

Children's Services Benchmark Report



Shropshire Council

Date: November 2025

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Briefing

1. Introduction

This report has been commissioned by the LGA as part of its support to Shropshire Council Children's Services (CS). It aims to provide a context for planning and to highlight questions and issues which may warrant further investigation and consideration.

The report provides a commentary on the budget position for Children's Services within the wider council position along with key financial and performance benchmarks for children's social care and education services in order to identify possible areas which may assist the Council in improving value for money.

The analysis has been prepared using historical public records and datasets predominantly. The main sources used have been LGInform, the Local Authority Interactive Tool (LAIT) for 2025, RO and RS forms.

Comparative benchmarks such as this have well established flaws and limitations – in particular the data used are inevitably lagging behind real time. Whilst useful for gaining a better understanding of local issues and cost drivers, they do not in themselves provide definitive answers.

The report uses the DfE Children's Services specific Statistical Neighbour Group unless otherwise stated. This is the data most usually used by DfE, is designed for the purpose, and should be used to inform discussions with Government.

The LGA has made every effort to ensure the information is accurate. However, it makes no representation that the contents of the analysis are accurate and is not responsible for any errors or omissions as reliance has been placed on secondary information. The LGA and the author accept no responsibility if any person or organisation incurs claims or liabilities or suffers loss of damage because they relied on anything in this report.

2. Overall Corporate Financial Position

The Council revised its financial strategy for 2026/27 onwards in a report to Cabinet on 15 October 2025. The following position was set out for 2026/27 to 2030/31:

	2026/27 £	2027/28 £	2028/29 £	2029/30 £	2030/31 £
Funding Gap					
Resources (incl savings plans)	778,457,705	787,797,887	798,427,559	816,842,135	836,657,104
Expenditure (incl savings plans)	860,135,195	881,924,651	912,103,641	943,382,372	975,213,209
Remaining Gap/(Surplus) to be Funded	81,677,491	94,126,764	113,676,082	126,540,238	138,556,106
Increase in Funding Gap per Year	81,677,490	12,449,274	19,549,318	12,864,155	12,015,868

This represents a significant gap in the Council's finances.

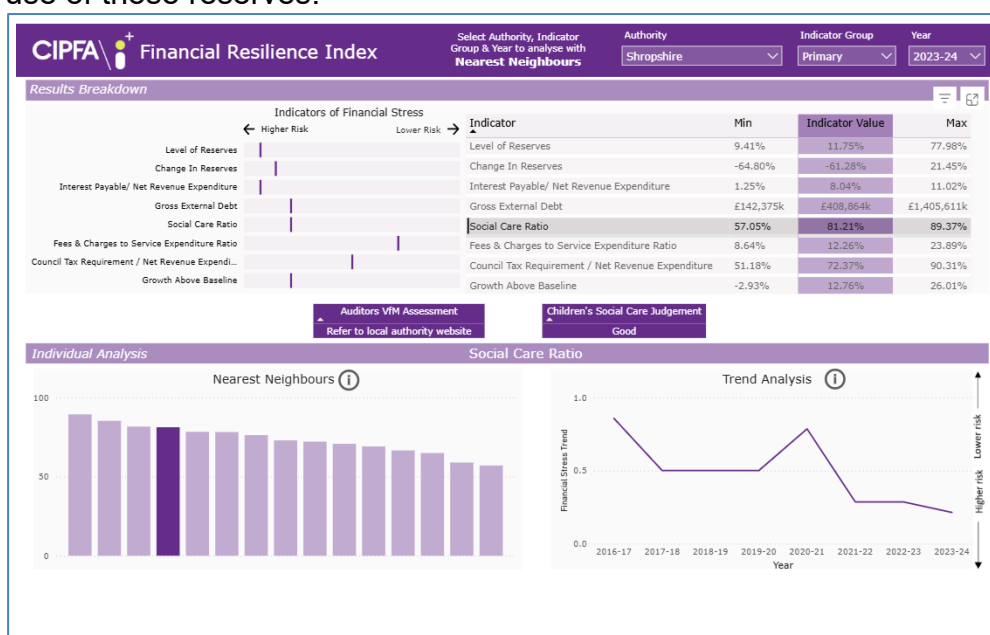
A report to Cabinet on 10 September 2025 identified that the 2025/26 budget had an adverse projected outturn of £35m, with £34m available in general reserves.

