



Managing rising demand in adult and children's social care

Lessons from English local authorities

July 2024

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Executive summary

Demand for adult and children's social care is rising in England. Upper-tier councils are spending an ever-larger proportion of their budgets on adult and children's social care while costs and demand are increasing, and spending power is decreasing. This combination of factors is leading to an unsustainable financial and operational position. Innovative solutions are required to make social care fit for future challenges.

Following interviews with local authority adult and children's social care and finance leaders, CIPFA has produced a series of case studies. The case studies give insights into good practice in demand management across the country. In adult social care, the case studies are organised under the headings of market management, transitions, and transformation and innovation. In children's social care, the case studies are organised under the headings of market management, early intervention, and transformation and innovation.

The following markers of good practice in demand management have been identified from the case studies:

- Attain strong corporate and leadership buy-in
- Utilise funding and resources from diverse sources
- Focus on improving outcomes
- Monitor, forecast and benchmark
- Direct more funding upstream.

In adult social care market management, we saw that local authorities are helping to shape the market by fostering the conditions for providers to thrive (Durham County Council) and through innovative commissioning arrangements (Lincolnshire County Council).

Effective transitions from children's to adult social care were marked by close working between adult, children's and transitions teams (Ealing Council) and engaging with young people and their families early (Halton Borough Council).

In children's social care market management, we heard that local authorities are expanding in-house provision where appropriate (Durham County Council) and working to safeguard family networks (Hertfordshire County Council).

Successes in early intervention involved investment in edge of care services (Achieving for Children), and participation in national programmes such as Family Hubs and Supporting Families (Salford City Council and Bright and Hove Council).

The public finance profession has a central role to play in the successful delivery of good practice in demand management.

Key skills include:

- Financial oversight, analysis and management
- Grant and resource management
- Compliance, reporting and risk management
- Evidence-based decision making and communication
- Monitoring, forecasting and benchmarking
- Strategic thinking
- Funding maximisation
- Business case and scenario planning
- Sustainable commissioning
- Data utilisation, monitoring and evaluation.

1. Introduction

Demand for adult and children’s social care is rising in England. As we show below, requests and referrals for support are increasing and the cost of care is rising too. Now more than ever, councils need innovative solutions to make their social care services resilient and ready for future challenges. This report aims to support people working in finance and leadership in local authority adult and children’s social care by drawing out lessons from good practice in demand management across the country.

Social care services for adult and children comprise the majority of local authority discretionary spending. CIPFA’s [Financial Resilience Index](#) highlighted that in 2022/23, nearly three quarters (74.4%) of the spend of councils with social services responsibilities related to adult and children’s social care, up from 60% in 2016/17.

The rise in demand for social care services and the increasing proportion of local authority budgets spent on social care are playing out against the backdrop of a reduction in local government spending power. CIPFA and the Institute for Government’s [Performance Tracker 2023](#) estimated that between 2009/10 and 2021/22, local government spending power fell by 10.2% due to substantial cuts to the value of central government grants. In recent years, high levels of inflation and global economic insecurity have exacerbated the local authority financial challenge.

Together, this means that local authorities are spending an increasing proportion of a reduced funding envelope on services with rising demand. This is an unsustainable position.

In November 2020, CIPFA published [Planning to deliver good value in demand-led services \(social care\)](#). We set out a three-step framework for managing social care demand:

1. Assess how demand and costs are changing
2. Explore scope to ‘bend the curve’
3. Invest to deliver

To illustrate the framework in practice, *Planning to deliver* included a series of case studies. In this publication, we revisit some of these case studies and present new case studies on how local authorities are managing rising adult and children’s social care demand in England.

To produce the case studies, interviews were carried out with directors of adult social services, directors of children’s services, directors of finance and other social care leaders, including those with expertise in commissioning, data and transformation.

Below, we examine adult and children’s social care data that shows that demand and expenditure is rising in England.

Rising adult social care demand and expenditure

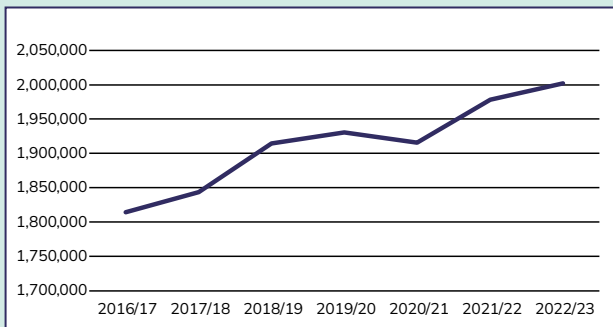
Table 1 shows the number of new requests for social care support to local authorities in England between 2018 and 2023, offering an insight into how demand for adult social care has risen in recent years.

Table 1: Requests for adult social care are rising

Total requests for support from:	2018/19	2022/23	Percentage increase
New clients	1,914,535	2,002,055	4.6
New clients aged 18–64	550,435	611,590	11.1
New clients aged 65+	1,364,095	1,390,465	1.9

Source: CIPFA analysis of [Adult Social Care Activity and Finance Report, England, 2022-23](#) (NHS England, 2023).

Graph 1: Requests for adult social care support from new clients are rising



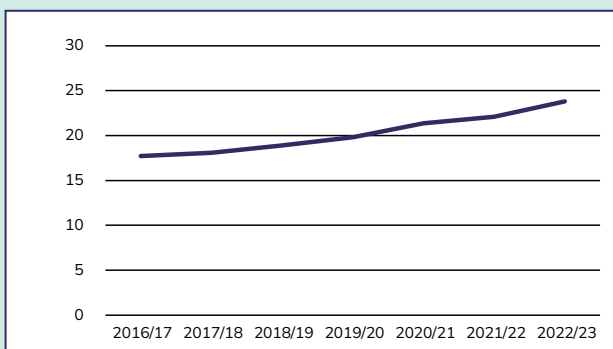
Source: CIPFA analysis of [Adult Social Care Activity and Finance Report, England, 2022-23](#) (NHS England, 2023).

Rising demand is accompanied by rising costs, both of which are reflected in the increased expenditure on adult social care, as can be seen in Table 2. The amount that local authorities spend on adult social care has been sharply increasing in recent years.

Table 2: Gross total expenditure on adult social care increased by 26% between 2018/19 and 2022/23

Gross total expenditure	2018/19	2022/23	Percentage increase
(£bn)	18.9	23.8	25.9

Graph 2: Gross total expenditure on adult social care is rising (£bn)

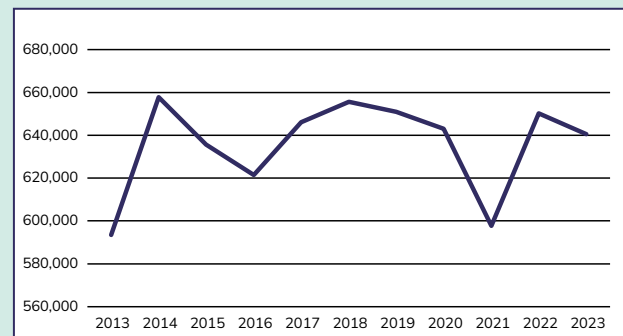


Source: CIPFA analysis of [Adult Social Care Activity and Finance Report, England, 2022-23](#) (NHS England, 2023).

Rising children’s social care demand and expenditure

In the [Drivers of activity in children’s social care](#) (2022), the Department for Education uses referrals as the primary measure for children’s social care demand. As can be seen in Graph 3, referral numbers have fluctuated in recent years. The reduction in referrals in 2016 reflects a time when many local authorities were moving to multi-agency safeguarding hubs (MASH) models. Referrals to children’s social care services fell during the pandemic as the lockdowns isolated children, young people and families from social services. Rates returned to pre-pandemic levels in 2022 but fell by 9,840 in 2023.

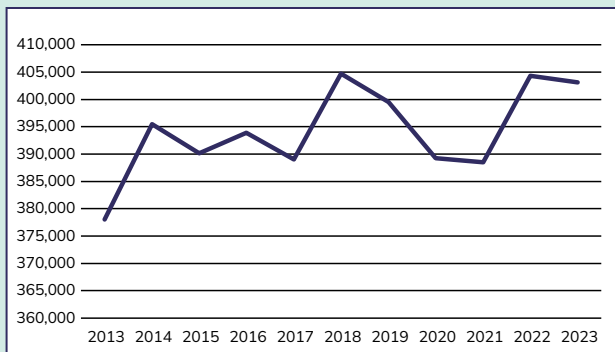
Graph 3: The latest Department for Education data shows that referrals to children’s social care fell between 2022 and 2023



Source: CIPFA analysis of [Children in need](#) (Department for Education, 2023).

However, there are questions over whether this data can be relied upon as a measure of demand because local authorities record referrals using different definitions. An alternative measure for demand is the number of children in need. This figure does not have the same data quality issues as referral data. The number of children in need has risen in the last decade, increasing by 7%.

Graph 4: The number of children in need is rising



Source: CIPFA analysis of [Children in need](#) (Department for Education, 2023).

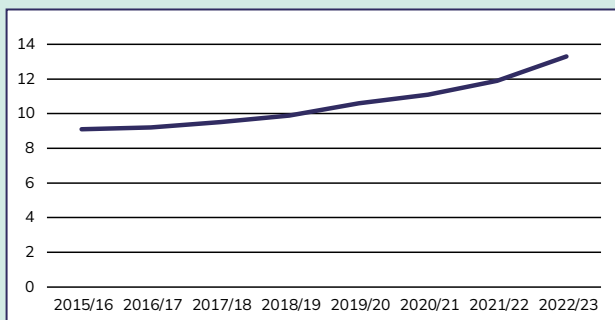
Spending by local authorities on children’s services has also risen sharply in recent years. While this increase in expenditure has to do with rising costs, increasing demand is also a factor.

Table 3: Gross total expenditure by local authorities on children’s services

Expenditure by local authorities on children’s services	2018/19	2022/23	Percentage increase
(£bn)	9.9	13.3	34.3

Source: [LA and school expenditure, Financial year 2022-23](#) (Department for Education, 2024).

