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Beyond the Brink?

The state of funding for youth services

JANUARY 2025

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VESTEY HOLDINGS

Everyone should have a fair chance to discover who they are and what they can become.

About YMCA

YMCA believes in fairness and opportunity. There are essential building blocks for a full and rewarding life: a safe home; acceptance; guidance; friendship; physical and mental health; academic support; employment skills; and access to real opportunities. Many young people have never known these things; other people have lost one or more as they grew up, but we all need them. All of us. At YMCA, we provide these critical foundations for a fresh, strong start for young people and a better quality of life in the community.

YMCA is the oldest charitable provider of youth services in England and Wales. Across the two countries, we provide a safe space for 51,000 young people through our extensive youth services offering. We run 237 youth clubs every week, as well as targeted and detached youth work to 12,000 young people on their terms, adapting to their needs and interests.

About Vestey Holdings

Vestey Holdings is a fourth-generation family business comprising 16 businesses operating predominantly in the food industry. Their core activity remains rooted in providing quality, affordable food globally.

They endeavour to inspire young people to achieve their potential and are committed to raising awareness of the challenges confronting young individuals. It is, therefore, with immense pride, that they are sponsoring YMCA England & Wales' Youth Services Spending Research and Report for a second year. Through this sponsorship, they aim to ensure governments and institutions receive the necessary facts and insights to make well-informed decisions that will positively impact youth services.

Summary

- Local authority expenditure on youth services has fallen 73% in England and 27% in Wales since 2010-11.
- This represents a real-term cut of £1.2bn to youth services between 2010-11 to 2023-24 in England, and £16.6m in Wales.
- We estimate that real-terms local authority expenditure on youth services in England has remained flat year-on-year at £447.5m, a 0.2% decrease from 2022-23.
- Real-terms expenditure has declined more markedly in Wales, with a 6% year-on-year reduction to £45.4m.
- Spend per 5-to 17-year-old on youth services in England was £50.09 in 2023-24, compared to £97.83 in Wales.
- There were 1,662 full-time equivalent (FTE) youth workers in England in 2023-24, an 2% year-on-year increase. Compared to 2012-13, this is 34% fewer youth workers.
- In Wales, the number of FTE youth workers fell 16% year-on-year to 799, a 46% decrease since 2012-13.
- Wales had 91 council-run youth centres in 2023-24. Although this is a 3% increase year-on-year, it represents 62% fewer youth centres than in 2010-11.
- There were 16 fewer local authority-run youth centres in England than in 2022-23, equivalent to a 4% reduction. Since 2011-12, this is 54% fewer youth centres than in 2010-11.
- 14% of responding councils reported that they had no youth centres in their local authority, either run by themselves or other organisations.

Introduction

For more than a decade, local authority expenditure on youth services has depleted. YMCA has charted this time and again, highlighting the depth of funding cuts compared to previous years.

The past six years of our reports have covered a range of greater challenges that local authorities have faced: a global pandemic causing youth services to cease face-to-face sessions, a cost of living crisis and local councils facing bankruptcy.

Over this time we have repeatedly called for sustainable long-term funding in youth serves and the implementation of a national youth strategy. Funding has been promised for the youth sector in the last several years in England, in the shape of the Youth Investment Fund and the Youth Guarantee. These pots were greatly received, but predominantly covered capital funding (i.e., building or renovation of youth centres) or national youth organisations from a top-down approach. In Wales, they Strategic Voluntary Youth Work Organisation (SVYWO) grant scheme, announced in 2023 does not start funding until 1 April 2025.

Little has flowed through to local authorities in England and Wales to fund the organisations in their area catering to the distinct needs of their communities. Instead, they have managed on reduced central government grants and increased demand for cost-intensive services.