The main contributory factors in relation to this overspend are:

- £25.874m of savings not yet identified or without a clear delivery plan in place.
- £18.175m spend over budget against purchasing costs within Adult Social Care.
- £9.868m spend over budget forecast on External Residential Placements shown within the Children and Young People.
- £1.268m spend over budget forecast on Home to School Transport.

The Council has declared a financial emergency and is in ongoing discussions with central government.

Looking at the latest **CIPFA Resilience Index for 2023/24**, Shropshire's results suggest that for the majority of the indicators used the authority falls in the high risk category compared to statistical nearest neighbours. The major risks flagged are in relation to the Council's level of reserves and the use of those reserves.



The social care ratio (% of net revenue budget spent on social care) is towards the higher end of the risk level, which means that pressure in children's and adults will pose proportionally higher risk to the Council's overall financial resilience.

3. Children's Services Finance

The table below shows the recent budget history and financial performance on children's social care and education services funded by the general fund:

Childrens Services			
	Budget £m	Actual £m	Variance £m
2021/22	64.729	67.641	2.912
2022/23	69.460	78.156	8.696
2023/24	70.698	74.663	3.965
2024/25	80.404	93.191	12.787

[data taken from Council Cabinet reports]

The data shows that there is a history of overspending, and as at 2025/26 this pattern of overspend is continuing (see analysis above)

The latest MTFS shows that current savings plans are not being delivered, and the Council is currently preparing options to revise savings and transformation plans.

Areas for further consideration

- Is the budget for Children's Services realistic and deliverable?
- Are the savings on Children's Services achievable?
- What assurance is provided to the CFO regarding robustness of estimates?
- What external support is being used to deliver Children's Services transformation? Does the Council need something more or different?

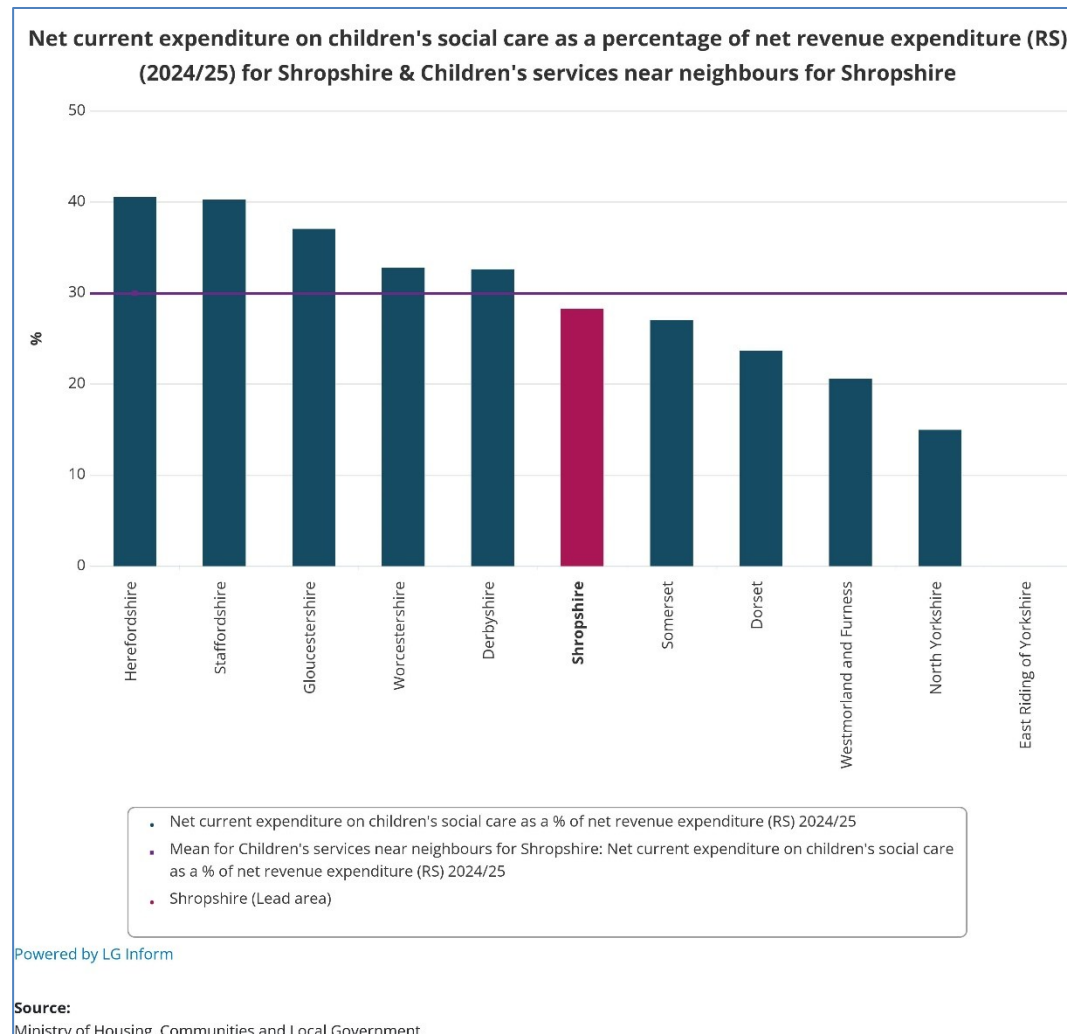
4. Children's Services as a share of overall resource

