

**ADCS Position Paper**

**A COUNTRY THAT WORKS FOR ALL CHILDREN**

October 2017

The Association of Directors of Children's Services Ltd



## **A country that works for all children - executive summary**

There are more children and young people in our society than ever before yet they are at risk of being short changed as the nation's focus turns to 'Brexit,' the economy and the growing pressures in the NHS and adult social care. The government has consistently stated its ambition to build "...a country that works for everyone..." To achieve this aim, members of the Association of Directors of Children's Services (ADCS) believe we must first invest in children and young people to build a country that works for all children and their families.

Local authorities are ambitious about improving children's life chances but a series of conflicting national policy initiatives - particularly in relation to welfare reform - coupled with dramatic reductions in public sector funding, are increasingly affecting our ability to improve outcomes.

There are four million children living below the poverty line currently, two thirds of whom live in working households, this is a relatively new phenomenon and it is concerning for ADCS members that England does not have a child poverty reduction strategy, particularly in light of the [Institute of Fiscal Studies](#) prediction that the number of children living in poverty will increase to a staggering five million by 2020/21. We know that family income has a causal relationship with poor child outcomes but poverty is not only measured in financial terms. Many children, young people and families also find themselves experiencing poverty of access to opportunities. This can take many forms, including children with additional needs being squeezed out of mainstream school to those living in rural areas having limited access to essential public services e.g. youth centres and libraries. This inequality of access does nothing to support the social mobility agenda.

Whilst councils across the country have safeguarded spending on child protection services to protect the most vulnerable, the unintended consequence of the government's austerity programme has been to drive up demand for these services as more and more families find themselves at the point of crisis. [The Child Poverty Action Group](#) suggests the annual cost of tackling child poverty in the U.K. is £29 billion, this sum dwarfs the estimated £2 billion funding gap in children's services (LGA, 2017).

ADCS members are concerned that our ability to address the growing pressures in the child protection system and wider children's services, including schools, via the provision of early help and support to families is being eroded by austerity. The Children Acts of 1989 and 2004 aimed to improve services for children by promoting early help and multi-agency working to bring about positive outcomes for children, young people and their families but these preventative duties have never been sufficiently funded. We are not, nor should we be, a blue light service.

Poverty constrains people's opportunities, only through collective actions can we drive change to achieve a country that works for all children. The lack of sustainable funding for children's services, including schools, must be addressed as a matter of urgency. ADCS members urge the marshalling of resources across the various government departments with responsibilities for different aspects of children's lives and a reaffirmation of the value of preventative services. The importance of investing in the early years and mental health services should similarly be recognised. A cross-government review is needed to understand better the reasons for, and links between, rising levels of child poverty and demand for children's statutory services and the results of this exercise should feed into the development of a child poverty reduction strategy for England. Local and central government must work together to develop a coherent workforce strategy for the totality of children's services - we need to recruit and retain the best staff to work with children, young people and families, particularly the most vulnerable.

ADCS members believe that every child deserves a happy, safe childhood in which they can thrive, not just survive, we hope others do too.

THERE ARE **11.8 MILLION** CHILDREN IN ENGLAND TODAY



**3 IN 10 ARE LIVING IN POVERTY**

**729,000**  
EXTRA SCHOOL PLACES  
NEEDED BY 2020



BY 2020  
SCHOOLS MUST SAVE  
**£3 BILLION**

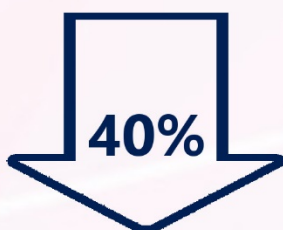


**£2 BILLION**  
FUNDING GAP IN  
CHILDREN'S SERVICES

FOR EVERY **£1** SPENT ON  
PREVENTATIVE HELP  
**£4** IS SPENT ON  
REACTIVE CHILD PROTECTION WORK



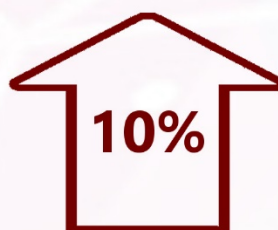
FUNDING REDUCTION AND INCREASES IN CHILDREN IN NEED OF HELP AND PROTECTION 2010-16



FUNDING  
REDUCTION



CHILDREN  
ASSESSED AS  
BEING IN NEED



CHILDREN  
IN CARE



CHILDREN SUBJECT  
TO A CHILD  
PROTECTION PLAN



**1 IN 10** CHILDREN IN ENGLAND  
HAS A DIAGNOSABLE  
MENTAL HEALTH CONDITION

**600** **CLOSED**  
YOUTH CENTRES

**1200** **CLOSED**  
CHILDREN'S CENTRES

**IS THIS A COUNTRY THAT WORKS FOR ALL CHILDREN?**



**Four million children and young people living in poverty today**

*Two thirds of whom live in working households. By 2020 five million children and young people will be living in poverty*

