

Out of Service: February 2021

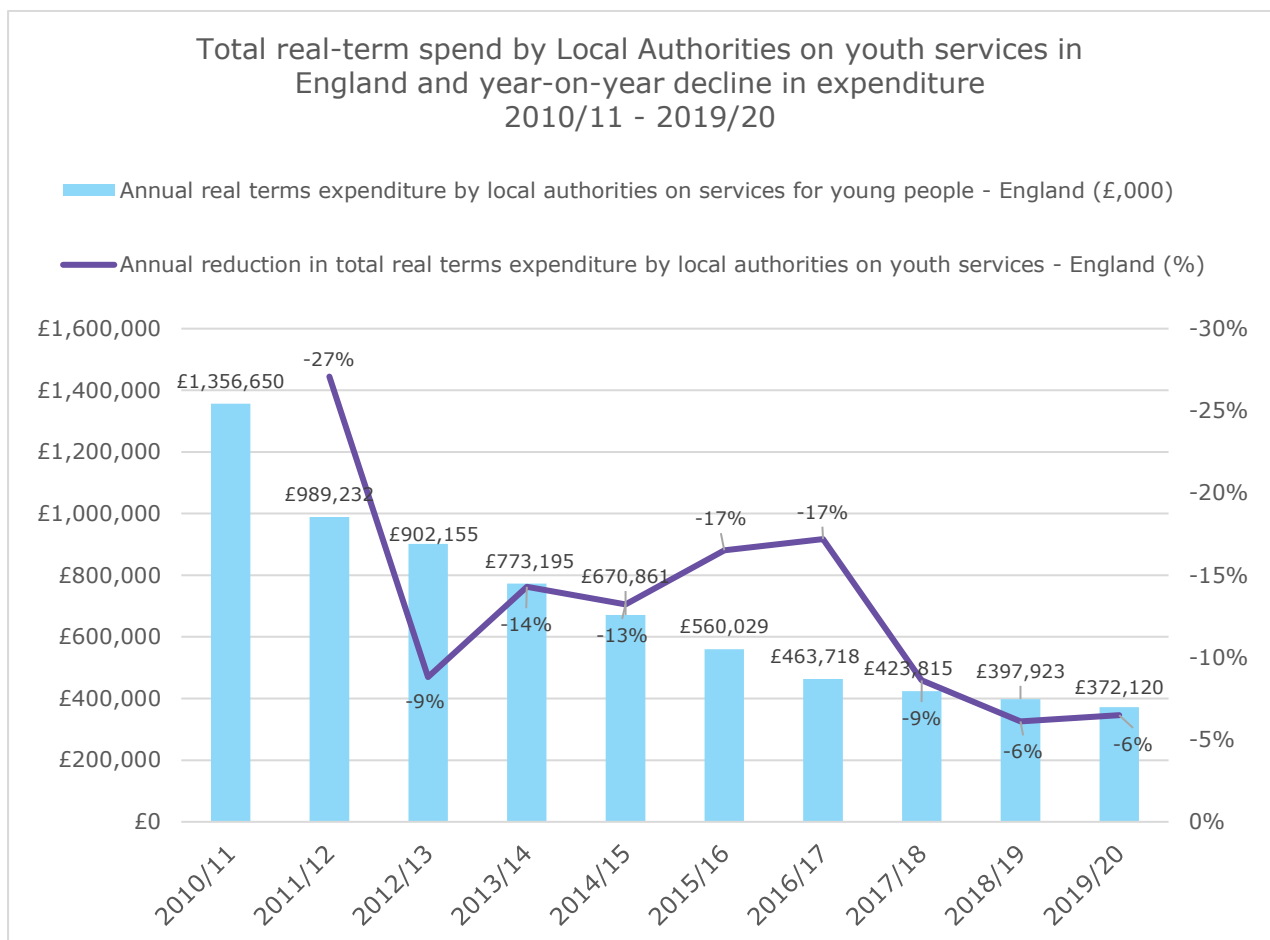
Out of Service: Vital Funding Overdue as Youth Services Expenditure Falls Again

Real-term Local Authority expenditure on youth services has fallen 73% since 2010/11 with overall cumulative cuts across England totalling almost £1bn in the past decade (£958.72m).¹

Local Authority youth services funding continues to decline

Local Authority spending on youth services in 2019/20 was £372.12m, a 6% decrease year-on-year, and made up just 4% of total expenditure on children and young people’s services (£10.53bn). This is despite a 7% increase in total expenditure from 2018/19: this extra funding has predominantly flowed into services to help young people in crisis or dependent on Local Authority care, with budgetary increases in 2019/20 for children looked after and safeguarding.