The following table shows expenditure on Children's social care in Shropshire as a proportion of Net Revenue Expenditure (NRE):

Year	% of NRE accounted for by Children's Social Care	
	Shropshire	CS neighbours
2020/21	15.29	24.77
2021/22	20.88	25.87
2022/23	24.07	28.16
2023/24	27.02	30.64
2024/25	28.31	29.97

[data from Revenue Outturn Summary Reports (RS) via LG Inform]

As can be seen, Shropshire starts from a below average position and grows every year. The gap between the Council and the mean is smaller, but Shropshire is still below average. The Council is becoming increasingly exposed to the risk of rising spend and demand on children's social care, confirming the picture from the CIPFA Resilience Index.



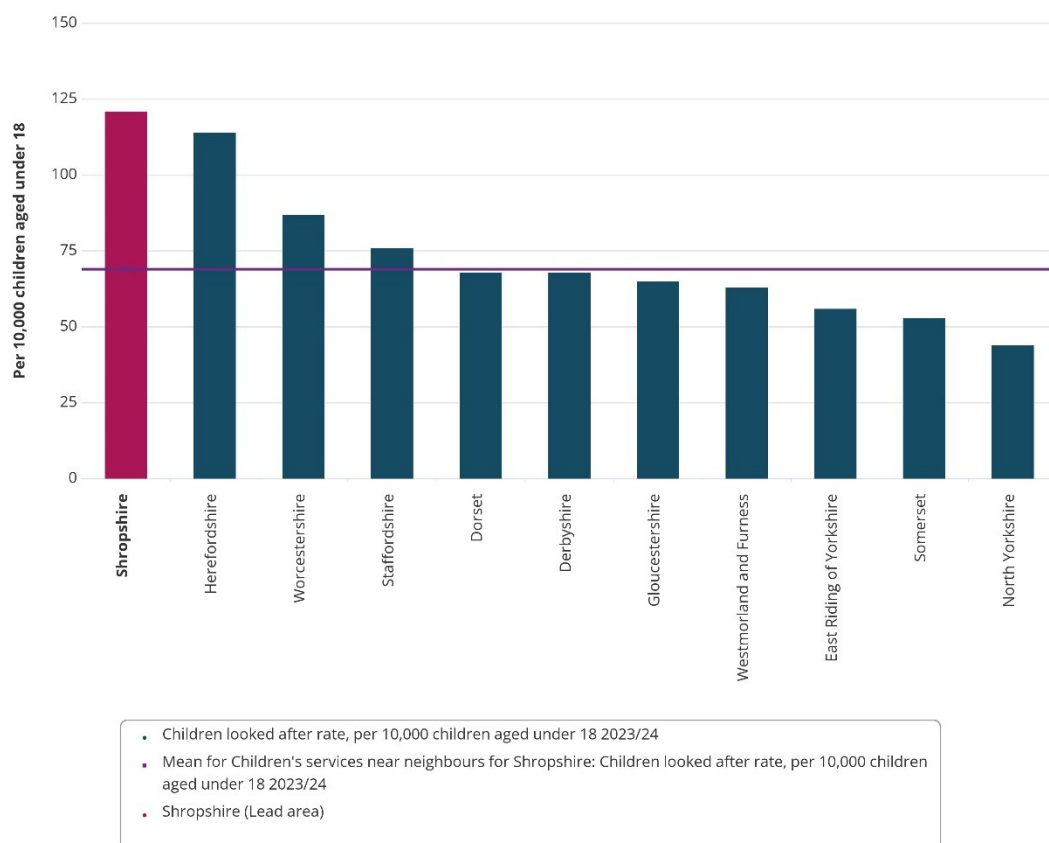
The above graph shows that the Council is towards the middle of the neighbour group.