Graph 5: Expenditure by local authorities on children’s services (£bn)



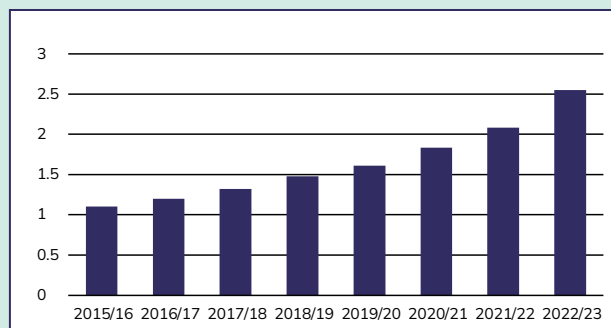
Source: [LA and school expenditure, Financial year 2022-23](#) (Department for Education, 2024).

A major challenge in managing rising demand for children’s social care is that in the children’s social care residential market, demand is outstripping supply. In [Financial distress in local authorities](#) (2024), the Levelling Up, Housing and Communities Committee has said that rising demand for residential placements, combined with a poorly functioning market, has led to significant cost increases.

In the [Children’s social care market study final report](#) (2022), the Competition and Markets Authority described significant problems in how the children’s care market is functioning, citing a lack of placements, materially higher profits than would be expected if the market was functioning properly, and large providers carrying very high levels of debt.

The dysfunction of the children’s residential market has led to local authorities paying significantly more for placements in recent years.

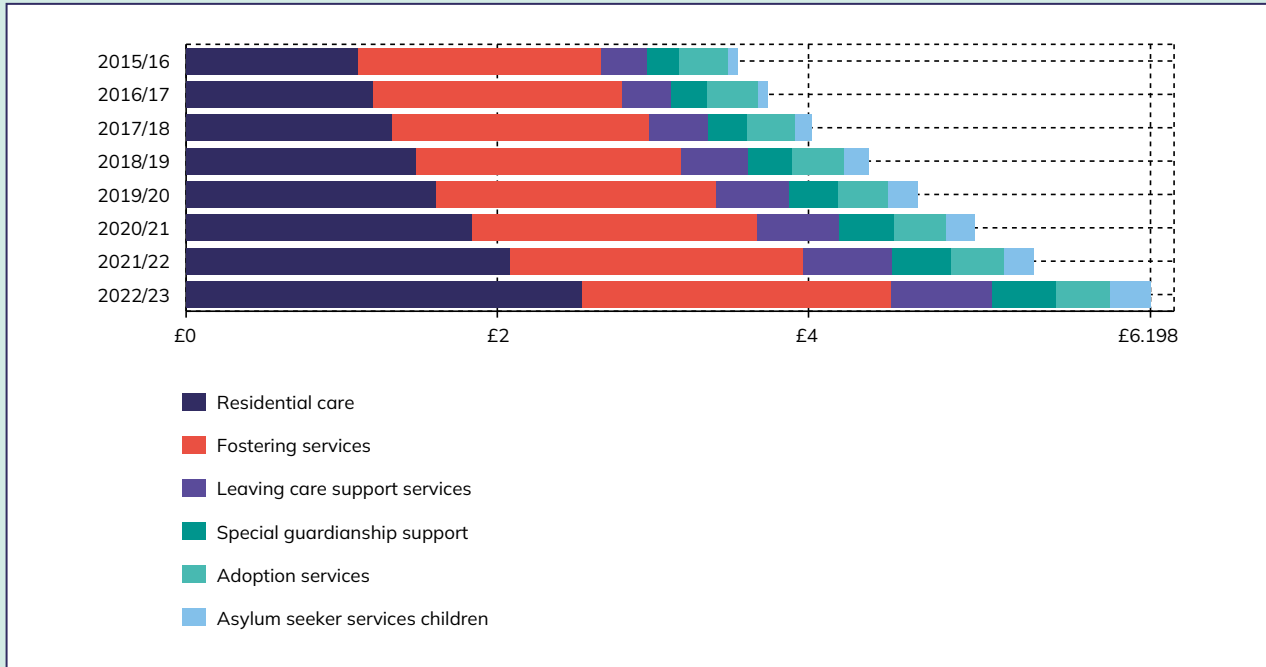
Graph 6: Expenditure on residential placements increased by 131% between 2015/16 and 2022/23, from £1.1bn to £2.5bn (£bn)



Source: [LA and school expenditure, Financial year 2022-23](#) (Department for Education, 2024).

Graph 7: Spending on residential care increased by 22.3% between 2021/22 and 2022/23, reaching £2.5bn

All categories of Children Looked After expenditure increased this year, largest rises shown in this chart (£bn)



Source: [LA and school expenditure, Financial year 2022-23](#) (Department for Education, 2024).

The complexity of need of children in need is also increasing, leading to increased costs for local authorities. In [How local authorities and children’s homes can achieve stability and permanence for children with complex needs](#) (2024), Ofsted found that 91% of local authorities frequently have difficulty finding homes for children with complex care needs, and most children with complex needs are placed out of area, experience unplanned placement moves or have referrals rejected by homes.

It is important to note that councils have also seen a rise in demand stemming from children and young people with special educational needs and disabilities (SEND). This publication does not discuss SEND, however CIPFA will examine the financial implication of SEND in the second half of 2024.

2. Good practice taken from the case studies

The following good practice has been identified from the case studies in this publication. Later in this document, we will explore how the public finance profession can support the delivery of good practice in demand management.

Attain strong corporate and leadership buy-in

This is essential for the allocation of resources, strategic alignment, cross-service collaboration and management support.

Utilise funding and resources from diverse sources

Funding and resources from the council; invest to save; the Better Care Fund; government initiatives; voluntary, community and social enterprises (VCSE); community volunteers; partners from health, public health, integration boards; and more.

Focus on improving outcomes

Demand for services can be effectively managed by focusing on improving people's outcomes by facilitating independence, improving wellbeing and emphasising strengths-based practice.

Monitor, forecast and benchmark

Local authorities need to monitor past and present and forecast future activity, prices, costs and outcomes to manage demand. Regular budgetary, scrutiny and performance meetings with leadership enables strong oversight.

Direct more funding upstream

Investing in preventative action today is likely to have a positive impact on demand management in the future.

The case studies produced from interviews with adult and children's social care leaders have been organised under the following headings:

Adult social care	Children's social care
Market management	Market management
Transitions	Early interventions
Transformation and innovation	Transformation and innovation

Below are some lessons in good practice from market management and transitions in adult social care, and market management and early intervention in children's social care.

Adult social care

Market management

Foster the conditions for the market to succeed

Local authorities should support providers to offer high-quality and affordable care by identifying and investing in areas that require support such as workforce recruitment, training and development.

Explore innovative commissioning arrangements

Incentivise providers through attractive, mutually beneficial commissioning arrangements. These should be commercially viable and operationally effective. Robust relationship management should promote transparent communication, market oversight and contract management.

Transitions

Work closely with adult and children's services teams and other partners

Smooth transitions from children's services to adult social care require close working and understanding between teams and partners, including SEND co-ordinators, teachers, Child and Adolescent Mental Health Service (CAMHS), and other stakeholders.

Engage with young people and their families early

Preparing for the transition from children's social care to adult social care should begin in the years before the young person turns 18. Local authorities can carry out preliminary Care Act assessments, facilitate greater independence, and source affordable, high-quality and proportionate care packages.

Children's social care

Market management

Expand in-house provision where appropriate

This will reduce reliance on costly placements in the independent care market but may not be appropriate for all areas.

Safeguard family networks

Work to keep children safe with their family networks and safely return children in care to their families with multi-agency teams, long-term intervention and information.

Early intervention

Invest in edge of care

Determine common factors of young people entering care, identify children exhibiting these characteristics, engage the children with multidisciplinary teams and offer intensive support to prevent or delay entry to care.

Family Hubs

Bring services for families together in spaces in the community to create an integrated front door.

3. Managing adult social care demand case studies

In this section of the report, we present case studies detailing how a selection of local authorities in England are managing rising adult social care demand. The case studies are organised under the headings of market management, transitions, and transformation and innovation.

With strong senior leader buy-in, funding from the improved Better Care Fund was used to set up the Care Academy with a small team. The Care Academy has been funded from a variety of different sources, including funding from public health, the NHS, social care and local integration boards.

Key features of the Care Academy include:

- Routeway into Adult Social Care – a free, part-time, pre-employment course run over six weeks, with a DBS check and guaranteed interview with a local social care provider at the end of the course
- Personal assistant (PA) induction training – to support the growth of the PA market for direct payments
- Collating the education and training opportunities and resources available from local health, social care, education and voluntary sector partners in a one-stop shop
- Supporting domiciliary care staff to learn to drive through the ‘Walkers to Drivers’ scheme
- Over 149 people have gone on to work with local social care providers and a further 328 recruited through the Care Academy’s funding of the Care Friends employee referral app
- Over 2,000 learning experiences have been completed by existing social care staff.

Along with other market interventions delivered by the wider commissioning service (including minimum wage rates linked to domiciliary care fee uplifts), the Care Academy has assisted in there being no waiting list for domiciliary care in Durham County Council.

Sources: Durham County Council correspondence; [Durham County Council Market Sustainability Plan](#) (2021); [County Durham Care Academy](#).

Market management

The Care Act 2014 places duties on local authorities to promote the effective operation of their local adult social care market so that it meets the needs of their residents who require care and support. However, as highlighted in [The adult social care market in England \(National Audit Office \(NAO\), 2021\)](#) and [National Risk Register 2023](#), care markets are currently unstable and at risk of failure. Below, we present case studies on how local authorities are strengthening local care markets. Good practice is marked by support with recruitment and retention, innovative commissioning arrangements, and targeted training and development.

