

Local education and social care in England, Scotland, and Wales: spending patterns, priorities, and prospects

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Abstract

This paper explores the changing nature of the local welfare state in England, Scotland, and Wales. The potential impact of policy changes within the three countries is modelled by comparing local authority spending on education, children's social care, and adult social care in each country. Panel-based regression analysis for the period 2009–22 suggests that policy divergence has led to substantial variations in locally-managed education and social care spending across England, Scotland, and Wales, even when controlling for other relevant local influences on expenditure. In particular, the growth of academy schools in England appears to have led to a substantial drop in locally-managed education spending, while the right to free social care for over 65s in Scotland seems to be associated with more local spending on adult social care. The paper concludes by discussing the future of the local welfare state in the devolved United Kingdom.

Keywords: welfare expenditure, local government, devolution, regions, UK.

JEL codes: H750, I100, R500

I. Introduction

Across the world, local government is responsible for providing vital public services upon which citizens depend (Lidström, 1998). In addition to maintaining transportation and energy infrastructure, managing public utilities, and regulating land use, local authorities manage an array of human services that enable citizens to exercise their social rights, such as education, housing, and social care (Marshall, 1950; Sharpe, 1970). Despite widespread recognition of the key role that local government plays in managing the welfare state, its ability to provide social services to the standard citizens expect has come under pressure in the wake of the budget cuts and fiscal austerity imposed by national governments after the global financial crisis (Monaghan, 2017). In the UK, the on-going devolution of additional responsibilities, such as public health, has further increased the service delivery burden on local government (Evans, 2021). Scholars have acknowledged the impact of these developments on local policy choices (John, 2014; Kim and Warner, 2016), but comparatively little attention has been paid to changing patterns and priorities for expenditure on the main services provided by British local authorities or how these may have been influenced by devolution. In this paper, I seek to cast light on the salience of devolved national policy frameworks for the local-government-managed welfare state by comparing education and social services spending in English, Scottish, and Welsh local authorities for the period 2009–22, years that followed significant increases in welfare spending under the New Labour governments.

In the UK, the welfare state is administered at multiple levels of government. Pensions and benefits are managed centrally at the UK level by the Department for Work and Pensions. The National Health Service is managed by the Department of Health and Social Care, NHS England, and the devolved administrations, while primary and secondary education, social housing, and social care are coordinated by local authorities, apart from in Northern

Ireland¹ (though see more below). While the service responsibilities of local authorities in England, Scotland, and Wales are still largely identical, the way in which those responsibilities are exercised can differ considerably (Mackinnon, 2015). In the wake of devolution, the Scottish Parliament and National Assembly for Wales assumed direct responsibility for policy relating to local public services, gaining a degree of autonomy over the ways in which they were funded, managed, and regulated (Jones *et al.*, 2005). However, the implications of these policy changes for the general character of the locally-managed welfare state are not well understood.

To better understand the changing nature of the local welfare state in the UK, I first construct time series of local authority expenditure for 2009 to 2022 based on official statistical data for the 150 English, 32 Scottish, and 22 Welsh local authorities that provide education and children's and adult social services. Comparison of spending levels across England, Scotland, and Wales is facilitated by calculating expenditure per capita for each of the three services and by calculating the proportion of overall service expenditure that is allocated to education and children's and adult social services. Theories of regional development and territorial politics highlight how devolution can generate policy divergence within states (Greer, 2006a), and I find striking differences in both the levels and shares of expenditure between the three countries, and divergent trajectories since 2009. In England, local authority spending on education has declined, whereas in Scotland it has expanded. In Wales, local authority spending on children's social services has been growing, while in Scotland local authority spending on adult social services is of a much greater magnitude than in England and Wales.

The observed differences in local welfare expenditure raise the question of to what degree they are driven by country-level policy differences or responsiveness to local circumstances. To answer this question, I combine the information on local authority expenditure with a corresponding panel of socio-economic and political data to permit estimation of country effects on local authority spending that adjust for potentially salient local level factors. I find that the raw observed country effects remain even when controlling for local geography. This implies that the differences in local authority spending on education and social services across England, Scotland, and Wales do not simply reflect local pressures, but are influenced by the different national policy environments in which authorities operate.