5. The relative size of overall CLA caseloads in Shropshire.

This section focuses more closely on Children Looked After (CLA) caseloads in Shropshire, and benchmarks against its closest Children's statistical neighbours.

Looking at the rate of CLA caseload per under 18, Shropshire appears to be the second highest in the statistical neighbour group.

Children looked after rate, per 10,000 children aged under 18 (2023/24) for Shropshire & Children's services near neighbours for Shropshire

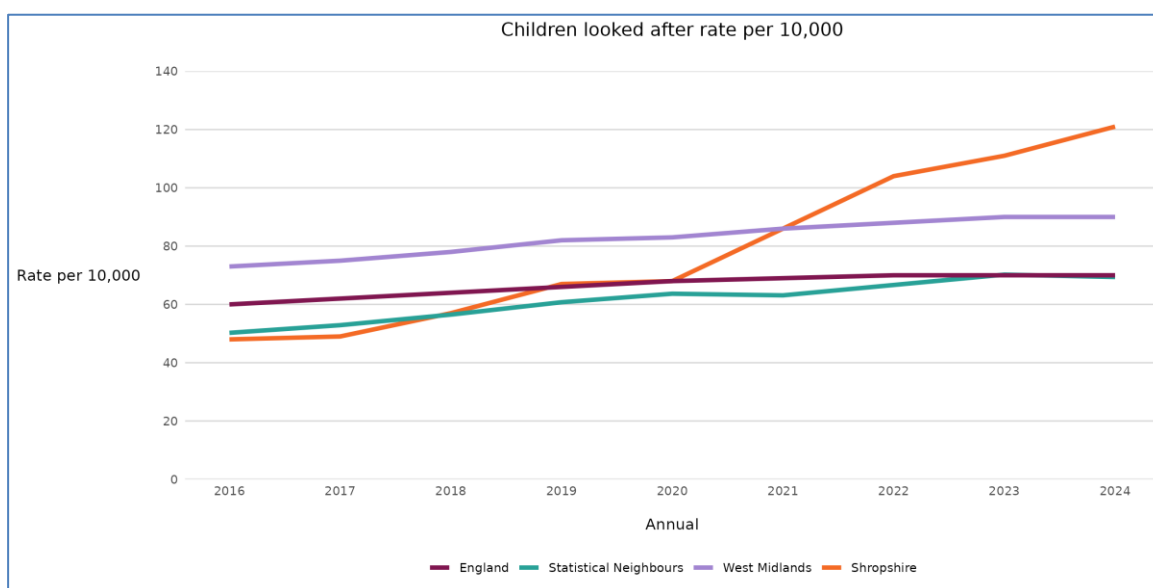


Powered by LG Inform

Source:
Department for Education

The Council has the highest rate of CLA in the neighbour group.

The graph below shows CLA rates over time, compared to statistical neighbours (SN's) the West Midlands, and England. The Shropshire rate (orange line) is above all comparator groups, and demonstrated a sharp rise after 2020. Before 2020 the Council had been below the West Midlands average.



Source – LAIT November 2025 version

The Council has an increasing percentage of spend on Children's Services

as a proportion of total spend, and a high rate of Children Looked After.