Methodology

Local authorities have a statutory duty to report expenditure on education and services for children and young people to the Department for Education: this is done through annual Section 251 outturn statements. Line 3.5 of Section 251 guidance covers "Services for young people", split into universal and targeted services, which are used as the basis of this research.¹

This is the fifth report in which YMCA has charted the changes in local authority expenditure on youth services since 2010/11. To make previous years' expenditures comparable with the most recent, historic spending is adjusted for inflation using the Treasury's gross domestic product deflators.²

In this report, data was taken from the Office for National Statistics' estimates of the population for England and Wales from mid-2010 to mid-2023. Local authority

¹ Department for Education, <u>LA and school expenditure – Financial year 2023-24</u>, 12 December 2024

 ² HM Treasury, <u>GDP deflators at market prices</u>, and money <u>GDP October 2024</u> (Autumn Budget 2024),
31 October 2024

population counts of 5- to 17-year-olds were compared against local authority spend on youth services to generate a per-head figure.³

Holiday Activities and Food (HAF) Programme

When analysing reported expenditure for the 2021-22 financial year, several local authorities had significant increases in spending on services for young people. We issued Freedom of Information (FOI) requests to these councils to understand the increase, and many had included the Government grant for its Holiday Activities and Food Programme (HAF) within the budget line for youth services. This Department for Education funding was launched in 2021 to support disadvantaged children on free school meals within term time with access to sporting activities and food during school holidays.

All local authorities received a share of this £205m funding depending on the amount of qualifying children in their area, but only a few included it in their reported spend on youth services. To ensure that spending on youth services is held equal, we again issued FOI requests to all councils in England to ascertain where this funding filed. If it was included in the budget lines for services for young people (3.5.1-3.5.3) in their Section 251 outturn statement, the amount spent was subtracted from their gross expenditure as reported to the Department for Education. At the time of publishing, we had responses from 125 local authorities (81%).

Many local authorities filed this grant expenditure in their Section 251 outturn statement under "Family support" (20%) or as a specific or miscellaneous grant (16%). A fifth (22%) excluded the grant from their Section 251 outturn statement entirely, some stating that there was no guidance as where to file it.

A further fifth (22%) of local authorities that responded to the FOI request filed the grant under "Services for young people". As all local authorities received this grant and only a small proportion included it as part of their services for young people expenditure, we have removed the declared HAF expenditure from these local authorities' reported spend to hold all spend on youth services as equal.

Wales

Welsh local authorities provide more in-depth data to the Welsh Government in terms of expenditure and income, and accordingly these figures were analysed to garner what extra expenditure afforded.⁴ Powys did not report its data for 2018/19 and so the figure from 2017/18 was used, and then adjusted using an average of the percentage change for all declared local authorities between 2017/18 and 2018/19. This equated to a 2% reduction on the 2017/18 figure.

³ Office for National Statistics, <u>Population estimates for England and Wales: mid-2023</u>, 15 July 2024

⁴ Welsh Government, <u>Welsh youth service: Expenditure summary by local authority</u>, 19 October 2023

Youth centres and youth workers

As part of Freedom of Information requests sent to local authorities on HAF, we asked councils to detail how many youth centres they ran, as well as the full-time equivalent number of youth workers employed from the financial years 2016-17 onwards. This was then combined with existing Freedom of Information data compiled by public service union Unison in 2019 in research on youth services cuts.⁵ Unison had shared its raw data with YMCA to continue its research.

In cases where we did not receive an FOI response from a local authority who provided figures to an FOI request for 2022-23, the previous year's figure stated for FTE youth workers and youth centres were carried over.

Youth services definition

For the purposes of this research, 'youth services' broadly encapsulates two types of service: 'open-access' (or 'universal') services, including a range of leisure, cultural, sporting and enrichment activities often based around youth centres; and more targeted provision for vulnerable young people, including teenage pregnancy advice, youth justice teams, and drug and alcohol misuse services. Local authorities have a duty to "secure services and activities for young people aged 13 to 19, and those with learning difficulties to age 24, to improve their wellbeing".⁶

England

In the 2023-24 financial year, local authorities in England reported to the Department for Education that £474.3m was spent on youth services. In real terms, this is static from 2022-23 when expenditure totalled £475.7m, adjusting for inflation.

