impact on children and families, the high costs associated with this population were also repeatedly highlighted during interviews, which were viewed as a significant concern for budgets. Staff felt like they were doing everything possible to support families and mitigate the impact of funding cuts, however it sometimes felt like a futile exercise due to the realities of local demand.

"It sounds a bit dramatic, doesn't it? But there are a proportion of our children who you almost see their life flashing out ahead of them and I think, if our resources were pulled even more, then they will be lost." (LA2, P2)

Even in local authority 1, which reported a reduction in the number of looked-after children (due to a conscious effort to reimagine services and reinvest funds into edge of care services and early intervention services), many interviewees feared that rises in coming years were inevitable. Thus, this would continue to be a key spending pressure within local authorities.

For looked-after children in particular, there were further compounding issues in terms of the availability of the social care workforce. In line with the disproportionate impact on this profession, there was recognition that funding reductions had resulted in a workforce shortage of social workers. It was noted that recruitment of certain professions (especially social workers) was challenging. This resulted in high caseloads for social workers, which put into question the quality of service that they were able to provide to looked-after children and those on the edge of care.

7.2 Limited long-term planning

Whilst participants discussed some level of protection, especially for statutory services and targeted funding, the sustainability of this protection was questioned. Consequently, there were concerns over the abilities of the local authority to plan sufficiently in the long-term.

In section 4, participants drew attention to the allocation of the Troubled Families funding for allowing some protection for family support services. However, concerns were raised that local authorities could not afford to replace Troubled Families funding:

"We have an interesting choice coming up regarding the Troubled Families scheme, we don't know if we're going to get the funding renewed on it and this is a £4 million service of early intervention. That money is going to run out in 2020 and we can't get from central government what they're going to do so we have to plan now to close that service. We can't wait, we have to plan now." (LA1, P2)

A short while after these interviews were conducted, the 2019 Spending Round commitments were announced, where it was noted that the commitment of further funding for the Troubled Families programme for one year had improved this situation to some extent. However, sustainability was still a significant concern for local authorities as this still did not allow for more longer-term planning:

"We're not in a position where we even have any idea what our budget's likely to be for 2021. So, from a projection point of view, we're having to do all sorts of cash freeze models and you know there's going to be further cuts." (LA2, P4)

In addition to limited funding to enable long-term planning, staff members also articulated concerns over the uncertain future political and economic landscape. The UK's exit from the European Union caused anxiety amongst staff members, who were uncertain on the impact of this on local families. There was a fear that 'Brexit' could make life harder for families who were already struggling and increase the use of food banks, in the wake of a potential economic downturn.

As a result of funding uncertainty and the economic uncertainty generally, local authorities struggled to make long-term plans, which was seen to hinder future-thinking and innovation.

7.3 Risk of statutory-only provision

With the uncertainty over the future funding climate and the growing disparity between the funding available and the needs within the local area, staff members across all local authorities expressed worries over the unsustainability of the continued downward projection of funding and continuing reliance on reserves:

"We have got a funding gap in the authority." (LA1, P1)

"We can't continue to afford what we've got at the moment, and that's the sadness of it." (LA3, P5)

"I think it's very difficult to make long term plans in a situation where funding is just going down, and down, and down and reserves are, you can't just keep going back to reserves." (LA2, P5)

Due to the large reliance on council reserves to bridge the gap between needs and funding, local authority staff pondered 'worst case scenarios'. It was acknowledged that without any improvements to the funding landscape, some councils may be reduced to providing statutory only provision within children's services, available only to those with higher levels of need. For staff members, the possibility of ending up as a "*purely social care statutory service…nothing else*" (LA, P2) was expressed as a genuine concern if funding cuts continued. Talking about looked-after children specifically, one participant reflected on these statutory duties:

"If we talk about children in care, the issue that we have is demand and price is increasing but you still have that statutory responsibility for safeguarding of that child so sometimes because of supply and demand you have to make that spend regardless of anything else so that may well lead to you overspending your budget." (LA1, P2)

Thus, any services that were not statutory would be reduced beyond recognition, all in attempts to continue to fund statutory services. However, as discussed in Section 4, this sort of model was thought to exponentially increase demand for statutory services later down the line as there would be no (or limited) services which would identify and manage lower level risk. Within this, there were fears that this would have a knock-on effect and perpetuate a negative cycle where reduced early intervention services now have long-lasting effects on future generations:

"I always start with children, broadly our children that we're investing in now is our future and so until we get that right they won't be accessing work, growing as an adult, you know having their own children safely so we're perpetuating a model where we're not reaching what we need to reach if that continues." (LA3, P1)

"They've cut so much from non-statutory services, that they're expecting now so much more statutory services without there being that that non-statutory used to do such a really important job....That's when problems start because that then feeds [children/families] into the service and they become low level... soon the stuff that was medium level seen becomes high level...soon becomes Child Protection. So, I think my real concern is if we don't invest enough in the early intervention stuff." (LA1, P7)

7.4 Priorities for future spending

Whilst concerns and fears for the future dominated conversations, participants did express hopes of where monies could be used should extra funding be made available. Participants were hopeful that it was only a matter of time before the shortfall in children's services would be addressed and recognised at a national level, due to the rising demand.