Durham County Council: County Durham Care Academy

According to the Durham County Council [Market Sustainability Plan](#) (2021), Durham County Council expect there to be a 47.5% increase in their 65+ population by 2039, and the 85+ population will more than double in this time. Durham County Council recognise that they need to support the local adult social care provider market to build capacity to enable more people to receive care at home as demand increases.

In 2019, Durham County Council launched the [County Durham Care Academy](#) to support social care providers in Durham to recruit, retain, train and develop social care staff and managers to support the workforce in home care, residential care and nursing care.

Lincolnshire County Council: Prime Provider Model

Lincolnshire contains some of the most sparsely populated places in England. Forty-three per cent of home care demand in Lincolnshire comes from rural locations, posing significant challenges in ensuring access to support for older people who live in remote areas.

To solve this challenge, Lincolnshire County Council operates a Prime Provider Model in commissioning home care services across the county, targeted at promoting health, wellbeing and enhancing quality of life for people through securing high-quality, outcome-focused and person-centred home care services.

Through this model, the county is divided into 11 geographical zones, with an allocated lead or 'Prime' Provider who is responsible and accountable for meeting all demand within each area.

The model has been successfully embedded over the last nine years and has proven to be both commercially viable and operationally effective in providing home care services in Lincolnshire. Appointing lead providers gives those providers confidence in the expected scale and nature of the activity, because each of the zones is comparable in terms of demand for services. This supports improvement in provider planning. Providing care in smaller local areas reduces travel costs, enables providers to better organise care runs and reduce inefficiencies, and ensure that staffing fits the demand. With an accurate expectation of the level of work, providers can confidently recruit and train staff for that work with better terms and conditions. Open procurement for long-term contracts (5+3 years) identifies the most favourable bid in each zone, and limits are placed on how many areas an individual company could be the lead provider for, which maintains the diversity of providers.

Residents' choice is maintained: lead providers are required to subcontract a minimum of 10% of their work to support small to medium sized enterprises (SMEs), business continuity and choice; and if people wish to source their own care from an alternative provider of choice, this can be facilitated via direct payment.

While acknowledging that challenges may arise, one of the key indicators of success in this approach is the council's ability to swiftly fill home care packages without encountering significant difficulties, and unit costs remain relatively low, being the second lowest in the East Midlands CIPFA comparator group. Likewise, Lincolnshire County Council has experienced no package hand backs since the model was initially implemented in 2015.

A regional benchmarking exercise undertaken by Care Analytics found that commissioned services in Lincolnshire have demonstrated marked improvement in efficiency, quality and accessibility. Wait times for care services have been significantly reduced, and client satisfaction rates have remained consistently positive. However, it is important to note that while the Prime Provider Model has worked well in Lincolnshire because of its spread-out geography, the model may be less suited to more dense urban areas where commuting between jobs is more practical.

Sources: Lincolnshire County Council correspondence; [Ageing Better in Lincolnshire: Director of Public Health Annual Report 2023](#) (Lincolnshire County Council, 2023); [Adult Care and Community Wellbeing: Market Position Statement 2020–2023](#).

Stockton-on-Tees Borough Council: improving the local care market

Before the pandemic struck, Stockton-on-Tees Borough Council sought to strengthen their local care market. The council analysed Care Quality Commission (CQC) inspection reports for local providers across the five categories of safe, effective, caring, responsive to people's needs and well-led. The council found that improvements were needed in the 'well-led' category across providers.

To bring about improvements in this area, the council established a raft of support including training and development opportunities for adult social care managers, and established new transformation manager posts. These posts were created to focus on the initiation, development and co-ordination of service developments within the residential and home care provider market, to support providers with quality improvement initiatives and to develop a peer network across Stockton-on-Tees.

A 'Well Led Programme' was set up to focus on leadership development in the external provider market. The bespoke programme focuses on self, engagement, power, influence and operational agility. To date, 95 people, comprising registered managers, deputies, seniors, and other care staff, have benefitted from the programme.

The council facilitates a monthly leadership and peer support network for care sector leaders to support learning and sharing of best practice. Twenty providers regularly attend the meetings, which look at connections, workshops and discussions around issues or barriers that care providers are facing with the aim of supporting quality improvement or further development of services. Through the network and the opportunities presented, one care home achieved 'outstanding' and has become a champion of the network.

Care providers are supported with recruitment through the local Employment and Training Hub. The Employment and Training Hub supports the Care Academy Programme by hosting a sector based work academy programme (SWAP).

Key features of SWAP include:

- supporting with employability skills, CV writing and interview preparation
- helping providers to recruit directly to their vacancies
- quarterly recruitment events, careers advice and training co-ordination specific to the care sector
- promotion and engagement with national and local recruitment campaigns
- promotion of careers and opportunities of working in the sector
- working alongside partners in the development of pilot opportunities to support recruitment and training to the sector.

To date the Employment and Training Hub has recruited 72 people over 11 SWAPs and 136 people via direct recruitment.

The effectiveness of the council's leadership support for providers is tracked through continued monitoring of CQC inspection results. Since March 2023, 42% of providers with a 'requires improvement' rating have improved to a 'good' rating.

Offering this support for providers has improved CQC ratings for providers in the borough, strengthening the local care market by raising the quality of care provided and increasing choice for people in Stockton-on-Tees to choose from high-quality care providers.

Source: Stockton-on-Tees Borough Council correspondence; [Support for adult social care managers](#) (Stockton-on-Tees Borough Council).

Monitor, forecast and benchmark.

North Yorkshire Council: monitoring and forecasting

In *Planning to deliver*, CIPFA described North Yorkshire Council's approach to monitoring and forecasting, and assessing demand and costs in adult social care. We discussed how North Yorkshire used zero-based budgeting in social care finance, had a dedicated social care finance team, and utilised integrated performance and financial reporting.

The last large-scale zero-based budgeting exercise was carried out before the pandemic. The financial landscape has been so fast moving in terms of rising demand and costs since then that the council now only uses zero-based budgeting for some aspects of financial planning, particularly for new services, and this is accompanied by demography and inflationary-based uplifts based on historical and expected future trends.

Weekly budgeting and scrutiny meetings with senior managers in adult social care supports monitoring and forecasting of activity, including how many new clients are coming into the service, how many people have left the service, the cost of packages, and the division of the cost across services (eg local authority and health) and self-funders.

Monitoring is also strengthened through the council's actual cost of care exercises for residential and nursing services for over-65s. Paying approved providers the established actual cost of care also supports financial tracking, enabling the council to monitor acceptance of the rates across a geographically-large and diverse market.

The council maintains its special quarterly performance executive meeting where the Council's Executive carries out detailed analysis of service and financial performance in adult social care. These meetings are now supplemented by a quarterly adult social care deep dive meeting with the council's director of finance and chief executive to track pressures and mitigating actions and to ensure that corporate support is provided to the Directorate where appropriate, for example regarding data and intelligence, and project management.

There are also weekly budgeting and scrutiny meetings with Heads of Service. These meetings look at data now gathered on a weekly basis showing changes in demand and cost and will soon also include data on capacity and supply. This work is essential to enable the council to hold senior managers to account on decisions made, but also provides intelligence regarding current and future expected trends and their cost implications. As well as helping to understand the revenue budget impact, this data will also feed into any business cases whereby the council may seek to manage the market – for example by looking at the effectiveness of its own in-house provision.

Source: North Yorkshire Council correspondence.

Transitions

In this section, we present two case studies covering effective approaches to transitions from children's social care to adult social care. The transition from children's to adult services is a crucial period in a young person's life, and if not done effectively there can be a negative effect on the young person's outcomes and on council finances due to disproportionate and costly care packages. These case studies show that early engagement, good communication and effective oversight can lead to improved outcomes and cost avoidance.

Halton Borough Council: named social worker approach

A significant driver of demand for adult social care in Halton Borough Council is transitions from children's to adult social care. In 2017, 12 referrals were accepted; by 2023, this number had risen to 47.

Halton Borough Council has a high proportion of children with Education, Health and Care Plans (EHCPs) per head of population compared with its nearest statistical neighbours.¹

To improve the outcomes for young people transitioning from children's to adult social care, the council participated in the second phase of a Department of Health & Social Care (DHSC) [Named Social Worker \(NSW\) pilot](#) with the aim of establishing an earlier transition process to prevent crises. The approach means that people with learning disabilities, autism and mental health conditions have one point of contact for their care and support needs.

Before participating in the pilot, Halton Borough Council would receive referrals from various agencies just prior to a young person's 18th birthday and would carry over the same level of care. Under the NSW approach, Halton Borough Council developed a new transition service in which NSWs build long-term relationships with young people from the age of 14 to support them to achieve their goals using person-centred approaches. Key partners include a children's nurse and clinical commissioning group commissioner, a SEND co-ordinator, teachers, a community matron, a self-advocacy agency, the Child and Adolescent Mental Health Service (CAMHS) and a Mental Capacity Act assessor.

Following the success of the pilot, Halton Borough Council permanently set up an NSW team with a £100,000 investment with funding from the DHSC and One Halton Place Based Partnership.² The council estimates that this approach has resulted in a £1.2m total saving between 2017 and 2023, and improved outcomes for young people transitioning from children's to adult services.

In 2018, a cost-benefit analysis from [York Consulting](#) concluded that in Halton Borough Council the financial return on investment (FROI) of the named social worker approach was 2.17 (benefit: £322,402; cost: £148,523).

Sources: Halton Borough Council correspondence; [Named social worker: final report](#) (SCIE and Innovation Unit, 2018); [Named social worker: cost benefit analysis](#) (York Consulting, 2018).

Ealing Council: Transitions Team and continuing healthcare

In 2020, Ealing Council began work on their transition process after experiencing increasing demand, rising unit costs and greater complexity of need.

1 An [education, health and care plan](#) (EHCP) sets out the additional support required to meet educational, health and social needs for children and young people aged up to 25.

2 For more on place-based partnerships, see CIPFA's [Integrating care: policy, principles and practice for places](#) (2022).