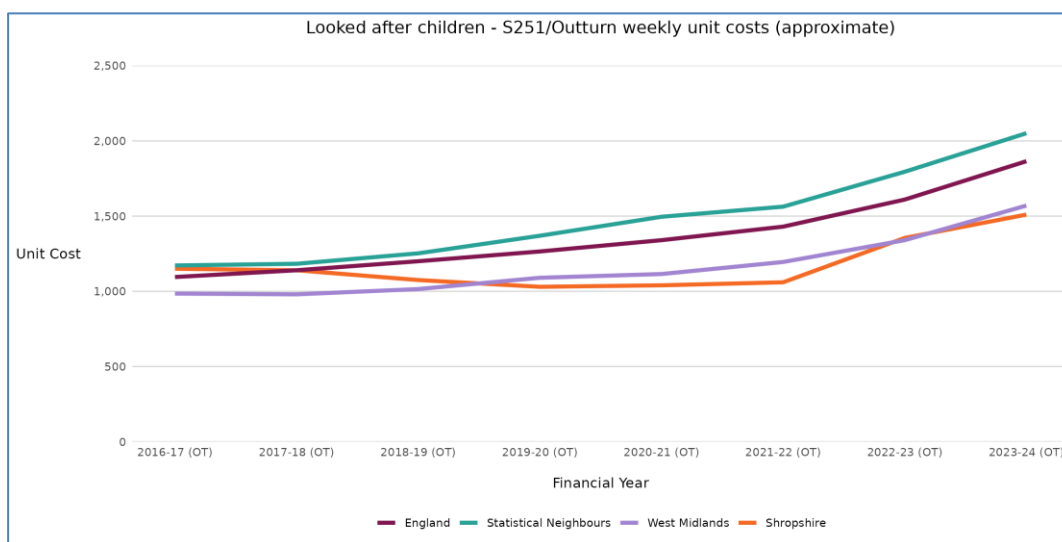
Areas for consideration

- Does the Council recognise this position?
- Does this suggest that the key to controlling spend lies more in managing demand than in managing costs per unit? Does your transformation approach reflect this?
- Would continued focus on early intervention and prevention be useful?
- Can Stepping Stones further help reduce CLA rates?
- Is the rate of CLA and spending on CLA sustainable?

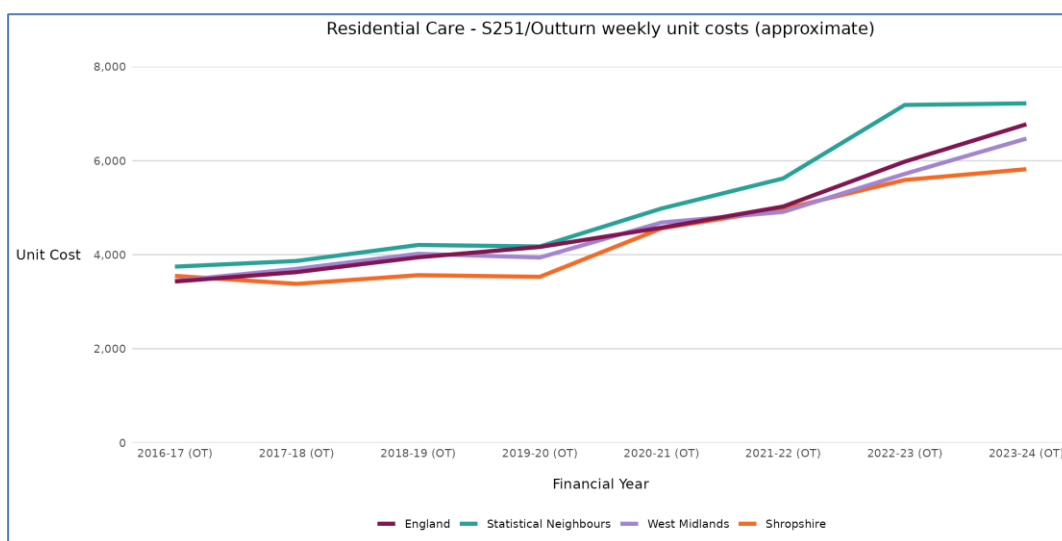
6. Placement Unit Costs

Further benchmarks were selected from the Local Authority Interactive Toolkit to understand the weekly unit cost of placement type. These are shown in the graphs below.