Priorities for any extra funding were, unsurprisingly, focussed on early intervention services and further enhancing access to support. One participant noted that "*any sensible worker would say that if we had more money, you should put that into early intervention*" (LA1, P8). Support for children transitioning into adulthood was another area where it was felt much more could be done if resource was available. These initiatives were sought after in order to provide better services in the local area and improve outcomes for children and families.

However, the reality that funding reviews were likely to be pushed back again served to dampen hopes of any changes within the funding climate⁵:

"It looks like the funding reviews will potentially be pushed back again doesn't it, we just, you cannot ...but you cannot spend all of your life focussed on one thing and let everything else go to the dogs, and that is what it feels like at the moment..." (LA2, P3)

Even if new funds were to become available, participants did express concern that these funds could be misdirected. Staff discussed the influence of the media and "*headlines*" (LA3, P3) in affecting where any additional funds may be directed. Issues that made headlines were felt to disproportionally attract funding opportunities from central government, where that money could be better used elsewhere, to tackle issues affecting more children. Thus, participants wanted more local oversight of the spending of any future additional funds.

"If I talk about the children who have ASD and have social and emotional mental health concerns, what's in the press about that? What are we doing in terms of developing that- why isn't every child being taught about ASD? When they will, in their life, meet someone with ASD. It just feels there's a whole agenda at the moment where we have skewed ourselves away from some of the things which are the reality of living lives that our children are going to experience." (LA3, P3)

Local oversight was also sought after by local authority 1, who wanted more community engagement and involvement in future spending decisions. This inclusive approach was viewed as the best way to ensure that community needs were met, and that communities were actively involved in managing provision, with the local authority playing more of a facilitating role:

"I think that there is something between the local authority as the doer and local authority as the advisor or facilitator and working directly with local communities." (LA1, P3)

⁵ Interviews were held before the announcement of the general election in December 2019.

8. Conclusion

Across the country, the funding available to local authorities has declined significantly over the past decade. The impact of this had been variable for individual local authorities, with different areas responding to the socio-economic climate in differing ways. Within the current sample, local authority 2 had experienced the largest decrease in funding over the previous decade, which necessitated substantial decreases in early intervention spending and a moderate increase in late intervention spending to cope with demand for statutory services. Local authority 1 had experienced the second biggest cut to funding and had substantially reduced spending on both early and late interventions. In contrast, local authority 3 had experienced the smallest reduction in funding – and had increased both its early and late intervention spending of three local authorities that were interviewed.

Despite this variation, all local authorities described and lamented the inevitable service reductions and losses which they had faced over the past decade. Local authorities explained how they had strived to protect children's services as much as possible, relying on ring-fenced funding, grants, and the council's financial reserves. However, this was increasingly difficult given the growing level of demand and need within local areas. The correlation between decreasing funds and increased need was seen to be an area of significant concern for local authority staff. Considering this, local authorities had undergone prioritisation exercises – with all three local authorities acknowledging that maintaining statutory provision had to be their main focus. Subsequently, early intervention and/or non-statutory services were most vulnerable to losses. However, both evidence and experience meant that participants were frustrated that whilst this was the reality of the way local authorities had to operate, it would inevitably lead to a need for increased spending later on.

Service reductions and losses were felt to be hard for everyone, however there were certain groups that were viewed as being disproportionally impacted by funding cuts. These included both universal services for children and families, and certain groups of children and young people with high levels of need (often exacerbated by limited early intervention services). These groups of high-level need included children and young people with SEND and, to a lesser extent, looked-after children. Additionally, the impact of funding pressures on professionals, principally the social care workforce, was also highlighted.

In spite of funding reductions, there was a strong sense of innovation and creativity articulated by staff across all of the local authorities, who spoke about the value of opportunities to evaluate, reassess, and redesign services. In two out of the three local authorities, these changes began with a move towards a more outcomes-based approach in evaluating and commissioning services. Thus, monitoring of the impact of services in responding to the needs of individuals was used to evaluate services, rather than basing this solely on the number of individuals passing through the doors. In addition to this change in perspective, local authorities also discussed innovation in terms of enhancing access to services. Given the inevitable prioritisation of statutory services and the concern for looked-after children and those on the edge of care, it was unsurprising that all three local authorities expressed specific initiatives aimed to better and more efficiently support this population – albeit in very different ways.

Whilst innovation and creativity were spoken about enthusiastically, challenges around the sustainability of innovation in the current economic climate were also discussed, with doubts raised about how much longer innovation could continue with limited funds.

Despite all efforts to protect services, prioritise statutory duties, and use innovation to do more with less, participants raised concerns in relation to the prospect of any future funding reductions within children's services. It was acutely highlighted that there continued to be a rising disparity between need and demand and there was no anticipation of this changing in the near future. Subsequently, staff members articulated genuine concern over local authorities being faced with delivering statutory-only provision, accessed only by those with the highest level of need. Consequently, both moral worries about families and financial worries were strongly articulated within the narratives of staff. These fears were further compounded by local authorities' inability to engage in long-term planning, given the uncertainty of future funds and the wider socio-economic climate. Finally, even if additional funds were to become available, staff highlighted the need for funding streams to be flexible enough to respond to local priority needs and questioned the likelihood of this being the case.