**Poverty constrains opportunities and contributes to rising demand for children's social care services**

*The LGA has estimated that by 2020 there will be a £2 billion funding gap in local authority children's services. Neither central nor local government wants children's social care to be a blue light service*

**Children thriving not just surviving**

*Means not living in poverty and not being hungry. It means having an affordable warm safe home for children and their families. It means having an education that builds resilience, preparing children for independence as well as exam success and adulthood. It means early help with emotional, health and wellbeing needs. Children are listened to and involved in decisions about their lives*

**Investing to improve children's outcomes**

*A preventative approach to improving children's outcomes should be the golden thread running through all government policy. There should be a 'children and young people's impact assessment' applied to all new policy and legislation*

**The early years are vital**

*The Departments of Health, Education and Work and Pensions, must work together with local government to articulate and resource a vision for children's early years. The parental income limit for eligibility for 30 hours 'free' childcare should be reviewed so that this welcome investment in early years is targeted on those children and families who need it*

**Schools are a safety net**

*Schools are the eyes and ears of our safeguarding and wellbeing systems. 'Poverty-proofing' the school day helps families who are struggling to make ends meet but thousands of schools are running a budget deficit and class sizes are increasing*

**Children and young people's mental health matters**

*All local Sustainable Transformation Plans (STPs) should include expenditure relating to CAMHS, signed-off by the local Health and Wellbeing Board*

**Children, young people and families in need of help and support from the state**

*Should be listened to and actively involved in any decisions taken about their lives, working with well-trained professionals and carers*

## Introduction

There are more children and young people in our society than ever before yet they are at risk of being short changed as the nation's focus turns to 'Brexit,' the economy and the growing pressures in the NHS and adult social care. The government has consistently stated its ambition to build "...a country that works for everyone..." To achieve this aim, members of the Association of Directors of Children's Services (ADCS) believe we must invest in children and young people to build a country that works for all children and their families.

Every child deserves a happy, safe childhood in which they can thrive, not just survive. To do so, some children and families will need help and support from the state to secure their wellbeing and keep them safe from harm. Local authorities are ambitious about improving children's life chances but a series of conflicting national policy initiatives, coupled with dramatic reductions in public sector funding, are increasingly affecting our ability to improve outcomes. This has resulted in children's services facing some of their most pressing challenges as more and more families tip into crisis and local authority budgets continue to fall. Indeed, the Local Government Association (LGA) has estimated that children's services departments in England will face a £2 billion funding gap by 2020.

How we care for, educate and support the children of today is an indication of how successful our country will be tomorrow. **There are four million children living in poverty** in England and we believe this is driving up demand for our services as more and more families are reaching crisis point. A country that works for all children must invest in families and communities whilst seeking to address the prevalence and harmful effects of poverty, not only material poverty but also poverty of opportunity. We have reached a pivotal moment in our nation's relationship with its children and both local and national government must come together to ensure the system does not fall over under the pressures it currently faces. Our colleagues at the LGA have set out their seven clear priorities for coordinated action on children's social care. Taken together with the actions proposed in this ADCS paper, we believe they represent a clear way forward to improve services, but more importantly, improve children's life chances and their families' circumstances.

## **A country that works for all children - the conditions for all children and young people to thrive**

In a country that works for all children, families have the economic means to succeed and public services are properly funded to help them thrive. Children and young people who cannot live with their birth parents are cared for and supported by well-trained carers and helped by a well-regarded and well-trained workforce. All children should be able to say:

- My family and I do not live in poverty, we are not hungry
- We have an affordable, warm and safe home and environment
- I am supported to grow and develop. Education builds my confidence and prepares me not just for exam success and the world of work but also for independence
- I am supported early if I have any emotional, health and/ or physical needs
- I am not unnecessarily criminalised and professionals understand my circumstances, I am listened to and actively involved in any decisions they take about my life
- My contribution to my community and wider society is both valued and recognised.