The council launched an invest to save programme with an initial investment of £300,000 to change the working processes when transitioning young people from children's services to adult social care. Prior to the change programme, Ealing often experienced young people being referred to adult social care on or after their 18th birthday with high-cost packages of care. Work had to be done to engage with young people and their families earlier in the transition process to better plan for care.

Transitions Team workers now begin working with young people from the age of 14 and seek to promote independence for as long as possible. The Transitions Team will pick up the cost of a care package after the young person has gone through a transition process. There is a 28-day grace period in place from referral from the Transitions Team to adult social care, giving the adult social care team time to work through the transition process. The Transitions Team works closely with the children's services team to identify young people who are on the pathway to require adult social care per the Care Act 2014. Parents, young people and the adult social care team are closely involved in discussions about prospective care packages. There is effective oversight of all care packages – an independent chair of Ealing Council's Resource Allocation Panel reviews all adult social care packages after they are in place to ensure that they are proportionate to need.

Another element of the transition process is establishing what elements of a care package qualify for continuing health care (CHC). Intervening earlier in the transition process means that staff can gain a better understanding of the CHC elements of a care package. Staff across the system are trained to recognise CHC eligibility, and specialists are involved in more complex and time-consuming cases. Ensuring that the elements of a care package that qualify are funded through CHC has resulted in reduced adult social care spend of £1m in 2023/24.

In a [Local Government Association](#) peer challenge report in preparation for CQC assurance carried out in 2023, Ealing's approach to transitions was described as demonstrating best practice.

Source: Ealing Council correspondence; [London Borough of Ealing adult social care preparation for assurance peer challenge report](#) (Local Government Association, 2023).

Essex County Council (ECC): Reablement and Stepping Stone Homes

In *Planning to deliver*, CIPFA described how Essex County Council worked to reduce the number of older people entering residential care by preventing crises, and promoting homecare and the use of assistive technologies.

Since then, Essex County Council has maintained a relatively low number compared with its CIPFA nearest neighbours of older people entering residential care by building on this approach through significant investment in the council's reablement service in both domiciliary and residential settings. An additional £5.8m has been invested in contracted reablement services between 2020/21 and 2023/24 (£20.6m in 2020/21; £26.4m in 2023/24), resulting in 26% more hours delivered. 5% of Essex's over-65 population has contact with reablement services compared to 2.8% nationally.

The return of investment in reablement has been estimated by Essex County Council to be 3:1. Over £14m of cost avoidance has been achieved since 2021 comprising reablement outcomes and residential avoidance.

Essex County Council has currently allocated £500k to trial Stepping Stone Homes as a proof of concept to support hospital discharge. This is the short-term use of sheltered housing or extra care apartments with wrap around support, providing an 'enabling environment' for people with care and support needs who cannot yet go home after being discharged from hospital. Essex currently has four Stepping Stone Home apartments, with at least five more planned to go live in 2024. This approach to the short-term use of extra care and sheltered housing, as well as the wider promotion of extra care as an alternative to residential care, has also contributed to maintaining low numbers of older people entering residential care.

Source: Essex County Council correspondence.

Transformation and innovation

The following two case studies detail local authority adult social care transformation projects that aim to make services resilient and better able to manage demand. The case studies demonstrate that focusing on improving outcomes and investing in preventative activity has a positive effect on both people's health and wellbeing, and council finances.

Manchester City Council: Better Outcomes Better Lives

Manchester is a rapidly growing city. In 2000, the population of [Manchester](#) was 422,000; it is now over 600,000. Such an increase in the city's residents necessarily leads to an increase in demand for council services.

Manchester's Community Health and Social Care services are delivered by Manchester Local Care Organisation (MLCO), which brings together Manchester City Council and Manchester NHS Foundation Trust as partners. [Better Outcomes Better Lives](#) (BOBL) is the long-term adult social care transformation programme that aims to improve outcomes for residents; prevent, reduce and delay the need for care; and embed strengths-based practice. The programme was launched in January 2021 during the third national lockdown when the council had a significant financial challenge. The total spending cuts experienced by Manchester since 2010 are over £440m, one of the greatest relative reductions of any local authority. Going forward, the council faces further reductions of £28m in 2024/25, rising to £40 million in 2025/26.

As well as improving people's independence, and strengthening support for frontline workers and integrated teams, BOBL aims to make significant and sustainable savings, and improve the management of care demand. There are six key workstreams: maximising independence; early help; short-term offer; see and solve; responsive commissioning; and performance and finance.

Communities of practice have been created to support teams to adopt strengths-based practices and embed change.

There was an initial investment in the capacity required to deliver the programme including growth in some teams such as reablement, which has sent a strong message of the value of the workforce.

BOBL has had a positive impact, for example:

- Supporting the delivery of £18m adult services savings 2020–2023 and a further £8.5m savings 2023–2026
- A 13 percentage point increase in contacts being resolved by contact officers at the front door to 66% by February 2024
- Expansion of reablement to support 284 citizens during the month of February 2024. Two thirds (67%) of those receiving reablement leave with no further care required. Manchester's Central Reablement Service and Home Pathway was recently rated as 'outstanding' by CQC
- Increase in technology-enabled care from 14% of new support plans in 2021 to 40% in 2023.

The BOBL approach is now being applied to other parts of the health and care system in Manchester, including in improving outcomes from patients discharged from hospital.

Sources: Manchester City Council correspondence; [Future Manchester. An economy built on people, place and prosperity](#) (Manchester City Council); [Better Outcomes Better Lives](#) (Manchester Local Care Organisation).

Kirklees Council: Gateway to Care

In *Planning to deliver*, CIPFA discussed Kirklees Council's Gateway to Care – a multi-disciplinary front door, providing simple care packages for a rapid response, care navigation, assistive technology provision and safeguarding support.

Since 2020, Gateway to Care has integrated further with community health through single operating processes, culture and line management. Kirklees Council has also invested in online referrals and assessments to promote self-service and to move away from a telephony-based front-door model.

The pandemic disrupted the Gateway to Care model and necessitated new ways of working. Lockdowns and social distancing got in the way of physical co-location, impacting work practices. In the previous publication, it was noted that only 6% of contacts went on to require a full assessment, however this number has since increased to 20%. The council believes that this is because of the increased volume and acuity of people contacting the council, however detailed work to review pathways and processes to better quantify the changes is currently being undertaken.

The new ways of working have also resulted in positive impacts. The preventative role of community anchor organisations has been mainstreamed in contracts and established across other service partners such as health and police.

Like other local authorities, Kirklees has seen a 'second front door' develop in the form of discharges from hospital, and has found that people can sometimes be overprescribed care. Kirklees has carried out a piece of work with the council's occupational therapists to increase independence and in doing so, reduce the number of people who require 'double-handed care' (care from two care workers). The council estimates that £1m of costs are avoided per annum using this approach.

The future direction of travel in Kirklees adult social care is about maximising community connections and integrating with community-facing services already connected to those communities. This builds upon what had been developed during the pandemic, with the goal of shifting the dial even further to prevention and enhancing strengths-based practice.

Sources: Kirklees Council correspondence; [Planning to deliver good value in demand-led services](#) (CIPFA, 2020).

Hounslow London Borough Council: transforming from a lean base

Before the pandemic, [Hounslow London Borough Council](#)'s spending on adult social care per head of population was the lowest in the country at £309; in 2019/20, the average spend in London was £417, and in England the average spend was £444. In 2022/23, Hounslow Borough Council still pays less than England on average, with a gross current expenditure per capita of £312 against £529 nationally.³ It is challenging to make savings when starting from such a relatively low spend at a time when both costs and demand are rising.

In recent years, there have been overspends in the adult social care budget in part due to rising demand for services (£3.2m overspend in 2023/24). From the 2011 census to the 2021 census, Hounslow saw the greatest increase in the number of residents aged 65+ of all the London boroughs. This cohort grew in number by 27% from 27,000 to 34,000 people. The [One Hounslow Finance Strategy](#) estimates that additional demand from demographic changes will increase cost pressures by circa £1m per year, not including any additional demand from increasing complexity, rising costs or legislative reform. The graphs below give an indication of the projected rise in demand and spending.

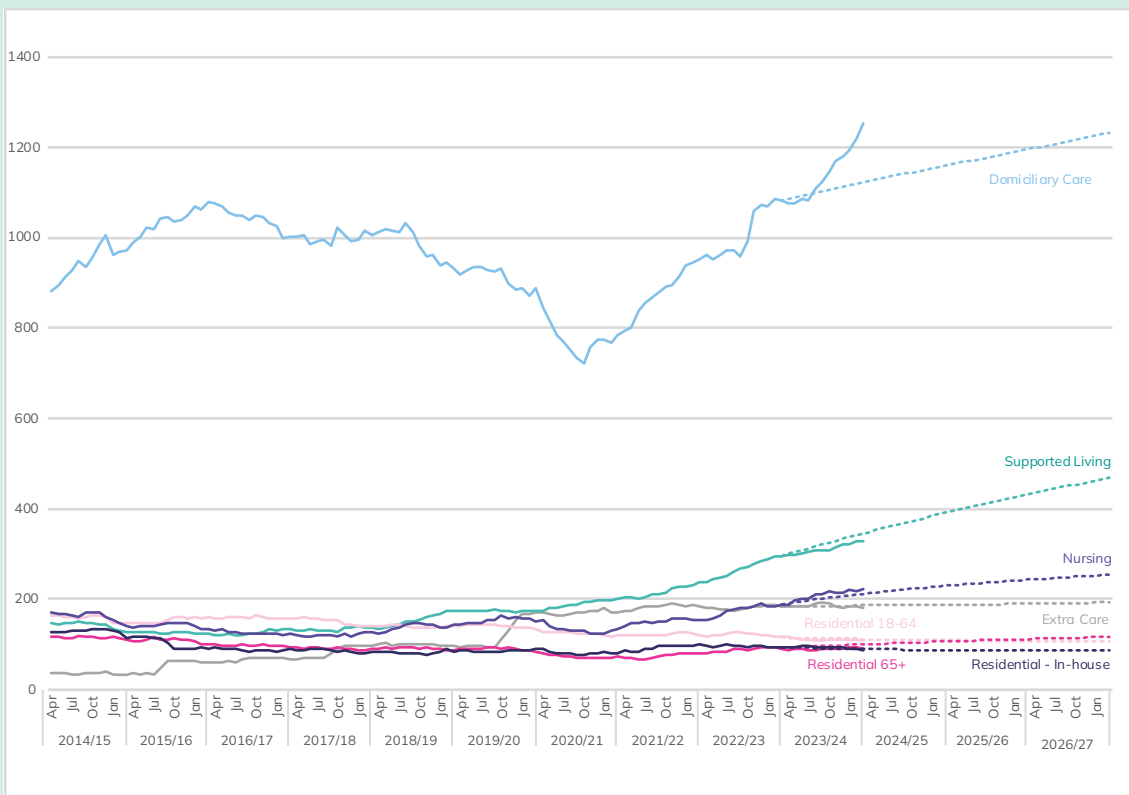
To address this, [Hounslow London Borough Council](#) is currently going through a [system reform programme](#). The programme has several objectives, including using demographic data and trends to inform sufficiency and funding approaches; increasing short-term provision to avoid overuse of long-term support; and an increasing focus on independence. However, Hounslow's lean base means that there is very little low-hanging fruit, and an invest-to-save approach is being taken whereby cost-avoidance savings are treated as importantly as cashable savings if they can clearly reduce future costs and demand.