The academies programme in England has encouraged schools to slip free from local authority control and the acceleration of this process under Conservative-led UK governments likely explains why spending on education has decreased so sharply in English local authorities. In Wales, the costs of contracted social services are higher than in England, where the marketized children's care system benefits from greater competition between providers. In Scotland, distinctive Scottish policy initiatives, such as the curriculum for excellence and the right to free social care for over 65s, appear to be associated with higher levels of local authority expenditure in education and adult social care.

The diverging patterns of local authority spending that have accompanied policy changes wrought by devolution indicate that the future of the local welfare state is likely to differ across England, Scotland, and Wales. For example, although a new Labour national government has signalled that it will invest more in education, it has not committed to rolling back the academization of English schools that has diminished local political control over primary and secondary education. In Scotland and Wales, rapidly ageing populations are causing serious concerns about the financial sustainability of public services that may yet result in local authority expenditures being diverted away from education towards adult social care. The implications of wider country-level changes are therefore discussed below in light of on-going debates about the performance of local public services.

Section II of the paper discusses the management of the local welfare state in the UK and outlines theories of intrastate policy divergence relating to devolutions and variations in local public spending. In section III, the data used to analyse local welfare expenditure from 2009 to 2022 are explained and descriptive evidence is presented on the divergent spending patterns and priorities for education, children's social services, and adult social services in English, Scottish, and Welsh local authorities. Section IV discusses the multivariate modelling of local authority spending variations across England, Scotland, and Wales and presents regression estimates of country effects that adjust for a range of local socio-economic and political circumstances. Finally, section V explores the potential impact of policy divergence in England, Scotland, and Wales on local education and social services expenditure, before concluding with a discussion of the prospects for the local welfare state in the UK.

II. The local welfare state in England, Scotland, and Wales

The emergence of the welfare state in the UK owes as much to local policy initiatives, as to national reforms (Cochrane, 2004). Prior to the Industrial Revolution, local authorities coordinated the operation of the Poor Law,

¹ Because welfare services are not managed by Northern Irish local authorities, Northern Ireland is excluded from the analysis presented here.

which provided a minimal level of material support to the destitute, infirm, and elderly (Powell, 2018). In the nineteenth century, the role of local authorities in providing social assistance to the needy was greatly expanded through institutions of elementary schooling, regulation of social landlords, public health innovations, and municipalization of utilities and cultural institutions. These developments were driven in part by a desire to ameliorate poverty, but also by a recognition of the need to modernize the local state and to stave off the threat of social unrest (Woodroffe, 1968). Although the interweaving of national legislation and local policy throughout the early twentieth century gave birth to a nascent local welfare state, it would not be until after the Second World War that such a state would encapsulate all three focal points for the modification of market power that Briggs (1961) suggests characterize a 'welfare state': (i) a minimum income; (ii) social security; and, (iii) social services.

Building on the recommendations in the Beveridge Report (1942), the first post-war Labour government introduced large-scale reform to the structures of social relief within the UK (Hickson and Williams, 2022). In seeking to create a comprehensive welfare state, which was free at the point of delivery, the government conducted wide-ranging negotiations with key institutional stakeholders, such as the Trade Unions Congress (Whiteside, 1996) and the British Medical Association (Stewart, 2002). As a result of this process, local authorities became responsible for the implementation of massive programmes of social housing, personal social services, and state-led education (Cochrane, 2004). A locally-managed welfare state thus became a reality in terms of legislation, statutory responsibilities, and substantial levels of social expenditure (Powell, 2018). Nevertheless, the on-going evolution of social policy within the UK has resulted in substantial changes to the management of the public services that make up the largest component of the local welfare state.

(i) Management of local welfare in the UK

Since the 1990s, rather than simply providing welfare services, local authorities have been expected to operate as enabling agents, coordinating and contracting for services with an array of other partners from the public, private, and non-profit sectors in a bid to improve efficiency and effectiveness (Cochrane, 2004). In the case of social housing, national policy changes led many local authorities to completely transfer their housing stock to private actors (Alonso and Andrews, 2018). Importantly, although English, Scottish, and Welsh local authorities are still responsible for the strategic management of education and personal social services, the ways in which that responsibility should be exercised can be interpreted differently by the policy-makers in the governments that oversee them.