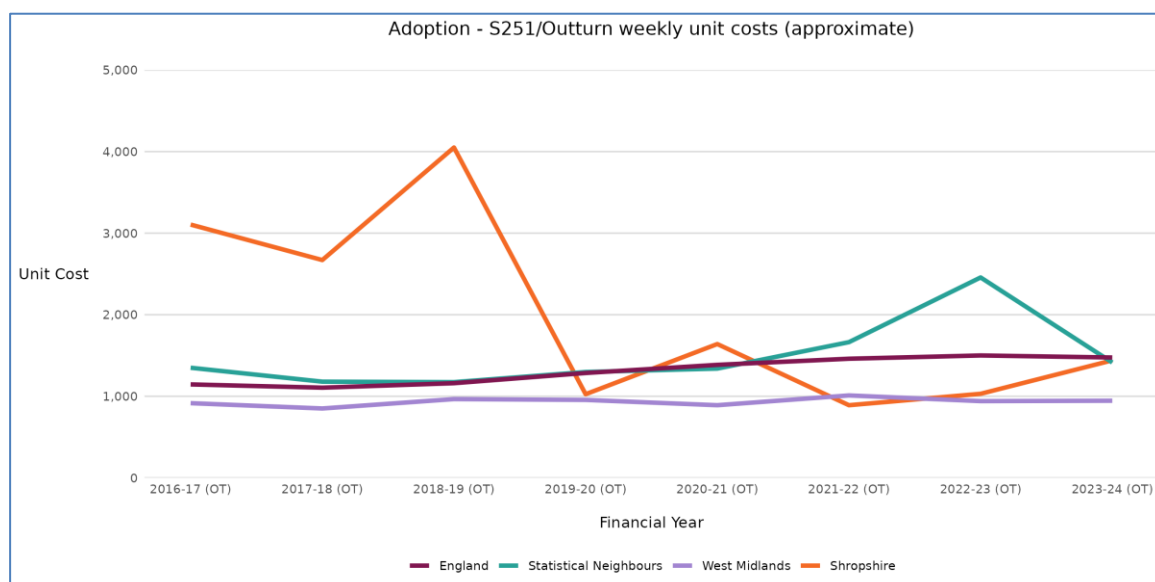
Overall Children looked after



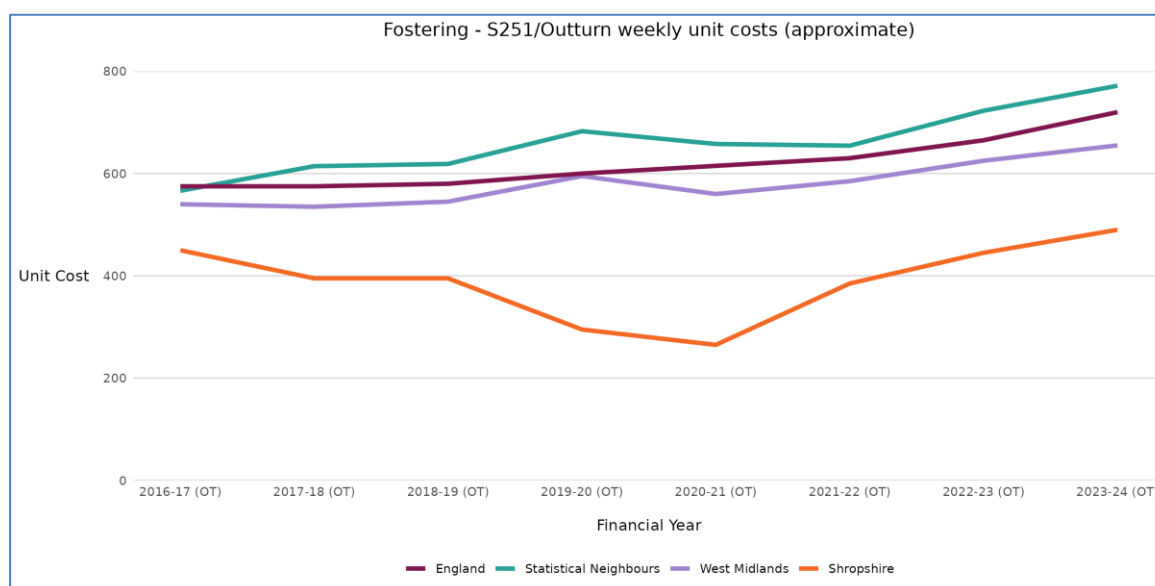
Residential Care



Adoption



Fostering



[Source LAIT November 2025 version]

The weekly unit costs are low across all placement types, further suggesting that any interventions to control costs should be pointed at demand management rather than lowering cost per unit.

Areas for further consideration

- Does this resonate with your commissioning approach and understanding of the market?
- Is there an opportunity to encourage greater take up of fostering and adoption?

7. Workforce comparators

Workforce costs and issues of recruitment and retention are strong cost drivers for Children's Services, especially in Councils that are showing pressures in relation to increasing numbers of agency staff.

Average number of cases per children and families social worker:

LA and Regions	2016	2017	2018	2019	2020	2021	2022	2023	2024
Shropshire	8.4	25.1	17.5	17.2	21.2	23.0	19.4	19.9	19.6
West Midlands	13.6	18.5	17.9	17.2	17.2	16.3	17.1	16.6	16.2
Statistical Neighbours	17.4	18.9	17.2	17.0	16.3	15.8	16.7	16.3	16.1
England	16.1	17.7	17.4	16.9	16.3	16.3	16.6	16.0	15.4