3 [Adult Social Care Activity and Finance report, England 2022–23](#) (NHS Digital, 2023).

The council plans to increase its capacity through greater in-house provision and adapting their commissioning model to provide more short-term alternatives to long-term care, for example by expanding their **Shared Lives** programme. The council plans to double its Extra Care capacity from around 200 units currently, and continue its long-standing emphasis on prevention and promoting care in the community.

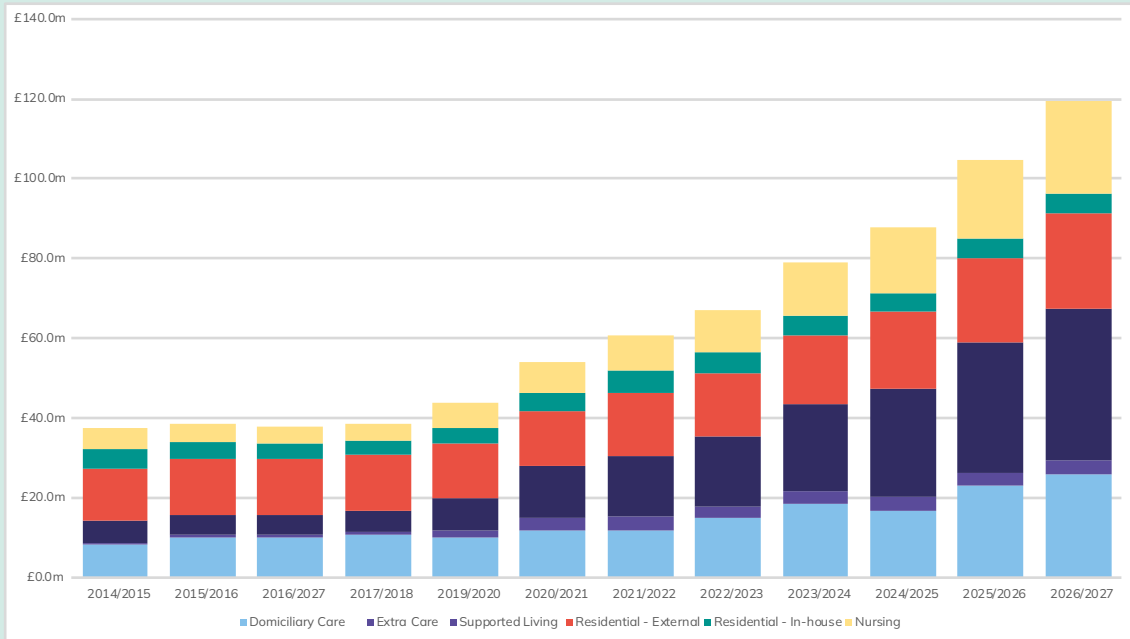
The council also plans on more collaborative working with local partners including colleagues in housing, the voluntary sector and trusted local care providers to deliver the transformation and a delivery model whereby residents are supported to live at home and maintain their independence for longer, which should help prevent, reduce or delay the need for more expensive and traditional long-term social care services.

Graph 8: Hounslow is seeing the biggest placement increases in domiciliary care and supported living



Source: Hounslow London Borough Council.

Graph 9: Hounslow’s annual commitment in 2026–27 is estimated to be three times the size of the annual commitment in years 2014–2019.



Source: Hounslow London Borough Council.

Sources: Hounslow London Borough Council correspondence; [One Hounslow Finance Strategy](#) (London Borough of Hounslow); [Adult Social Care System Reform Programme Strategic Business Case](#) (London Borough of Hounslow, 2023); [Adult Social Care Activity and Finance report, England 2022–23](#) (NHS Digital, 2023).

Oxfordshire County Council: The Oxfordshire Way

The Oxfordshire Way is the name of Oxfordshire County Council's community-focused, preventative approach to adult social care transformation that aims to engender greater resilience, increase independence, improve experiences of care and reduce demand on formal care services. Oxfordshire County Council recognised that demand for formal care was rising exponentially before the COVID-19 pandemic and that a radical new approach was required.

Oxfordshire County Council moved to develop new ways of working across adult social care, the NHS, customer services, and the community and voluntary sector, receiving input from a consultancy firm. This new way of working is known as team-led transformation and comprises a bespoke management and coaching programme for staff.

The Oxfordshire Way has achieved:

- Transformation of the front door: a £16,250 investment in updating the council's adult social care website has resulted in 76% of contacts being resolved at the first point of contact – up from 46% in 2010 despite a 15% increase in contacts.
- Transformation of operational teams: 46% fewer people awaiting a social care assessment since 2021 and a 56% reduction in the longest waits. The average waiting time for an assessment is now around one month. Strengths-based training to over 500 staff across adult social care and customer services has contributed to this decrease.
- Community capacity: 14% increase in people supported with home care; 27% decrease in permanent residential care admissions; and over 1,000 people supported by micro-enterprises compared with less than 100 in 2021. This has been achieved partly through a £500,000 investment in grants promoting community capacity each financial year.
- Greater staff cohesion: 80% of staff expressed that they feel a 'one team' culture across partners. This has been achieved through a cross-sector transformation group and communities of practice to cross-fertilise ideas and experience.

Sources: Oxfordshire County Council correspondence; [Oxfordshire Way strategic vision](#) (Oxfordshire County Council).

4. Managing children’s social care demand

In this section of the report, we present case studies detailing how a selection of local authorities in England are managing rising children’s social care demand. The case studies are organised under the headings of market management, early intervention, and transformation and innovation.

Market management

The Competition and Markets Authority has shown that the children’s social care market in England is dysfunctional. Demand is outstripping supply and many local authorities are paying exorbitant costs for children’s residential placements, sometimes close to £1m per year for one child.⁴ The case studies below detail the steps that three local authorities are taking to build resilience and secure sufficient accommodation for children in care in the context of market, demographic and financial pressures. The steps include expanding in-house provision and fostering capacity, while the Kent County Council case study shines a light on a national children’s social care challenge.

Durham County Council: Children’s Sufficiency Strategy

As with almost every other local authority in England, Durham County Council has experienced financial pressure from the increased cost in placements for looked-after children and an increased number of looked-after children in high-cost placements.

Key figures from Durham County Council:

Children in care increased by 39% between June 2019 and January 2023.

Children in high-cost placements increased by 80% between 2019 and 2024.

Children in a high-cost independent fostering agency doubled between 2019 and 2024, resulting in a net overspend of £1.6m.

In November 2019, there were 39 children in external residential provision. By February 2024, this number had risen to 93.

Durham County Council’s [Children’s Sufficiency Strategy](#) aims to build resilience in children’s services. The strategy has a current capital programme of £6.2m to expand the number of council-run children’s homes. The 2023/24 placement net budget was £62.95m with a spend of £72m.

4 Levelling Up, Housing and Communities Committee, [Financial distress in local authorities](#) (House of Commons, 2024).

Through their sufficiency strategy investment, Durham County Council has addressed placement and cost issues by:

- Expanding the [Mockingbird programme](#) to three hubs, with a fourth hub in 2024.
- Increasing the number of long-term children's homes from nine to 12, offering 32 places with six short-break and one emergency placement, with another seven emergency placements in progress. This will provide an additional 16 places and four places for edge of care support.
- Developing a short-break strategy for children in need and their families.
- Developing a commissioning strategy to provide suitable accommodation for children aged 16+ with support needs.
- Linking the Staying Close pilot to all Durham County Council children's homes and planning roll out to external children's homes.
- Taking part in of the fostering regional pathfinder (31 foster carers to be assessed and approved before the end of the financial year).

Sources: Durham County Council correspondence; [Children in our Care Sufficiency Strategy](#) (Durham County Council, 2024); [Durham County Council Cabinet paper](#) (2024).

Havering London Borough Council: Children's Sufficiency Strategy

In March 2024, Havering London Borough Council featured in a high-profile [BBC Panorama documentary](#) focusing on how rising costs and demand for services including adult and children's social care are putting English local authorities into challenging financial circumstances.

Havering London Borough Council experienced a 10.4% increase in its population between the [2011 and 2021 censuses](#), compared with a national increase of 6.6%. As part of this, there was a significant increase in the under-18 population of 15.2%, over three times the average increase in England of 3.9%. The rise in population has led to a significant increase in contacts and referrals to children's services in the council, as well as rising numbers of children in need and children in care.