## The pressures and challenges facing families are growing

*“Poverty means not being able to heat your home, pay your rent, or buy the essentials for your children. It means waking up every day facing insecurity, uncertainty, and impossible decisions about money. It means facing marginalisation – and even discrimination – because of your financial circumstances. The constant stress it causes can lead to problems that deprive people of the chance to play a full part in society.”* The Joseph Rowntree Foundation (2016)

In response to the financial crisis of 2008, the previous and current governments have embarked on a programme of austerity with the aim of shrinking the national deficit via a reduction in public spending. Since 2010 there has been an average 40% reduction in funding for local authorities, significantly impacting upon the services and support available to children and families – for example, an estimated 600 youth centres closed between 2012 and 2016 while 1200 children's centres have closed since 2010. The APPG for Children's report, [‘No Good Options,’](#) on children's social care found that for every £1 spent on preventative help e.g. respite breaks for disabled children, children's centres and the diversionary work that youth offending teams undertake, £4 is spent on reactive child protection work, noting: “although the benefits of early intervention are widely recognised, local authorities opting to deliver early intervention services are often struggling to fund their activity”.

Some of the most economically fragile households are seeing ongoing reductions to their benefit payments as the result of a radical programme of welfare reform, aimed primarily at the working age population. Universal Credit, which brings together out-of-work benefits, housing costs and in-work credits, is at the heart of these reforms. In communities where Universal Credit has been rolled out, the [Trussell Trust](#) reports that referral rates to foodbanks more than doubled the national average due to the inbuilt delay in receiving the first payment and the use of sanctions. At the beginning of its reform programme, the government's intention was to ‘make work pay,’ however, given the rise of poorly paid, insecure employment options, a stagnating economy and a housing crisis, this goal has not been realised. As at 31 March 2017 there were 77,000 households – including 120,000 children – housed in temporary accommodation, up from 49,000 in 2011 ([NAO, 2017](#)).

Two thirds of the four million children living below the poverty line currently live in working households, this is a relatively new phenomenon and is concerning to ADCS members as these children are not currently eligible for free school meals. England remains the only country in the UK without a child poverty reduction strategy, this is particularly worrying in light of the [Institute of Fiscal Studies](#) predictions that **the number of children living in poverty will increase to a staggering five million by 2020/21.**

Other welfare reforms include the removal of the spare room subsidy, the introduction of an overall benefits cap, cuts to housing benefit including for 18-21-year olds whilst rents soar, and the introduction of a two-child limit on tax credits and/or Universal Credit. Between March 2014 and July 2015, the [University of Manchester](#) looked at the impact of the removal of the spare room subsidy on children and their education, noting this policy was causing material hardship and adversely affecting children's ability to learn, both at school and in the home, and may also be working contrary to other policies that are intended to support child wellbeing and educational achievement, by diminishing their effectiveness e.g. pupil premium. The [Child Poverty Action Group](#) (CPAG) estimates that an additional 200,000 children will dip below the poverty line as a result of the two-child limit which came into force in April 2017.

Established immigration policies prevent vulnerable people from accessing vital public services, including education and health services, and families with no recourse to public funds (NRPF) have no legal entitlement to financial support or assistance from the state e.g. accessing benefits or local authority housing. But, local authorities cannot and will not leave these families in

destitution. As of 31 March 2017, from a sample of 43 local authorities using the NRPF Connect system, 2,245 households with [NRPF](#) were being supported with accommodation and/or financial [support](#) at a cost of £36.4 million. The precise national cost of NRPF across all local authorities is unknown but it is likely to be in the region of well over £100 million per year.

Children living in (or close to) poverty, are at an elevated risk of multiple individual and family-level vulnerabilities e.g. increased levels of conflict; neglect; domestic abuse; adult substance misuse; and, poor mental health ([Early Intervention Foundation](#), 2017). We know that family income has a causal relationship with poor child outcomes and that there is a correlation between parental stress and anxiety linked to worries over the family income and parenting capacity. The EIF study found that economic hardship affects children differently - this is more visible in cognitive development and school performance in younger children whilst in older children this is more likely to present as social and emotional problems. Poverty is not only measured in financial terms and many children, young people and families also experience poverty of access to opportunities. This can take many different forms including children with additional needs being squeezed out of mainstream school and not having access to the same experiences and opportunities as their peers to those living in rural areas having limited access to essential children's services. The demise of youth services, children's centres and other universally accessible services further limits the opportunities available to those who are unable to pay or travel long distances to access the limited provision that remains available. This inequality of access is doing nothing to support the social mobility agenda as we see an increasing number of young people being socially isolated from their communities.

Whilst councils across the country have safeguarded spending on child protection services to protect the most vulnerable, the unintended consequence of the government's austerity programme has been to drive up demand for these services as more and more families find themselves at the point of crisis with little or no early help available. Research carried out by [Loughborough University](#) for CPAG in 2013 suggests the annual cost of tackling child poverty in the U.K. is £29 billion. The symptoms of poverty are driving increased demand and although councils continue to do their best to support vulnerable families and children, the lack of sustainable funding must be addressed as a matter of urgency. The money spent on tackling the impacts of child poverty dwarfs the £2 billion funding gap in children's services.