Historically, local authorities in the UK were regarded as almost the branch plants of the national government (Andrews *et al.*, 2005). Local government has only 'limited powers of general competence, has no constitutional protection and is without access to buoyant sources of local finance' (John, 2014, p. 689). As a result, the roles, responsibilities, and finances of local authorities have often been determined by the UK government of the day, heavily influenced by Whitehall's propensity to centralism (Goldsmith and Newton, 1983). From the outset of devolution, the Scottish and Welsh governments, however, preferred to collaborate closely with local authorities to achieve social policy objectives, while the UK government maintained more top-down centralized control of policy development and implementation in England (Jeffery, 2006). Coupled with a different attitude towards managing local public services, has been a commitment to state provided welfare and support for vulnerable citizens in Scotland and Wales that contrasts with the marketization and commercialization of services in England.

Devolution represented an opportunity for the new administrations to develop a more social democratic approach to welfare that reflected a 'progressive universalism' in line with the preferences of the people (and dominant political parties) in the devolved nations (Birrell, 2009). As a result, there have been important policy innovations that clearly distinguish social policy in those nations from that in England, such as universal free personal care in Scotland and free prescriptions in Wales (and Northern Ireland) (Wright and Simpson, 2020). Arguably, the development of distinctive devolved approaches to social policy is something that has accelerated since the last Labour UK government left office in 2010 (Mackinnon, 2015). Inter-country differences in local welfare spending are therefore something that have potentially become even more salient as the course of devolution has progressed and divergent approaches to social policy have accelerated.

(ii) Theories of intra-state policy divergence

There are two main theories of intra-state policy divergence that indicate why the devolution of social policy may result in alternative patterns of welfare expenditure. First, institutional theories of regional development emphasize how devolution facilitates subnational policy development that can be more closely aligned with the needs of the local population than the one-size-fits-all approach in a more centralized system (Keating, 1998). From this perspective, the policy agendas of devolved institutions become a source of legitimacy that constrains and conditions the strategic behaviour of public service organizations operating within their

jurisdiction (Scott, 1995). Second, theories of territorial politics highlight that the patterns of political behaviour within devolved institutions inevitably give rise to different policy solutions. Policy divergence is ‘the outcome of political conflict’ that is ‘shaped by the demand for policy, driven by structural and cultural factors, and by the supply of policy, driven by political parties in regional government’ (Kleider and Toubeau, 2022, p. 288). The politics of devolved territories therefore generates different patterns of welfare expenditure, particularly between England and the other constituent countries of the UK, which have not yet experienced Conservative party rule.

Although policy divergence is likely to occur in states with devolved institutions, it may not be sufficient to result in the emergence of distinctive models of the local welfare state, especially in a more unified political system, such as the UK (Greer, 2006b). Given the centralizing tendencies within the British state (Greer, 2016), decision-making within local authorities in all three countries remains highly sensitive to UK policy frameworks (John and Copus, 2011). Indeed, Greer (2010) argues that local variations in welfare spending are likely to be minimal across the UK due to the tight control central government exerts over public finance—an argument that also applies to country variations, since the Barnett formula guiding inter-government transfers within the UK is intended to equalize public expenditure per capita (Christie and Swales, 2010).² Nevertheless, an array of empirical studies have suggested that local public spending has important regional (and local) components that reflect not only differing needs but also distinctive political priorities (see Kleider, 2018).

With a new Labour UK government that has stated its commitment to improving public services and its partnership with local and devolved governments (Labour Party, 2024), there is now a pressing need to better understand the current state of locally-managed welfare across the UK and how it might change in the future. In doing so, it is also important to explore whether variations in locally-managed welfare provision might be attributable to local circumstances rather than country-level policy differences. A comparison of local expenditures on education, children’s social services, and adult social services across England, Scotland, and Wales can therefore potentially tell us much about how local welfare priorities reflect national policies and local decisions.