Percentage rate of social worker turnover

LA and Regions	2016	2017	2018	2019	2020	2021	2022	2023	2024
Shropshire	13.6	11.8	10.8	11.2	8.5	8.7	8.8	7.7	9.7
West Midlands	15.4	14.0	15.8	15.7	14.4	18.8	16.4	15.8	11.9
Statistical Neighbours	14.2	14.4	16.4	13.9	11.9	15.4	18.7	14.3	12.1
England	15.1	13.4	15.1	15.0	13.5	15.4	17.2	15.9	13.8

Percentage of agency social workers

LA and Regions	2016	2017	2018	2019	2020	2021	2022	2023	2024
Shropshire	15.9	16.4	10.8	14.4	16.4	19.6	25.3	20.5	18.6
West Midlands	17.6	16.8	16.7	16.0	16.0	16.1	18.0	16.6	13.9
Statistical Neighbours	11.2	10.8	14.3	11.7	12.0	13.2	16.6	17.5	14.8
England	16.1	15.8	15.4	15.8	15.4	15.5	17.6	17.9	16.2

Percentage of agency social workers covering vacancies

LA and Regions	2017	2018	2019	2020	2021	2022	2023	2024
Shropshire	63.6	100.0	NA	100.0	100.0	100.0	100.0	89.3
West Midlands	64.5	75.9	69.9	67.3	64.2	63.0	63.0	69.2
Statistical Neighbours	39.6	49.0	64.5	66.4	63.7	59.3	70.3	63.2
England	67.5	72.3	73.1	74.1	69.9	68.8	74.4	76.2

[Source LAIT November 2025 version]

The Council has a mixed position during the time period:

- High average cases per social worker;
- Low social worker turnover, improving since 2019, but starting to increase slightly;
- Historically comparatively low percentage of agency social workers, rising to a comparatively high percentage after 2020;
- Not all agency workers are covering vacancies, suggesting a level of supernumerary posts

Areas for further consideration

- Does the Council understand why agency costs have become an issue from 2020 onwards?
- Are pressures due to rising demand (average caseload) or increased staff turnover?
- Has the workforce strategy and/or recruitment and retention strategy been revised?

8. Children's Services demand

The tables below summarise demand for Children's Social Care services:

Section 47 enquiries per 10,000 children

LA and Regions	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Shropshire	118.4	99.6	90.4	173.4	183.8	213.2	196.2	182.3	179.5	171.4
West Midlands	165.8	182.2	192.3	187.9	170.6	180.2	198.1	197.7	193.0	182.9
Statistical Neighbours	122.7	121.1	143.1	126.4	144.8	134.5	171.9	176.7	184.8	184.1
England	148.8	159.1	169.1	171.1	170.5	168.6	185.2	189.4	186.2	189.3

Referral rate to social services per 10,000 children

LA and Regions	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Shropshire	306.9	239.4	244.6	338.7	320.0	345.9	323.1	293.8	255.8	250.0
West Midlands	559.0	654.4	650.8	595.9	532.1	499.7	508.3	521.4	482.5	464.2
Statistical Neighbours	505.8	475.1	541.6	479.6	484.0	426.2	497.1	484.8	445.9	467.4
England	536.0	553.6	559.6	553.7	545.3	507.1	552.8	538.1	515.7	519.4

Children in need (CIN) rate per 10,000 children

LA and Regions	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Shropshire	273.3	200.1	204.0	269.8	267.7	330.5	330.2	327.3	362.2	367.2
West Midlands	358.9	352.4	361.0	354.0	340.4	347.4	365.1	364.5	349.9	345.3
Statistical Neighbours	316.2	305.0	321.3	296.1	317.2	309.1	346.3	339.9	320.3	330.7
England	339.8	333.3	345.4	339.8	330.1	329.6	343.7	338.7	331.2	330.3

Child Protection Plan rate per 10,000 children

LA and Regions	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Shropshire	45.0	40.7	32.1	55.7	45.9	47.6	34.8	40.3	31.6	28.8
West Midlands	43.3	45.3	50.1	47.5	45.8	43.1	43.7	44.3	44.5	40.3
Statistical Neighbours	40.8	39.4	45.5	42.9	40.6	38.9	46.6	42.7	45.1	41.8
England	43.4	43.8	45.9	44.5	43.7	42.4	43.3	42.7	41.4	40.6

CLA rate per 10,000 children

LA and Regions	2016	2017	2018	2019	2020	2021	2022	2023	2024
Shropshire	48.0	49.0	57.0	67.0	68.0	86.0	104.0	111.0	121.0
West Midlands	73.0	75.0	78.0	82.0	83.0	86.0	88.0	90.0	90.0
Statistical Neighbours	50.3	52.9	56.5	60.8	63.7	63.1	66.7	70.2	69.4
England	60.0	62.0	64.0	66.0	68.0	69.0	70.0	70.0	70.0

[Source LAIT November 2025 version. Financial data fed into LAIT from S251 returns]

Section 47 rates are lower than comparator groups, although the rate of increase is higher.