As explored in previous YMCA reports on youth services expenditure, YMCA again estimates that overall local authority is lower than this when holding funding equal. This is because a handful of local authorities include central Government funding of its Holiday Activities and Food programme (HAF) as expenditure on services for young people, as explained in the Methodology section. As a result of Freedom of Information requests sent to local authorities, declared HAF expenditure included in a council's youth services spending figure has been removed to hold all local authorities' expenditure as equal.

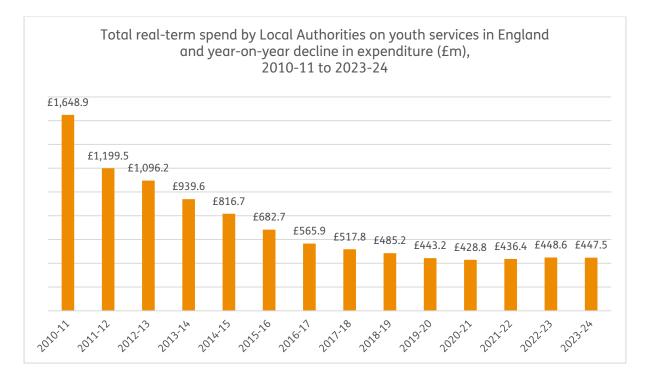
With these adjusted figures for 2021-22 onwards, we calculate that local authority expenditure on youth services in England totalled £447.5m in 2023-24. This is a

⁵ Unison, <u>Youth services at breaking point</u>, April 2019

⁶ Department for Education, <u>Statutory Guidance for Local Authorities on Services and Activities to</u> <u>Improve Young People's Well-being</u>, June 2012

0.3% reduction year-on-year, and a 73% decline since 2010-11. Adjusted for inflation, the loss of funding totals £1.2bn over this time.

This year's figure represents a levelling-off of cuts to youth services expenditure, compared to higher year-on-year cuts at the beginning of the 2010s. With a drip-feed of cuts in the years following, local authorities have little left to reduce.



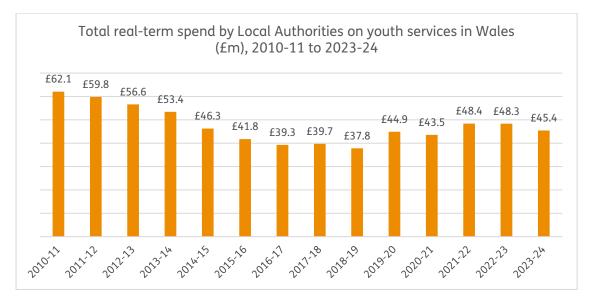
Wales

Expenditure on services for young people in Wales totalled £45.44m in 2023-24, the lowest real-terms expenditure since 2020-21. Funding for youth services fell by 6% year-on-year in real terms.

While the raw reported figure for expenditure (without adjusting for inflation) is broadly the same in the last two years, some Welsh local authorities have greatly increased funding in 2023-24 while others have made double-digit cuts.

Since 2010-11, local authority expenditure on youth services in Wales has fallen by 27%. While still a significant cut over this time, it is significantly less than in England. Its devolved Government handled post-financial crisis fiscal policy differently to Westminster, with less deep cuts made to public expenditure. Furthermore, the Welsh Government adopted a rights-based approach as the basis of policy-making relating to children and young people in 2004.⁷

⁷ Welsh Government, <u>Policy and strategy: Children's Rights in Wales</u>, 20 August 2019



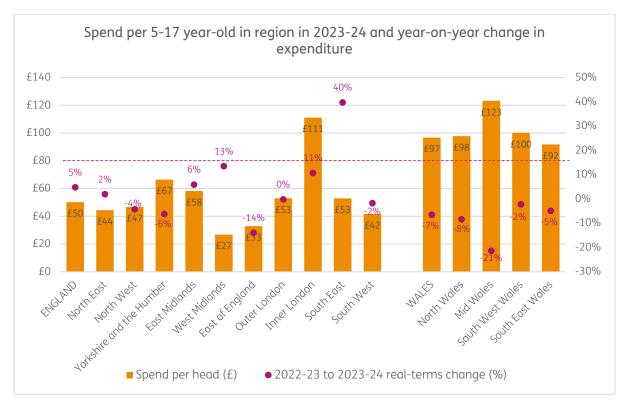
Spend per head

The disparate levels of youth services expenditure between local authorities, and between England and Wales in particular, require further analysis to fully demonstrate how much money is being spent on leisure activities for young people and children in the two countries.