Local Authority funding typically covers the revenue costs of youth services – that is, the delivery of services through youth worker salaries, staff support and the running of projects. Reduction in expenditure means fewer young people can be supported by already-stretched services.



¹ Department for Education, [LA and school expenditure: 2019 to 2020 financial year – Official Statistics](#), 21 January 2020

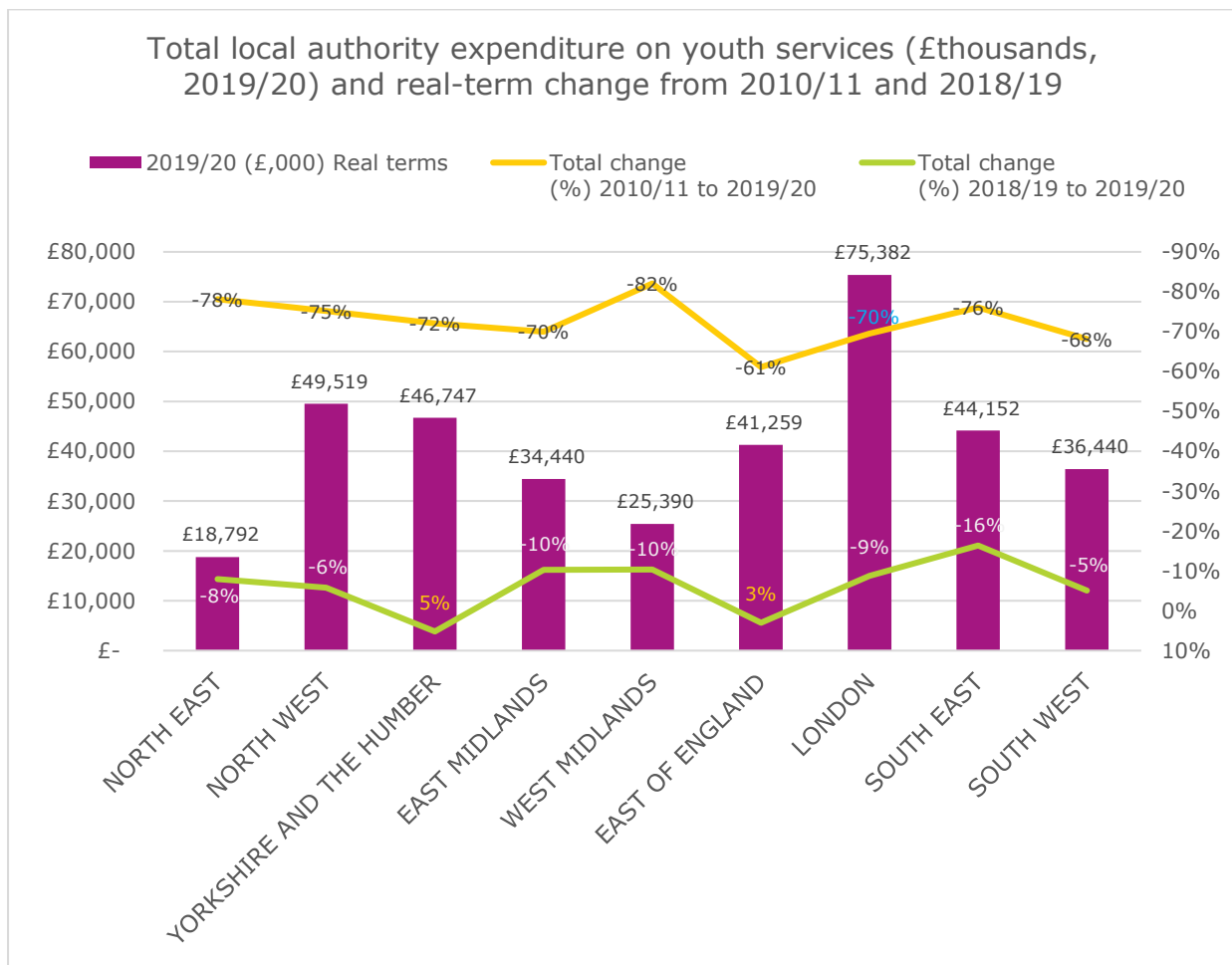
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Year-on-year, the reduction of expenditure has slowed since the start of the decade and the then-Coalition government’s policy of austerity in the wake of the global financial crisis and economic recession of 2007-11. For the past two financial years, real-term Local Authority expenditure has fallen by 6%. However, given the extent of the cuts to youth services expenditure between 2010/11-2016/17, services across England have already been substantially stripped back to cut budgets heavily any further.