Havering % increases from 2019-2024

Children in care: 14%

Referrals: 18%

Children in need: 35%

Child protection plans: 83%

Funding allocations from government are based on the 2011 census data, so the funding allocated to Havering London Borough Council is not sufficient for the increases in population and demand that the council is experiencing.

Additional spending gives a sense of the scale of the financial challenge in Havering's children's services. Between 2011 and 2021, the council invested an additional £20m into children's services. In 2023/24, the council provided £8m in additional funding. An additional £13m is being invested for 2024/25. This means that to meet the growth in demand Havering London Borough Council will invest more additional funding in children's services in the two years between 2023–2025 than it did in the ten years from 2011–2021.

Havering London Borough Council has seen huge demand for children's services, and Department for Education data shared by the council reveals that social workers there have the largest caseloads in London. The additional pressure put on managers contributed to the council receiving an 'inadequate' rating at their latest [Ofsted](#) inspection, with the report stating that 'significant further financial investment to deliver core statutory services' was needed.

Havering London Borough Council can only access around 18% of the local private care market because other local authorities are placing children in their area. As detailed in their Sufficiency Strategy, Havering has addressed this by:

- Undertaking an audit of children living in children's homes to better understand their needs and develop higher-skills level fostering.
- Developing strategic partnerships with local fostering agencies and children's homes to provide more local homes for children and negotiate better unit costs.

- Hosting monthly provider forums to communicate with the market more effectively to meet the needs of children.

Next steps include:

- Undertaking an audit of all fostering capacity within the council to maximise the number of Havering children able to live in local foster homes.
- Joining the London Borough of Newham's Dynamic Purchasing System for all care provision to provide Havering with contract security and reduce the risk of breaching procurement regulations.
- Developing options for Havering to build its own in-house residential children's care.

Source: Havering London Borough Council correspondence; [BBC Panorama, Paying More for Less: Councils in Crisis \(2024\)](#); [How the population changed in Havering: Census 2021](#) (Office for National Statistics, 2022); [Inspection of Havering local authority children's services](#) (Ofsted, 2023).

Kent County Council: Unaccompanied asylum seeking children

Kent County Council's children's services are well performing, having achieved an 'outstanding' rating from [Ofsted](#) in May 2022. The [children's services focused visit](#) in February 2024 confirmed the council's strong performance. The council's main driver of demand in recent years has been from unaccompanied asylum seeking children (UAS children).

It has been a point of political concern that people seeking asylum have been arriving in the UK in small boats via the English Channel. Due to Kent County Council's location, almost all UAS children arrive on the council's shores.

Various sections of the [Children's Act 1989](#) place duties on local authorities in regard to providing services to unaccompanied children in their area. There is a range of statutory and practice guidance and legislation to support local authorities in navigating the complex issue of caring for UAS children. These resources are listed in [Care of unaccompanied migrant children and child victims of modern slavery](#) (Department for Education, 2017).

Traditional methods of managing demand in children's social care cannot be applied to the case of UAS children in Kent County Council. For example, the council cannot forecast the demand and plan accordingly as they cannot be certain of the number of UAS children that will arrive in the council area and when they will arrive. Early intervention and family and preventative actions do not apply because the council does not have an opportunity to make any meaningful interventions before UAS children arrive in the area.

In September 2023, Kent County Council had 759 UAS children in its care

92 other local authorities place children in Kent-based children's homes

70: the number of requests providers in Kent receive per bed

Kent County Council has taken several steps to address the issue of managing demand from UAS children. The council agreed the Kent Protocol with the Home Office, meaning that there would be a cap on the number of UAS children the council would accept, though this was later deemed to be unlawful in a [High Court ruling](#). The council is now opening an additional five reception centres and three children's homes to increase capacity using capital funding from the government. Without this funding, Kent County Council's Section 151 officer stated that the council may have had to issue a Section 114 notice.

Stepping up reception centres, even at pace, requires time to register the premises with Ofsted and for the recruitment of staff. This means that there will be a period in which Kent will not have sufficient provision for UAS children. With insufficient provision, placements will need to be found in the expensive independent sector.

This issue does not only affect Kent County Council, because the [national transfer scheme](#) enables local authorities to request to move children in care to another local authority. Originally voluntary, participation in the scheme was directed by the government. However the [Association of Directors of Children's Services](#) (ADCS) stated in August 2023 that NTS 'no longer effectively functions', with a national shortage of placements and a lack of adequate funding.

Sources: Kent County Council correspondence; [Kent County Council](#) (Ofsted); [Children's Act 1989](#); [Care of unaccompanied migrant children and child victims of modern slavery](#) (Department for Education, 2017); R. v Kent County Council [2023] EWHC 1953 (Admin); [Immigration Act 2016](#); [National Transfer Scheme Protocol for Unaccompanied Asylum Seeking Children](#) (Department for Education/Home Office, 2023); [Comment: National Transfer Scheme](#) (Association of Directors of Children's Services, 2023).

Early interventions

Early intervention is defined by the [House of Commons Library](#) as identifying and supporting children and their families at an early stage to improve outcomes and avoid escalation of need. Early intervention can avoid or delay children and young people from entering care. The following case studies demonstrate that effective practice involves targeted early intervention, Family Hubs, Supporting Families and investment in edge of care services.

Achieving for Children: working with adolescents

Achieving for Children (AfC) is the name of the community interest company created in 2014 by Kingston upon Thames Royal Borough Council and Richmond upon Thames London Borough Council to provide their children's services. In 2017, Windsor and Maidenhead Royal Borough Council joined as AfC's third owner. AfC runs children's social care, education, and children's and young people's health services across the three council areas.

While AfC can achieve economy of scale by working in a company model across the boroughs, the rising cost of placements and the rising demand for those placements represents a significant cost pressure. The high cost of placements is one of the main drivers in budgetary overspends.

AfC has invested in edge of care services, particularly for adolescents. The majority of children in care under AfC are aged 14 and over, and an increasing proportion of children are coming into care as older teenagers. Older children tend to be the highest cost cohort because they often enter the care system with multiple complex needs, often due to exploitation, and also with limited prior involvement with children's services. These circumstances most often result in the young people being placed in higher cost residential care placements with very limited options for them to return home. These young people are therefore most likely to remain in care until they reach the age of 18 and need continued support as care leavers. For these reasons, AfC preventative action is focused on adolescents.

AfC determined the common factors for young people entering care, and children who exhibit these characteristics are identified as being at a higher risk of entering the care system. Examples include suspension or exclusion from school, low-level engagement in anti-social behaviour or criminal activity, risk of exploitation, mental health needs including struggling to process early childhood trauma (such as sexual assault), family violence and adoption breakdown. The children who are identified are targeted for more intensive early intervention work by a specialist multi-agency adolescent safeguarding team.

The team works with an average caseload of 100 to 120 young people, offering a range of individual and group work support to young people and their families. The work is led by social workers who are supported by specialists in exploitation, gang workers from Crying Sons, a clinical psychologist and family therapist, and a small team of family coaches. Outreach workers also offer intensive support in the family home for those young people on the very edge of care. Approximately 10% of the adolescent safeguarding team's caseload are identified as on the edge of care. In 2023/24 this was 11 young people, seven of whom were prevented (or delayed) from entering care with an estimated annual cost avoided of £1,575,600. The saving estimates are relatively conservative and have been based on a young person initially requiring residential care but transitioning to lower-level care at age 16 and then stepping down to supported accommodation at age 18.

Sources: Achieving for Children correspondence; [Achieving for Children website](#).

Salford City Council: Family Hubs Trailblazer

Salford City Council is one of 14 trailblazers in the Family Hubs and Start for Life programme. The programme grew from [The Best Start for Life report](#) (HM Government, 2021). Family Hubs are places in the community that bring together services for families with children aged 0–19, or 0–25 for children and young people with SEND. The Family Hubs enable integrated delivery and co-location of services such as early help teams, child and adolescent mental health services (CAMHS), 0–19 health teams, school co-ordinators, and the VCSE sector. £302m was made available to 75 eligible local authorities to compete in a bidding process to create new Family Hubs in their areas.

Salford City Council completed the sign-up process for Family Hubs and Start for Life in 2022, committing to a three-year programme to deliver the outcomes outlined in the [Family Hubs and Start for Life programme guide](#) (HM Government, 2022). Salford then became a trailblazer, leading the way in delivering the programme at pace with ambitious improvements, and sharing learning and best practice with other areas. In the first three years of the programme, Salford has invested £3.6m in government funding in Family Hubs.

Salford City Council was ahead of the curve and had already carried out redesign work from 2017 to combine the former Children Centre, locality family support and youth services, and established a new Early Help Service for children, young people and families 0–25, which included Family Hubs. The Family Hubs Best Start for Life programme was viewed as an opportunity to build on this early success.

Four locality Family Hubs offer integrated services in Salford, with five satellite sites spread throughout the city. The council's vision for Family Hubs is to expand and enhance the current support model in a way that will overcome increasing demand and complexity of need in the city. A Family Hubs Steering Group meets bi-monthly, bringing partners together from the local authority, health, VCSE, leisure, and Gateways to provide strategic insight into delivery. A family relationships practitioner is linked to each Family Hub, working closely with early help practitioners to promote the universal open access offer and signpost to targeted programmes.

Three examples of projects that Salford City Council is carrying out in the Family Hubs include the Salford Family Relationship service (Parenting Offer), a Perinatal Infant Relationship service (PAIRS) and infant feeding. The funding supplied by the government for Family Hubs prescribes the percentage of the funding allocated that must be used on these offers, which limits local authorities' ability to use the funding freely to suit local circumstances.

For the Parenting Offer, Salford now offers SEND seminars, discussion groups, parenting programmes, community peer groups, and couples together and separated parents courses.

For the Parent-Infant Mental Health Service (PIMHS), four new posts have been created, including a senior clinical psychologist, assistant psychologist, specialist social worker and specialist midwife. Eight-week baby bonding courses are being facilitated across the hubs, and a multidisciplinary PIMHS referral pathway is currently being developed.