Using the Office for National Statistics' figures for mid-year populations increases in 2023, YMCA calculates that local authorities in England spent on average £50.09 per young person and child aged 5-17 in their constituency, compared to £96.73 in Wales. These figures represent a 5% increase in spending per young person in England, and a 7% decrease in Wales.

Although local authority expenditure varies widely across all local authorities, areas such as Yorkshire and the Humber and East Midlands in England outspend other regions, and Inner London significantly so. In Inner London this is due to recent high increases in spend in City of London (2023-24 spend per head of £496.44) and Westminster (£335.69) boroughs; as Mid Wales contains only Powys (£122.57) and Ceredigion (£124.63) it creates a high average figure.

The high increase in the South East was driven by expenditure on youth services in Hampshire more than tripling (overall ± 6.1 m real-terms expenditure in 2022-23 to ± 21.4 m in 2023-24). Hampshire is a potential outlier in terms of expenditure as it is the largest of all local authorities by ± 6 m, and larger than the spend in the entirety of the North East region.



Youth workers

Local authority youth expenditure is typically split between capital (youth centre buildings, maintenance, renovations) and revenue (funding of programmes and staffing). To garner a better picture of council expenditure into something tenable, YMCA sent Freedom of Information (FOI) requests to all local authorities in England for the numbers of full-time equivalent (FTE) youth workers employed and council-run youth centres in their area, combining this with responses gained through prior FOI requests from both YMCA and Unison.⁸⁹ In Wales, this information is made available as part of its youth work data series.¹⁰¹¹

In England, the number of youth workers in 2023-24 was a minor improvement year-on-year, with a 2% increase to 1,662 reported FTE staff employed by local authorities. Over the long term, this is a 34% reduction since 2012-13.

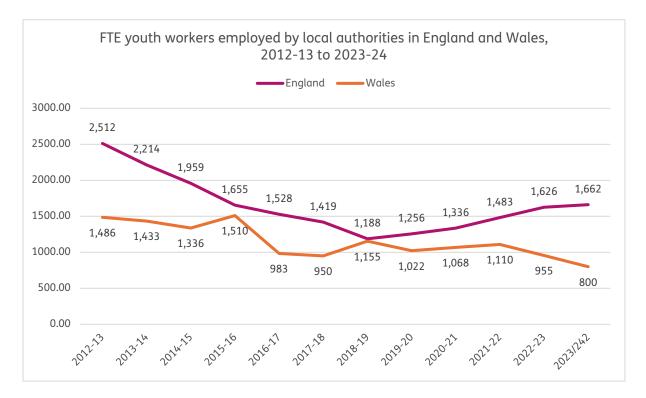
In Wales, there has been a more marked year-on-year decline. The 2023-24 total of 799 FTE workers is 16% less than in 2022-23.

⁸ YMCA, <u>On the Ropes</u>, 13 February 2024

⁹ Unison, <u>Youth services at breaking point</u>, April 2019

¹⁰ StatsWales, <u>Total staff by local authority and working hours</u>, 30 October 2025

¹¹ StatsWales, <u>Setting types by local authority and location/venue/setting</u>, 30 October 2025



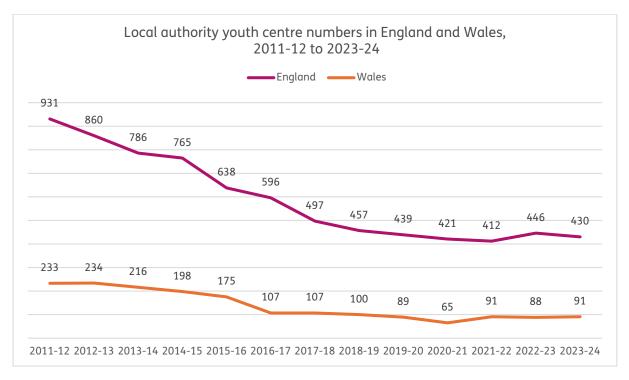
It is important to note that councils' shifting delivery methods for youth services will affect the number of youth workers in this count. The FOI request was for directly-employed youth workers, but a number of councils commission youth services to a dedicated organisation across their area, or fund individual organisations who in turn hire youth workers. It may be the case that the increase in youth worker numbers since 2016-17 is due to local authorities brining these services back inhouse