Regional variation

Over the past ten years, certain regions have had expenditure tightened more than others: in East of England this fell in real-terms by -61% and by -68% in the South West. Comparatively, expenditure has fallen in real-terms by -82% in the West Midlands, -78% in the North East and -76% in the South East since 2010-11.

Year-on-year, however, and both the East of England and Yorkshire and the Humber had an increase in expenditure from 2018-19 (3% and 5% respectively). Across all other regions, expenditure fell by a minimum of -5%. The South East recorded the biggest annual fall in expenditure at -16%.



What is the future for youth services?

Since YMCA last produced its [Out of Service](#)² report in January 2020 analysing the fall in expenditure over the preceding year, the Government has committed delivering £500m into youth services through its Youth Investment Fund. The Government states this will be delivered before the next election in 2024. This commitment to funding is a positive move in securing the continuation of youth services over the coming few years, however fails to cover the near-£1bn stripped from the sector in the past decade – promising half of this amount returned to the sector.

In the 2020 Spending Review, the first £30m was announced to fund capital projects during the 2021-2022 financial year, with a review of youth service funding to take place during the spring to set a plan for future youth spending.³ This first wave of capital funding is aimed to deliver new youth centres, refurbishing current premises and increasing the use of mobile youth centres.

YMCA welcomes the release of this first tranche of the Youth Investment Fund, as this financing for capital funding will help modernise the youth services offer – from keeping buildings operational to investment in vehicles for mobile youth services delivery.

Yet, with no revenue funding due to be delivered in the next financial year (2021/22) this does not counteract the reduction in Local Authority expenditure. Capital funding alone will not be enough to support our young people through the delivery of innovative and high quality youth services.

This is even more pertinent in light of the COVID-19 pandemic and national lockdowns: after such disruption during their formative years, young people need a safe space outside of home and school for their personal, social and emotional development.

YMCA hopes the release of the Youth Investment Fund and Government review into youth service funding will create and maintain a sustainable way to fund youth services not only now, but into the future. There must be a strategic plan to service the current needs of our young people and the support they require in the wake of months in lockdown, as well as preventative services for at-risk young people and to maintain overall wellbeing for this generation.

Contact details

For more information or queries about this research, please contact the YMCA England & Wales Policy, Campaigns and Research Team: policy@ymca.org.uk

² YMCA England & Wales, [Out of Service: A report examining local authority expenditure on youth services in England & Wales](#), 5 January 2020

³ HM Treasury, [Spending Review 2020: Policy paper](#), 15 December 2020

Notes on calculations

The analysis was conducted by taking the individual datasets of local authority spending on youth services for each financial year since 2010/11 alongside national and regional datasets released by the Department for Education.⁴

Costings from the years 2010/11 to 2018/19 were converted into real terms to make them comparable with 2019/20 using HM Treasury's GDP deflators at market prices to adjust for inflation.⁵

These calculations were first performed in YMCA's Out of Service report, released in January 2020,⁶ updated with this year's dataset.

⁴ Department for Education, [LA and School Expenditure: 2018 to 2019 financial year](#), 13 December 2019
Department for Education, [LA and School Expenditure: 2017 to 2018 financial year](#), 6 December 2018
Department for Education, [LA and School Expenditure: 2016 to 2017 financial year](#), 14 December 2017
Department for Education, [LA and School Expenditure: 2015 to 2016 financial year](#), 15 December 2016
Department for Education, [LA and School Expenditure: 2014 to 2015 financial year](#), 10 December 2015
Department for Education, [LA and School Expenditure: 2013 to 2014 financial year](#), 11 December 2014
Department for Education, [LA and School Expenditure: 2012 to 2013 financial year](#), 12 December 2013
Department for Education, [LA and School Expenditure: 2011 to 2012 financial year](#), 24 January 2013
Department for Education, [LA and School Expenditure: 2010 to 2011 financial year](#), 25 January 2012

⁵ HM Treasury, [GDP deflators at market prices, and money GDP December 2020 \(Quarterly National Accounts\)](#) – National Statistics, 6 January 2021

⁶ Ibid, YMCA England & Wales