The infant feeding project was initiated in April 2024. Every new parent in Salford will be contacted within 48 hours of discharge to offer support with feeding. Infant feeding education and weekly drop-in support groups will operate across the four hubs.

More than 20,000 people have engaged with Family Hubs in Salford through either digital or face to face channels. While it is still too early to measure the long-term impact of Family Hubs, emerging evidence from Salford's integrated front door for children and families suggests reduced demand for targeted and specialist services, particularly for families with younger children.

Sources: Salford City Council correspondence; [Start for Life offer guidance](#) (Department for Education/Department of Health & Social Care, 2023); [Family Hubs and Start for Life programme guide](#) (HM Government, 2022); [The Best Start for Life](#) (HM Government, 2021)

Brighton and Hove Council: Earned Autonomy in Supporting Families

In 2021, the Troubled Families programme was refreshed and rebranded as [Supporting Families](#). Supporting Families aims to support better, sustainable outcomes in families with multiple complex needs ranging from financial instability to domestic abuse and substance misuse. The programme is centred on four key principles: early intervention, whole family working, multi-agency working, and measuring outcomes and data. Local authorities receive upfront funding to provide intensive family support services and improve Early Help Systems, and receive an £800 payment by result per family achieving successful outcomes. Local authorities with [Earned Autonomy](#) (EA) status receive all of the funding upfront.

Brighton and Hove Council is a council with EA status, and have used the funding to bolster their family help and Family Hubs model. The Supporting Families Programme and Family Hubs programme overlap and share similar target outcomes and models of service delivery. Brighton uses its Family Hubs as a vehicle for delivering on the Supporting Families programme. The council uses its Supporting Families funding to pay for the staff who complete intensive whole family work in and associated with its Family Hubs, while the Family Hubs funding is used for transformation of the service in terms of workforce development, data and digital, and participation and engagement.

Starting in 2021, Brighton brought together disparate children's and family services under the umbrella of a single Family Hubs service. Families that cross the door of a Family Hub in Brighton are considered in terms of the [Supporting Families Outcomes Framework](#). Their needs are screened to ascertain what service would best fit the family, and if their needs pass a threshold then a whole family assessment is carried out. A case management system tracks the work being done and the intended outcomes. The data team will monitor a family after the end of the intervention to track whether the intervention has led to positive outcomes that have been sustained. Two performance analysts and two information officers monitor this data, and Brighton uses this analysis to adapt its approach to supporting families.

Brighton has seen an increase in demand for Early Help services, largely because of its successful campaign to raise the profile of this service following the council's [Early Help Review and New Model Development](#) (Brighton and Hove City Council, 2022). Thanks to the Early Help and Supporting Families programmes, Brighton has seen a decrease in its children in need numbers since the implementation of the new service in 2023: in April 2023, there were 1,123 children in need; in December 2023, this number had reduced to 973.

In the [Annual Report 2023-24](#), it was noted that successful outcomes were achieved for 95% of families included in the Supporting Families programme in Qs1-3, and 100% of families in Q4.

Sources: Brighton and Hove Council correspondence; [Supporting Families Programme, Research Briefing](#) (House of Commons, 2023); [Supporting Families Programme guidance 2022 to 2025](#) (Department for Levelling Up, Housing and Communities/Department for Education, 2022); [Supporting Families: Earned Autonomy prospectus](#) (Department for Education/ Department for Levelling Up, Housing and Communities, 2023); [Early Help Review and New Model Development](#) (Brighton and Hove City Council, 2022).

East Sussex County Council: Connected Families

In East Sussex, the Connected Families service works alongside social workers to deliver specialist support and interventions. Connected Coaches work with children and young people (11+) who are on the edge of care or who are being supported back into the care of their family. The aim of the service is to put the right support in place to enable children and young people to remain living within their family network, or to support and facilitate reunification plans. Positive outcomes stemming from Connected Coach involvement includes delaying entry to care, reductions in the length of time in care, positive placement matching and enhanced transitions.

The specialist team reviews, plans and delivers interventions, enhances relationships with families, and promotes the care of young people within their family. This includes developing positive, supportive relationships with young people, offering support to reduce immediate risk and increase stability, promoting prosocial activities and engagement with education, delivering a range of psychosocial interventions, and supporting children and young people to develop understanding and positive coping in relation to their specific needs and circumstances. The team also work with parents and carers to help manage risks in more effective ways, understand the needs of the young person in their care and offer focused interventions to support change. The team works with families for nine months on average, and almost 60% of families complete the programme having achieved the aim of keeping children and young people safe in their families.

With a committed investment amount of £1.3m per annum, the 12 months cost avoidance from April 2023 for children and young people is estimated to be over £4.6m. In that time period, the success of the programme meant that the council enabled 35 children and young people to stay safely with their families, avoiding 22 foster care and 13 residential care placements. This has significantly contributed to a stabilisation in the looked after children rate over the past year.

East Sussex County Council has further developed its Connected Families services, with the launch of the Connected Families Intervention Practitioners (CFIP) team in January 2024. The team are specialist practitioners, delivering support and interventions with parents and carers experiencing domestic abuse, problematic mental health and/or drug and alcohol use. The new team is already actively working with parents across the county. The aim is to provide the dedicated help and support for parents and carers to address their needs, enabling more children to live with their families to support the wellbeing and life chances of children. With a £2.3m investment, the council expects to make a return on this investment through avoided costs in the 2024/25 financial year.

Source: East Sussex County Council correspondence; [State of the County – Focus on East Sussex](#) (East Sussex County Council, 2023).

Transformation and innovation

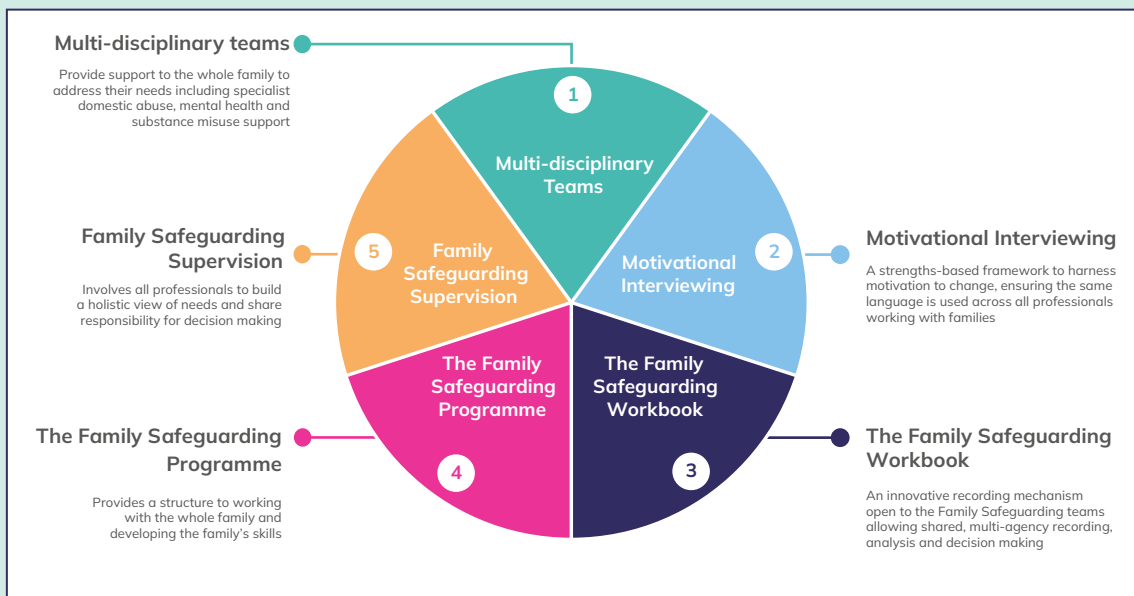
The following case studies detail transformation and innovation projects in two local authorities. The first describes Hertfordshire County Council's innovative approach to family safeguarding, and the second describes North Tyneside Council's ongoing children's social care transformation. The case studies demonstrate the importance of taking a strengths-based approach, employing multi-disciplinary teams, attaining strong corporate buy-in and investing to save.

Hertfordshire County Council: family safeguarding

In *Planning to deliver*, CIPFA discussed Hertfordshire's strengths-based family safeguarding approach. We described the council's use of motivational interviewing, multi-disciplinary teams, and a family safeguarding workbook (see chart below for detail). The [Family Safeguarding Hertfordshire Evaluation](#) (Department for Education, 2017) noted reductions in contact with police, improved school attendance, and estimated cost savings in the first 12 months of £2.6m from reduced care and child protection costs. After the approach was trialed in three further councils, the Family Safeguarding Evaluation Report (Department for Education, 2020) found that there were "statistically significant reductions in looked after children numbers and/or Child Protection Plans in the two years following introduction".

The family safeguarding model is now fully embedded, and Hertfordshire County Council continues to see significant benefits for children and families. The number of children with a Child Protection Plan is the lowest in the country, at 16.6 per 10,000 under-18 population. The family safeguarding workbook continues to be updated to make it as effective as it can be, for example by reviewing language. [Ofsted](#) noted that Hertfordshire's family safeguarding offer is effective in reducing the number of children entering care.

Graph 10: Family safeguarding in Hertfordshire



Source: [A Guide to Family Safeguarding](#) (Hertfordshire County Council).

Hertfordshire County Council has continued to build on the family safeguarding model and has developed the Building Bridges project. Where the family safeguarding team works to keep children safely with their families, Building Bridges represents an innovative approach to safely return children in care to their families. Hertfordshire County Council has emulated the family safeguarding model in terms of a multi-disciplinary team, long-term intervention and a workbook based on the family safeguarding workbook. Between the start of the programme in October 2023 and March 2024, 21 look-after children in high-cost placements have been returned home through the Building Bridges programme, equating to current financial savings of £1.7m. If all planned reunifications occur, the total costs avoided are estimated to be £11.1m by 2025/26.