Youth centre provision

Local authorities in Wales reported three additional youth centres in 2023-24 compared to the previous year to a new total of 91. Although this is an annual increase of 3%, over the long term the picture is not so hopeful, with 62% fewer youth centres than in 2010-11.

In the last financial year, there were 16 fewer local authority-run youth centres in England than in 2022-23, equivalent to a 4% reduction. Since 2011-12, the loss of youth centres has been more substantial, with 54% fewer.

As stated in our previous report, this does not mean the total loss of all these youth centres: some instead may have been taken over by other local organisations. There may also be additional youth centres built in a local authority by either voluntary or private organisations.



To gauge this, YMCAs asked all local authorities the amount of youth centres in their area run by other organisations.

Just under three-fifths (58%) of responding councils were able to give a figure, with 42% not holding this information. Undoubtedly, there are more youth centres in operation than those known by some councils, but these cannot be quantified without an audit and monitoring of existing provision.

Worryingly, 14% of responding councils reported that they had no youth centres in their local authority, either run by themselves or other organisations.

Needs assessments

In response to YMCA's FOI requests last year on externally-run youth centres within a local authority, it transpired that many local authorities did not have this information. Amongst the local authorities who returned the FOI request for the 2022-23 year, half (49%) did not hold this quantifiable data.

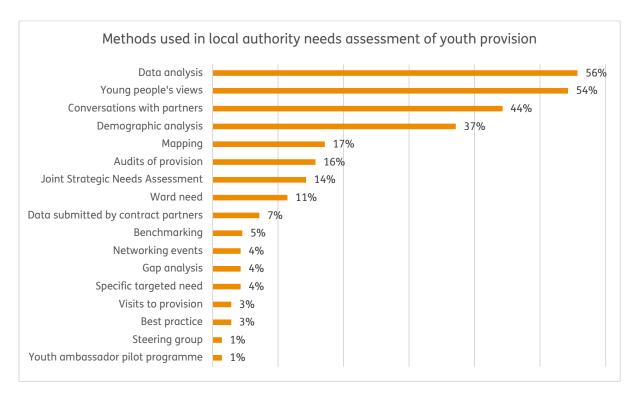
In September 2023, the Department for Culture, Media and Sport released statutory guidance for local authorities on services to improve young people's wellbeing, stating that "local authorities must determine what activities and associated facilities should be available to young people in their area", and "should start by

establishing what the needs of the young people in their area are, both in terms of activities and facilities, through a needs assessment".¹²

Local authorities conducting this needs assessment will be vital for the future sustainability of youth services, as existing provision needs to be measured alongside localised need to ensure future funding goes to the right places and causes.

In this year's FOI request, YMCA asked if local authorities had conducted a needs assessment in the last three years. Amongst councils who responded to the request, 56% (70) had done so. However, out of those who had conducted a needs assessment, 37% did not hold information on externally-run youth centres in their area. Granted this is one element of a needs assessment, but is a pertinent data point for understanding what provision currently exists.

Local councils are using a variety of methods to conduct needs assessment. The most frequently cited are analysing data (57%) and garnering young people's views (56%). Around one-in-six local authorities are mapping current provision (17%) and conducting audits of services (16%).