III. Data

To evaluate changing patterns of local welfare service provision in the UK, I draw upon local authority annual service expenditure figures from 2009 until 2022 published by the Ministry of Housing, Communities and Local Government, the Scottish Government, and the Welsh Government. These figures are published as official statistics in the UK, and so meet a high data quality standard. Prior to being analysed, the expenditure figures were adjusted for annual inflation using the UK government’s GDP deflator. This panel of expenditure data permits comparison of the typical patterns of expenditure on the education and social services provided by local authorities in England, Scotland, and Wales during the periods in which Gordon Brown’s Labour government, David Cameron’s coalition government, and the Conservative governments of Cameron, Theresa May, Boris Johnson, Liz Truss, and Rishi Sunak were in power. Throughout the study period, single-tier (London boroughs, metropolitan districts, and unitary authorities) and upper-tier authorities (county councils) coordinated education and social care in England, with unitary authorities in Scotland and Wales managing these services in those countries. Critically, local authority expenditure figures can be supplemented with local-level data to explore the relative importance of country effects and local geography.

The analysis is focused, first, on levels of expenditure per capita to better understand the scale of the local welfare state in each country and, second, on the percentage of total local expenditure accorded to each of the three services to gain greater insight into the relative priority each service is given by local authorities. If policy divergence is generating meaningful differences in local welfare provision, then it seems likely that this will be apparent in both the per capita and percentage share figures.

(i) Education and social services expenditure per capita

Figures 1–3 present the mean education and social services expenditure per capita for local authorities in England, Scotland, and Wales. Figure 1 highlights that education spending per capita is higher in Scottish and Welsh local authorities than in English authorities. These inter-country differences in expenditure are statistically significant (see Table 1), pointing towards the possibility that they reflect policy differences in the three countries. Importantly,

² The Barnett formula requires that changes made by the UK government to public spending in England ‘lead automatically to equivalent changes to the budgets of the devolved administrations. These changes are calculated by reference to each nation’s relative population’ (Institute for Government, 2021, p.9).

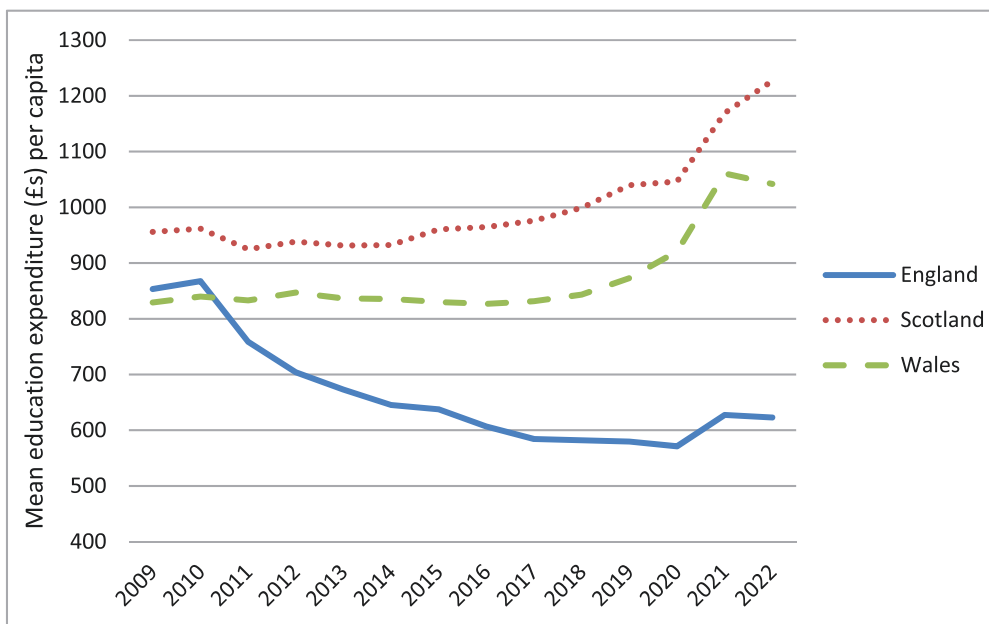


Figure 1: Education expenditure (£s) per capita: English, Scottish, and Welsh local authorities (2009–22)