Graph 11: The number of looked after children in Hertfordshire is trending downward (excluding separated migrant children)



Source: Hertfordshire County Council correspondence.

North Tyneside Council: transforming children's services

North Tyneside Council has embarked on a broad-ranging transformation project in their children's services to build resilience to manage increasing demand. The council has seen a 40% increase in referrals between 2019 and 2024, and a corresponding increase in gross expenditure of 36% in that time (2018/19: £20.4m; 2022/23: £32.3m).

Senior leaders recognised that children's services were a key driver of financial pressure across the council. Without change, the children's social care system in North Tyneside would not be able to cope with the pressures of increasing demand.

The council's medium-term financial plan (MTFP) has a strand focusing on investment in children's services and how to deal with increasing demand and associated budgetary pressures, while delivering cost-effective high-quality care to children. The cost avoidance based on reducing the number of children in care is estimated to be £1m in 2024/25. This is accompanied by a workforce strand in the MTFP to ensure that there is investment in the workforce for a sufficient number of social workers to be able to manage the increase in demand. The council are trying to take a longer-term view and to move away from budgeting on a one-year basis, but single-year funding settlements from the government hinders financial planning.

The council has started budget monitoring against the number of children in need and the estimated increase in demand and associated workforce pressures. A core group of children in care has been identified and the council uses the costs associated with these children to monitor changes in the system and uses this data to inform its strategy. For example, the council recognises a current overreliance on external residential placements, so are moving to invest in internal children's homes.

There is a strong, consistent, shared understanding of the challenges in children's social care across the council, from the senior leadership to the cabinet, and strong corporate buy-in for the need for transformation to make children's services fit for the future.

There is investment in the workforce so that they can better understand the needs and characteristics of children coming into care, and there has been investment in managers to ensure strong oversight of decision making when bringing a child into care. The workforce offer has been revised, and the council is better at communicating the benefits of working for the council.

Other elements of the transformation include a fostering strategy, which aims to increase the number of foster carers with the skills to care for teenagers and sibling groups, and in so doing it aims to positively impact on costs by reducing the use of independent fostering agency care arrangements and reducing the number of external residential homes for children and young people in favour of more in-house skilled fostering households.

Alongside this, and in collaboration with local authorities across the North East region, North Tyneside Council are part of the Department for Education's pathfinder approach to regional foster care recruitment and retention, as part of the government's commitment to increase the number of foster families.

Source: North Tyneside Council correspondence; [2022-2026 Medium-Term Finance Strategy](#) (North Tyneside Council, 2021).

5. How good public financial management and governance can support effective demand management

As a public finance institute, CIPFA believes that good public financial management and effective governance are central in supporting the delivery of effective practice in demand management. The role of the public finance profession in enabling the good practice in adult and children's social care demand management is further explored below.

Attain strong corporate and leadership buy-in

The public finance profession has a key role to play in attaining strong corporate and leadership buy-in. In their function as business partners, finance professionals influence strategy, collaborate to further policy goals and offer expert analysis to create a compelling vision. Effective financial oversight accompanied by evidence-based communication conveys the risks and benefits of a course of action, and can embed good financial management in organisational culture. For good practice in the role of the finance business partner, see [The Excellent Finance Business Partner](#) (CIPFA, 2015).

Utilise funding and resources from diverse sources

Effective approaches in demand management involve the use of funding and resources from the council, partners, the community and government. It is essential that finance professionals and sector service experts work together to maximise funding opportunities. Finance professionals can produce evidence-based business cases supporting strategic corporate objectives, and play an important role in grant and resource management, including managing application processes, ensuring compliance, reporting and risk management.

Focus on improving outcomes

The delivery of outcomes and the ability to evidence results is an important part of a council's ability to manage demand. Public finance professionals should have the capability and capacity to support colleagues throughout the organisation to provide evidence of improved outcomes and ensure that public money is directed towards improving the health and wellbeing outcomes of citizens. As [CIPFA](#) has observed, the contribution to positive social impacts makes a public finance career attractive and fulfilling. Skills sets include the ability to develop robust performance measurement systems, utilise quality data and identify areas of improvement. CIPFA's [Outcomes and Public Service Delivery](#) (2018) sets out best practice in designing, measuring, assessing and reporting on outcomes.

Monitor, forecast and benchmark

Public finance training includes developing skills in forecasting, budget monitoring, performance analysis and benchmarking. These are key skills in the context of financial and demand pressures. It is essential that all decisions are made on the basis of strong evidence, and that MTFPs draw together strategic planning priorities, and demand and resource forecasts to produce a costed plan on the long-term financial sustainability of the service and organisation. The public finance professional is central in the delivery of this approach. CIPFA's [Planning to deliver good value in demand-led services \(social care\)](#) (2020) offers useful strategies in monitoring and forecasting as the first step to effectively manage social care demand.

Direct more funding upstream

CIPFA has advocated for preventative investment in the public sector in publications such as [Integrating care: policy, principles and practice for places](#) (2022), and in our work with the [Health Foundation](#). The public finance professional can support in the allocation and provision of greater upstream funding by developing robust business cases, supporting better decision making on the use of resources, and evaluating costs and potential benefits.

Adult social care analysis

Below, we offer insights into how the finance profession can contribute to improved market management, transitions from children's to adult social care, and adult social care transformation projects based on good practice from the case studies in this publication.

The adult social care case studies on market management demonstrated the importance of not only exploring innovative commissioning arrangements, but on supporting providers by fostering the conditions for them to offer high-quality care to local people.

[CIPFA](#) believes that sustainable social care commissioning can only be achieved through mutual understanding of costs, business models and risk. Positive and open relationships should be developed through mechanisms such as provider forums. Lincolnshire County Council's example shows that a well-functioning care market can be achieved by exploring commissioning models that offer providers confidence in the nature and scale of activity. Public finance professionals have a central role to play in the commissioning process, ensuring value for money, managing risks, monitoring and evaluation, and strategic planning.

The success of Durham County Council's Care Academy in supporting the local care market demonstrates the role that local authorities can play in creating the conditions for providers to offer sustainable, high-quality care. The social care sector faces a workforce crisis. Investing in facilitating the employment and development of care workers is a positive step in alleviating this situation. The finance profession should be central in putting forward the case for investment and must have a good understanding of where providers can benefit from support.

On transitions, the case studies show that successful moves from children's to adult social care involve close working between adult, children's and transition teams. The finance professional should be a key player alongside social care colleagues in this close working, ensuring efficient resource allocation, supporting financial planning and fostering partnership development.

In terms of engaging with young people and their families early, the finance professional again plays an important part in financial planning and can present evidence-based cases for early engagement in terms of projected cost avoidance and improved outcomes.

Children's social care analysis

Below, we offer insights into how the finance profession can contribute to improved market management and early intervention in children's social care.

In terms of market management, case studies such as that from Durham County Council demonstrate that local authorities are expanding in-house provision where appropriate in order to reduce reliance on expensive residential providers. CIPFA believes the finance profession can play a pivotal role in such projects, ensuring effective cost-benefit analysis, budgeting and financial forecasting, and risk and asset management.

Safeguarding family networks has been shown in the case studies from Hertfordshire County Council and East Sussex County Council to have a positive effect on demand management and the outcomes of children and families. To contribute to this success, finance professionals have an important role to play through modelling for investment, supporting business cases, monitoring and quantifying impact.

Investment in edge of care has been an effective approach to managing rising demand for children's social care, as can be seen in the case study from Achieving for Children. The finance profession can support this approach through robust financial management, and creating strong business cases that communicate the benefits of investing in edge of care.

Finally, government initiatives such as Family Hubs and Supporting Families have bore fruit in the local authorities involved in these programmes. The finance profession can contribute to such success through maximising funding opportunities, and effective grant management.

6. Conclusion

In this publication, CIPFA has shown that demand and costs in adult and children's social care are rising in England. We have drawn out markers of good practice in demand management from case studies produced following interviews with adult and children's social care and public finance leaders across the country. Furthermore, we have set out the ways in which the public finance profession, working closely with other stakeholders, can contribute to the delivery of effective demand management.

As the only body dedicated to public finance in the world, CIPFA is acutely aware of the importance of the public finance profession in building services that are resilient, sustainable, and prepared for the challenges of today and tomorrow. Social care is by far the highest area of discretionary spend in upper-tier councils, and in the context of restrictive budgets, challenging savings targets, increasing costs, and rising demand, CIPFA believes that public finance professionals can play a crucial part in supporting sector colleagues to effectively navigate and provide leadership in this complex landscape.

We hope that readers can take away lessons from this publication and turn them into their own positive stories.

7. Further reading

CIPFA resources

[Financial resilience index](#) (2023)

[Performance tracker](#) (2017–2023)

[Planning to deliver good value in demand-led services \(social care\)](#) (2020)

Local authority resources

Adult social care

Market management

[County Durham Care Academy](#) (Durham County Council)

[Adult care and community wellbeing, Market position statement 2020-2023](#) (Lincolnshire County Council)

[Support for adult social care managers](#) (Stockton-on-Tees Borough Council)

Transitions

[Named social worker: cost benefit analysis](#) (York Consulting, 2018)

[London Borough of Ealing adult social care preparation for assurance peer challenge report](#) (Local Government Association, 2023)

Transformation and innovation

[Better Outcomes Better Lives](#) (Manchester City Council)

[Adult Social Care System Reform Programme](#) (Hounslow London Borough Council, 2023)

[Oxfordshire Way strategic vision](#) (Oxfordshire County Council)

Children's social care

Market management

[Children in our Care: Sufficiency Strategy](#) (Durham County Council, 2024)

Early interventions

[Family Hubs and Start for Life programme guide](#) (HM Government, 2022)

[Supporting Families Programme guidance 2022 to 2025](#) (Department for Levelling Up, Housing and Communities and Department for Education, 2022)

Transformation and innovation

[A guide to Family Safeguarding](#) (Hertfordshire County Council)



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