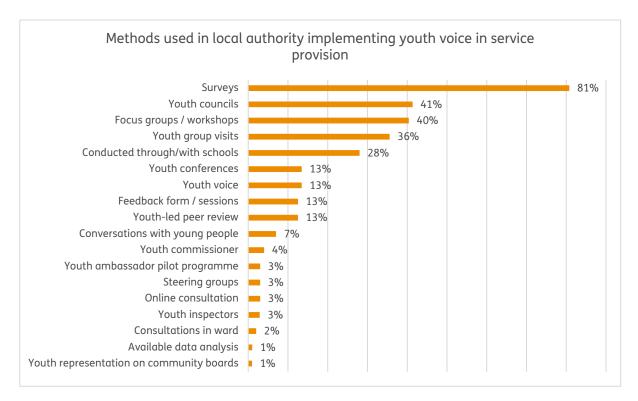
¹² Department for Culture, Media and Sport, <u>Statutory guidance for local authorities on services to</u> <u>improve young people's well-being</u>, 27 September 2023

Youth voice

Young people's views should be taken into account when local authorities either design or commission services for young people. Under Section 507B of the Education Act 1996, "local authorities must consult, and take into account the views of young people in their area on: current provision; the need for additional activities and facilities; access to those activities and facilities" in respect of leisure-time activities.

The majority (84%) of local authorities responding to our FOI request had consulted young people on youth provision in the last four years. Some had done so as a one-off report, whereas other councils did so on an ongoing basis.

Four-fifths (81%) of local authorities consulting young people conducted surveys, and two-fifths (41%) held focus groups or workshops. A third (35%) visited youth groups, and more than a quarter (28%) conducted research either through or with schools. Two-fifths (41%) of local authorities had youth councils as a method of incorporating youth voice.



It is encouraging to see that many local authorities are engaged with young people in their area to understand what distinct needs are present and how best to approach these. Despite this, one-in-six (16%) local authorities have not done so in the last four years, despite the requirement to do so. Most of these are in the process of doing so, or plan to within this financial year.

Conclusion

The decline in youth services expenditure in England may have stopped in the last financial year, but this is by no means cause for concern to be allayed. After a hollowing of youth expenditure over the past decade and a half, there is not much left to be carved further. Council-run youth centres are still closing, and youth workers are spending fewer hours supporting young people.

The forecast for future local authority spending is already troubling, with many councils in England struggling financially with cost pressures of social care, SEND services and temporary accommodation. A Local Government Authority survey reported council chief executives expecting to make cutbacks to community services next year to stay solvent, with 63% of relevant councils anticipating making cutbacks in services and support for children, young people and families. ¹³

The new Labour Government plans to devolve greater decision-making to a localised level across England, with strategic authorities combining more than one current local authority together over larger geographies. With this greater ability to fund the programmes needed to a local area, rather than top-down direction, this presents an opportunity for councils to reset relationships with the youth sector and provide better and more sustained funding for the sector.

The new UK Government has set its intentions to design a National Youth Strategy for England, co-produced with young people on the services, facilities and opportunities outside of school, with £185m dedicated so far to this. Of this, £26m has been designated to the Better Youth Spaces programme for equipment and capital renovations – and as such, leaving a maximum of £159m to sustainable revenue funding for youth services.

¹³ Local Government Authority, <u>1 in 4 councils likely to need emergency government support – LGA</u> <u>survey</u>, 22 October 2024

YMCA strongly supports the new National Youth Strategy, but believes this only can be delivered with the funding required to keep youth workers in employment and design programmes, services and clubs for more than a few years at a time. This is a once-in-a-generation opportunity to reshape opportunities young people can access, and can only bring substantial change with proper investment behind promises.

Looking forward in Wales, the Government set out draft guidance on the delivery of youth work in October 2024, setting out mandatory planning, delivery and accountability arrangements for youth services provision, currently in consultation.¹⁴ Its Strategic Voluntary Youth Work Organisation (SVYWO) grant scheme will begin allocating funding directly to voluntary youth organisations as of April 2025, but only to a budget of £1.1m per year.

Policy direction across the two nations is positive. But without greater financial support, we will continue to see youth services stagnating at their depressed level.

¹⁴ Welsh Government, <u>Youth work in Wales: delivering for young people (draft guidance): Draft</u> <u>statutory guidance for youth work in Wales</u>, 7 October 2024



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YMCA enables people to develop their full potential in mind, body and spirit.
Inspired by, and faithful to, our Christian values, we create supportive, inclusive and energising communities, where young people can truly belong, contribute and thrive.

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