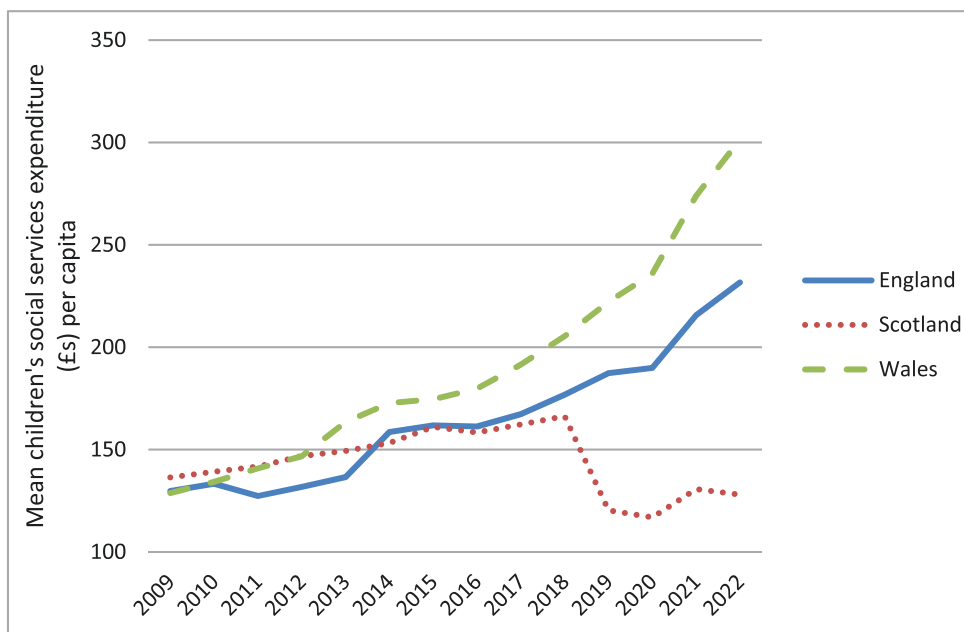


Figure 2: Children's social services expenditure (£s) per capita: English, Scottish, and Welsh local authorities (2009–22)

the trajectory of education spending is also very different. Education spending fell dramatically in English local authorities during the 2010s, but rose towards the end of the decade in both Scotland and Wales. In addition, the graph highlights that education spending increased in all three countries during the first year of the Covid-19 pandemic, and thereafter returned to something like the pre-Covid trajectory in 2022.

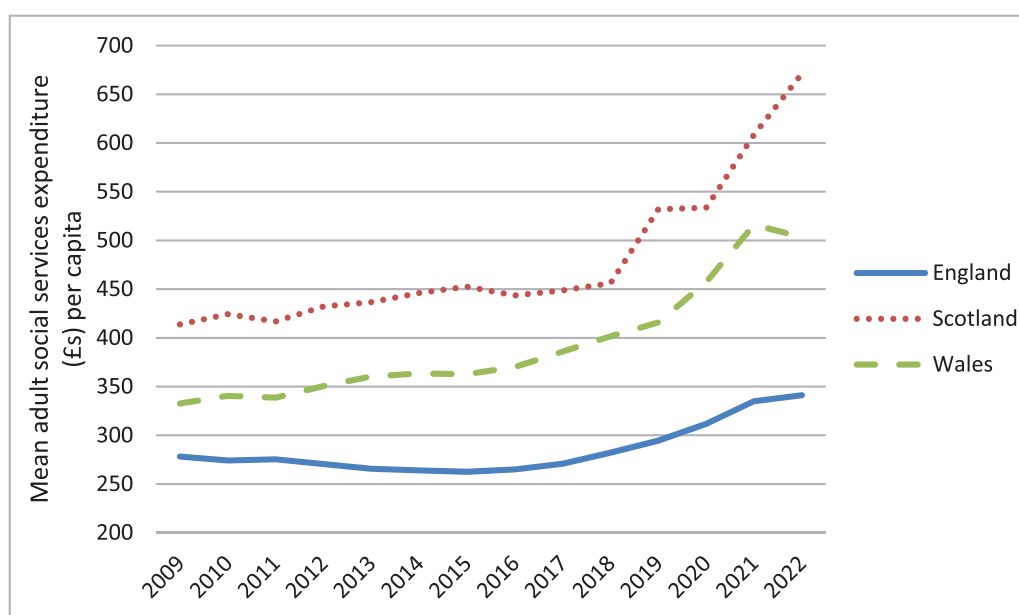


Figure 3: Adult social services expenditure (£s) per capita: English, Scottish, and Welsh local authorities (2009–22)

Table 1: Local welfare spending in England, Scotland, and Wales (2009–2022)