The child protection plan rate is steady and in line with comparator groups.

The CLA rate has been historically lower than comparator groups but increased at a higher rate from 2021 onwards.

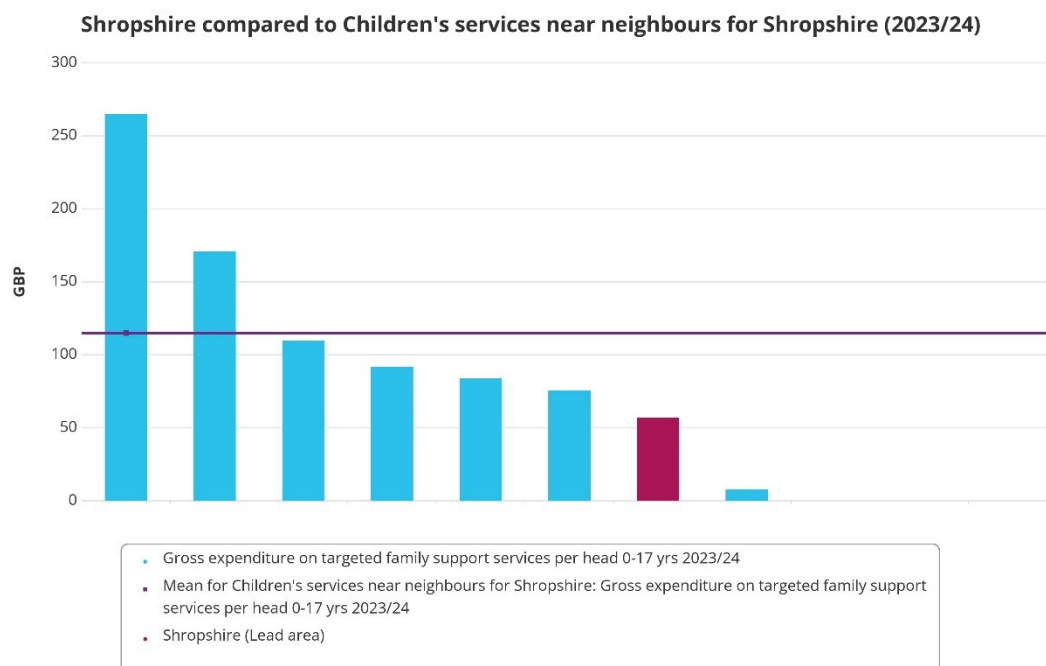
The Children in Need (CIN) rate is higher than comparator groups.

Areas for further consideration

- Is this analysis of the pattern of demand consistent with the Council's understanding?
- Does the Council know why this level of demand is translating to a higher number of Children Looked After and CIN?
- Does this picture align with the early help and prevention strategies?
- Are the Council confident about management of thresholds?
- Is the rising demand causing the recent staffing pressures?

9. Family Support

Spending on family support is shown in the following graph:



Shropshire has the second lowest spend in the statistical neighbour group, well below the mean in 20204/24. The Council has been investing in this area and future years could show a different profile.

Areas for further consideration

- Is this level of spend on family support contributing to higher demand figures?
- Do the Council's transformation plans continue to include an investment in strengthening this area?

11. Summary

Shropshire Council is predicting significant budget gaps in its MTFs, and has declared a financial emergency. The CIPFA resilience index shows that the Council has a proportionately high spend on social care, which means that pressures in Children's spending carry a high risk.

The Council has historically overspent on children's services and is showing cost pressures on home to school transport.

The benchmark figures show that the Council has high and rising demand for services, but low unit costs. The per capita spending on family support is also low. This suggests that the Council should be focussing on early help and intervention in its transformation plans rather than lowering costs through commissioning and procurement.

Average caseload figures are high, but turnover figures are low. Agency staffing is relatively high. This may be due to the increasing demand and the need to manage average caseloads, but the reasons need to be clearly understood to ensure that more serious underlying problems with workforce are not developing.

Demand for services is generally lower than statistical neighbours, but this seems to be translating into higher than average children in need and children looked after numbers. The way in which this is happening needs to be understood and managed by the Council.