### Children in need of help and protection

In 2016 Sir James Munby, President of the Family Court Division, [warned](#) of a "clear and imminent crisis" facing the care system due to an increasing number of children coming into care. Justice Munby theorized that changes in local authority practice and thresholds is a significant contributing factor. ADCS members believe it is rather more complicated. Recent research by [Bywaters et al](#) (2017), suggests that where children live is a central factor in inequality. Those living in the most deprived areas in England are 10 times more likely to be on a child protection plan or become looked after than their wealthier counterparts.

Since 2010, demand for children's social care services has significantly increased. According to DfE data, between 2010 and 2016:

- The number of children assessed as being in need rose from 375,900 to 394,400, an increase of 5%
- The number of children subject to a child protection plan jumped from 39,100 to 50,310, an increase of 29%
- The number of children in care has increased from 64,400 to 70,440, up 10%, within this figure we have seen an increase of 24% in the number of unaccompanied asylum seeking children.

In terms of our ability to support the most vulnerable children and families the latest [DfE data](#) shows that children's social worker vacancies in England stand at 16% of the total workforce and there are real concerns about the impact of Brexit on our ability to recruit and retain a skilled workforce in children's services, from teachers and teaching assistants and childcare staff. These concerns are even more acute in wider public services, most notably in the national health service, which will impact keenly upon children and young people in terms of accessing help and support when and where it is needed, from universal school nurse services to specialist in-patient mental health beds. Foster carers offer a safe and supportive home to three quarters of the children in our care yet the [Fostering Network](#) estimates there is a shortage of over 5,900 foster carers in England.

## The vital early years

Children's life chances are most heavily influenced by their development in the first five years of life and childcare has been a focus for all recent governments with the twin policy objectives of increasing the numbers of working families and giving children the best start in life. Whilst it is true that childcare can support work which can be a route out of poverty, in terms of children's life chances the benefits can only be felt if work is secure and pays sufficiently well.

The government's investment in childcare is set to rise to £6 billion in 2020 as the 'free' 30 hour offer for three and four year olds rolls out nationwide, however, a number of childcare providers have not signed up to this as the funding made available [does not cover costs](#) whilst others are seeking additional financial contributions from parents to cover the cost of food, for example. The [Sutton Trust](#) recently voiced concerns that quantity is coming at the expense of the quality of provision: "Investments in affordability are welcome, but neither the tax-free childcare scheme nor the 30-hour entitlement for working families are well-designed to promote social mobility, meaning longer hours in state-funded early education for children who are already relatively advantaged, which may be expected to widen gaps in child development at school starting age." This is concerning given the [Social Mobility Commission](#) found up to 500,000 poor children were not school-ready by age five last year.

## Resourcing the school years

The [National Audit Office](#) (NAO) recently estimated that schools in England will need to save £3 billion by 2019/20. On top of this schools are also facing the prospect of inadequate capital funding to meet rising pupil numbers - one recent study by the [Scape Group](#) estimated an additional 729,000 school places (or 2,000 new schools) are required by 2020. Further, the [NAO](#) reported in September 2017 that more teachers are leaving their posts before retirement than five years ago and schools are finding it tougher to fill post. This has resulted in a [growth](#) in larger class sizes in many parts of the country. Between 2010 and 2015 the budget for schools was largely protected meaning schools increasingly assumed the role of a safety net using their resources, including the pupil premium, to 'poverty-proof' the school day via the provision of clothes and uniforms, food and sanitary products as well as other forms of informal help and support to pupils and their families struggling to make ends meet. ADCS is concerned that this last line of defense is at risk, particularly in light of the news that thousands of schools are running a [budget deficit](#).

## Adolescence, preparing for adulthood and beyond

Recent research carried out by [ADCS](#) highlighted the increasing vulnerability of adolescents to a growing range of threats outside of the familial environment e.g. sexual exploitation, homelessness, radicalisation, gangs and offending behaviours. Many of these threats are relatively new and have created new, additional demands on our safeguarding system that did not exist 10 years ago. Greater awareness amongst both partners and members of the public is



resulting in increased referrals to children's social care. While this is helping local authorities to respond more effectively to the needs of adolescents, it is also placing further demands on the child protection system which was not originally designed to meet these new and emerging external threats. To illustrate, the number of young people aged 16 and over becoming subject to a child protection plan is only 3.2% of the overall cohort, however, this figure has been increasing year-on-year since 2011/12. In 2015/16, 19.5% of all children who entered care were aged 16 or 17 highlighting the rising levels of risk adolescents are experiencing, particularly with regard to homelessness. As the bulge in primary school aged children shifts into secondary school, demographics alone will continue to place additional pressure on the system in the future.