	England (E)	Scotland (S)	Wales (W)	Differences
Mean spending level (2009–22)				
Education (£s) per capita	665.65	1001.39	874.94	S>W>E**
Children's social services (CSS) (£s) per capita	164.71	144.67	190.85	W>E>S**
Adult social services (ASS) (£s) per capita	284.80	477.79	392.78	S>W>E**
Education as % of total expenditure	38.04	46.26	38.69	S>(E=W)**
CSS as % of total expenditure	9.50	6.96	8.30	E>W>S**
ASS as % of total expenditure	16.99	21.85	17.30	S>(E=W)**

Note: Significance levels: * $p \leq 0.05$; ** $p \leq 0.01$.

Figure 2 suggests that spending per capita on children's social services was relatively similar in England, Scotland, and Wales until around 2018, when spending increased in Wales and decreased in Scotland. The subsequent divergence in children's social services expenditure across the three countries is statistically significant. However, it is important to note that the accounting for this form of local welfare expenditure changed in Scotland in 2018 when aspects of children's social services provision began to be charged to new integration authorities set up to coordinate children's and adults' social services instead of local authorities.

Figure 3 indicates that spending per capita on adult social services was highest in Scotland between 2009 and 2022, then Wales, with England spending the least. Again, each of the differences between the countries is statistically significant, implying that Scottish local authorities spend considerably more on this local welfare service than local authorities in England, especially—around £100 per head of population. Also noticeable is the sharper increase in adult social services spending in Scotland and Wales from 2018. The extent to which the depicted divergence reflects local conditions or national policy differences is analysed in more depth in section IV of the paper.

(ii) Education and social services expenditure as a share of total local service expenditure

Figures 4–6 present the percent share of overall expenditure on education and social services for local authorities in England, Scotland, and Wales. Figure 4 indicates that, consistent with the level of expenditure figures, education

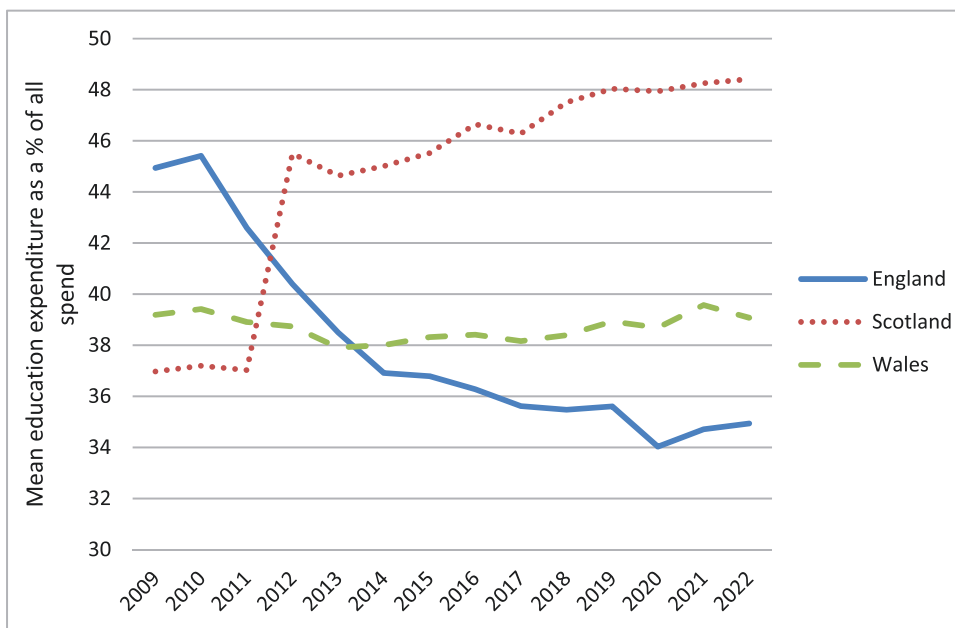


Figure 4: Education expenditure as a % of all service expenditure: English, Scottish, and Welsh local authorities (2009–22)

