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Clive Betts MP
Chair of Levelling Up, Housing and Communities Committee
House of Commons
London
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29 November 2023

Children's Social Care Cost Pressures

Dear Clive,

I am writing to ask you and your committee to consider Bradford Children and Families Trust's current position and the services for the district's most vulnerable children as part of your inquiry into Financial Distress in Local Authorities.

The main point I would like to make is that DLUHC is responsible for financing local authorities but not enough consideration is made in the Department for Education for local authority funding to carry out our social care statutory obligations. Your inquiry has heard from colleagues in the local government sector that we want DLUHC to be heard louder in other departments, particularly the Department for Education (DfE) which should be championing local authorities. Both departments should have a joint statutory obligation to ensure the financing of children's social care is maintained at the correct levels.

This issue is seen in stark relief in Bradford where the DfE has appointed a Chair and a Board to run the Bradford Children and Families Trust, which has been set up under DfE ministerial direction. The Trust is an independent company which also has the support of an expert Government Commissioner.

Bradford Council is very supportive of the Trust, which is run by a strong and experienced Chief Executive who is committed to improving services to children and young people from its current inadequate judgement. She is making good progress for our children and must be given the chance to succeed. Bradford is the UK's youngest city, nearly a quarter of the population are aged under 16, yet a third of children live in poverty. A successful Trust will play a vital role in protecting and enhancing the life chances of our most vulnerable children.

The Bradford Children and Families Trust has identified an urgent need for significant additional funds, a strong element of which is soaring placement costs – an issue I know that your committee has highlighted as a significant problem nationally among the challenges being faced by children's services departments in councils.

Bradford Council has made big investments in children's social care in recent years, nearly 50% of the Council's entire budget is now spent on Children's Social Care through the Trust, yet the Trust is telling us this is not enough to cope with current pressures. Government support is therefore

critical to the Trust's success and in turn to the sustainability of wider Council services and to our ambitions for growth.

The Trust was directed to be set up by the DfE, supported by DLUHC at the most volatile time for the children's services market. It is grappling with high agency costs, high placement costs and dizzying levels of demand. It is in the earliest stages of its development. The Trust has informed the government and the council that these factors have led to budget pressures of £45m this year and £41m next year, with a similar amount required annually moving forward to fund the good quality children's services in the Bradford district that we are all so determined to see.

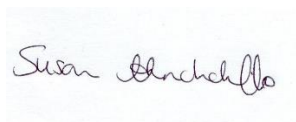
This means that the Bradford Children and Families Trust is forecasting to spend £242 million on children's social care this year. To put this in context Bradford Council will collect only £233 million in council tax from its residents this year. I know your committee has already raised concerns about council tax as a regressive means of addressing the funding gap councils face. 60% of our households in Bradford are in Bands A and B which leads to a low council tax base. This is contrasted with high demand for services. This means that we cannot keep pace with demand in the same way that other more affluent areas are able to.

As a local authority we have been raising the Trust's financial concerns with both the DfE and DLUHC all year and asked for their advice which we continue to await. The situation now requires urgent action to be taken by Government; more than any other place in the country Government currently has the most direct accountability for children's services in Bradford.

There are, of course, precedents where other local authorities have secured multi-million-pound support, for example through Safety Valve Funding to address pressures on SEND. We strongly believe, if nothing else, a similar approach is needed to support Children's Social Care to ensure that Bradford Children's and Families Trust can continue to deliver the services our children need and deserve.

To reiterate, Government financial help to Children's Social Care is now critical to discharge our nation's responsibility to our vulnerable children and young people.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Susan Hinchcliffe', written on a light blue background.

Susan Hinchcliffe
Leader of Council