While there is a range of external risks particularly associated with adolescence, there is also growing concern about the number of young people with mental health needs. Good mental health is essential for a healthy and prosperous society yet [one in 10 children](#) in the country has a diagnosable mental health condition and we know that children living in poverty are several times more likely than those from the wealthiest homes to suffer from [poor mental health](#) by the age of 11. The [Chief Medical Officer](#) has noted that 75% of need is present by 18 years of age. Shifting even a small amount of the overall quantum of funding towards children and adolescent mental health services (CAMHS) would avert the need for more costly and intensive treatments in later life. It is recognised that as part of its commitment to improve children and young people's mental health and wellbeing, the government committed to making £1.25 billion of additional investment in CAMHS by 2020. However, this funding has been channeled through clinical commissioning groups and evidenced impact of this investment is variable across the country. It is also concerning to note the Royal College of Pediatricians and Child Health has recently [highlighted](#) the lack of focus on the needs of infants, children and young people in the Sustainable Transformation Planning process, this is a missed opportunity.

### **What would help local authorities to support children and families more?**

No one can underestimate how hard local authorities have worked to minimise the impact of reduced resources and increased demand on the most vulnerable in our communities. We have responded creatively by forming new partnerships, reshaping services and adopting new ways of working e.g. restorative approaches, but we are now facing a level of demand and complexity for which current resourcing is no longer sufficient. We need to move away from high cost, reactive spend towards well targeted, earlier intervention.

The Children Acts of 1989 and 2004 aim to improve services for children by promoting early help, multi-agency working and clear and strong leadership in order to bring about positive outcomes for children, young people and their families. Myriad changes, policy and legislative, have occurred over the last decade, some of which are mentioned here in this paper, which have impacted on this goal. Expectations have also grown exponentially, particularly in relation to children's social care and this trend looks set to continue.

ADCS members are concerned that our ability to address the growing pressures in the child protection system and wider children's services, including schools, via the provision of early help and support to families is being eroded due to the lack of available financial resources. This is driving up both referrals to, and demand for, statutory child protection services.

Preventive work to manage demand is the only way to secure a sustainable fiscal future of local government but more importantly, this investment is the best chance we have to turn around the lives of the most disadvantaged children, by closing the gap in terms of attainment, health and access to services. Our preventative duties have never been sufficiently funded to enable us to work with families earlier, addressing needs as and when they arise. We are not, nor should we be, a blue light service.

## **A country that works for all children – areas for priority action for central government**

Poverty constrains people's opportunities, only through collective actions can we drive change to achieve a country that works for all children. ADCS members urge:

1. Government to act quickly to address the £2 billion funding gap in children's services that the LGA has estimated will exist by 2020 whilst reaffirming its commitment to preventative services for children, young people and families as part of a review of Section 17 of the Children Act (1989) and commit to sustainable investment in preventative services.
2. Policy co-ordination and a marshalling of resources from across the multitude of government departments with responsibilities for different aspects of children's lives, with future investment focused upon achieving a coherent preventative approach to improving children's outcomes which must be the golden thread running through government policy.
3. The development of a new 'children and young people impact assessment' for government departments and other public bodies to use alongside existing equalities impact assessments.
4. Department for Education to lead a cross-government review to understand better the reasons for, and links between, rising levels of child poverty and demand for children's statutory services. This review could then form the basis for the development of a child poverty reduction strategy for England.
5. A more coherent, cross-government early years strategy. The Department of Health and the Department for Education should come together with the Department for Work and Pensions to clearly articulate a vision for the early years. Help with childcare should be targeted on the most vulnerable children and families and the parental income limit for 30 hours 'free' childcare should be reviewed. Available funding must be spent on those who are socially and economically disadvantaged.
6. The development of a coherent workforce strategy for the totality of children's services, from teaching staff, social workers and residential care staff to health visitors and child psychiatrists. We need to recruit and retain the best staff to work with children, young people and their families, particularly the most vulnerable.
7. Government to ensure that funding for children's mental health and wellbeing services is having the desired impact. All local transformation plans should include expenditure relating to CAMHS services, signed off by local health and wellbeing boards.

## The Association of Directors of Children's Services Ltd (ADCS)

ADCS is the national leadership  
association in England for statutory  
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