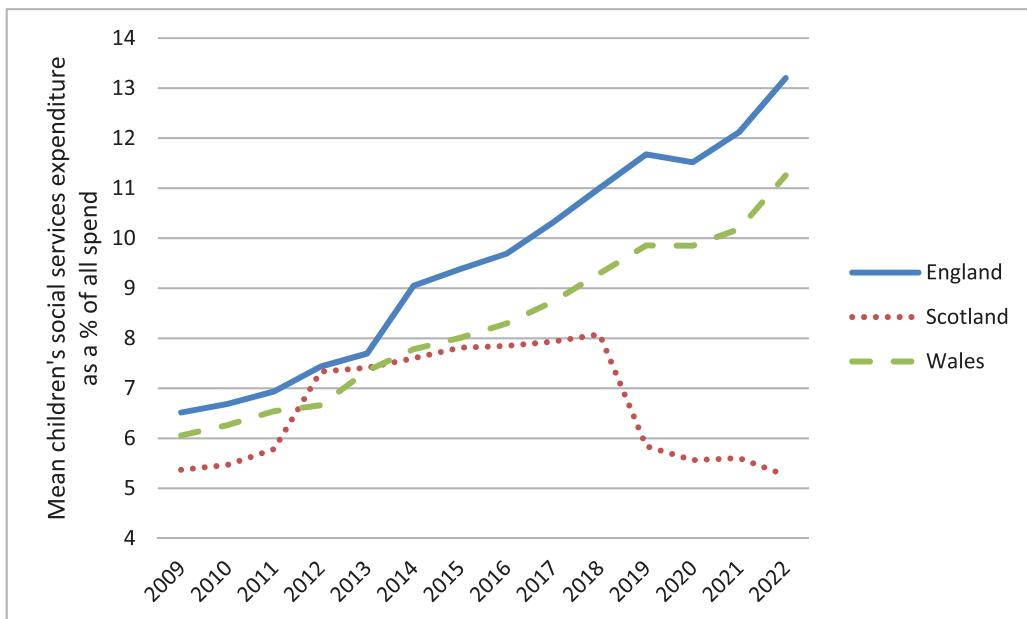


Figure 5: Children's social services expenditure as a percentage of all service expenditure: English, Scottish, and Welsh local authorities (2009–22)

spending became a much less important component of all local authority expenditure in English authorities between 2009 and 2022. Whereas, in 2009, education represented a larger share of overall expenditure in England than in Scotland and Wales, by 2022, it represented a smaller share of overall expenditure. By contrast, education spending in Scottish local authorities was lowest in 2009, but after a huge expansion in 2011 represented over 10 per cent more of local authority spending than in England and Wales for the following decade. Welsh



Figure 6: Adult social services expenditure as a percentage of all service expenditure: English, Scottish, and Welsh local authorities (2009–22)

local authority spending on education remained relatively constant as a proportion of overall expenditure during the period. The difference between Scotland and the other two countries is statistically significant (see Table 1), pointing toward the likelihood of a Scottish policy effect.

Figure 5 suggests that children’s social services represented a similar proportion of local authority expenditure in England, Scotland, and Wales until around 2013 when it became responsible for a larger share of total spending in English local authorities, likely due to the decreasing importance of education spending (there is a negative correlation between the two). Although the trajectory of the share of spending on children’s social services is similar in England and Wales, the difference between the two is statistically significant (see Table 1). Both countries apportion more spending in this area than Scotland, though, again, it is important to note that the accounting for this expenditure changed in Scotland in 2018 (see above).

Finally, Figure 6 affirms that spending on adult social services represented a much higher proportion of local authority spending in Scotland, than in England and Wales, where it formed a similar proportion of overall spending. As depicted in Figure 3, the divergence between Scottish local authorities and those in England and Wales emerged in 2012. In the next section, I develop a multivariate model to evaluate whether the observed divergence in local welfare services expenditure is a product of local social, economic, and political circumstances or broader national policy differences.

IV. Regional variations in local welfare spending

In this section, panel data on local authority expenditure and local social, economic, and political conditions are combined in a model that seeks to isolate country effects from other potentially salient influences on local authority spending patterns. Since the model incorporates only three countries, a panel regression-based approach including dichotomous variables to capture country effects is adopted, with the following functional form:

$$Exp_{it} = \beta_1 S + \beta_2 W + X_{it} + \theta_t + \varepsilon$$

where Exp_{it} is expenditure in local authority i and year t , $\beta_1 S$ is a dichotomous variable coded 1 for Scottish local authorities and 0 for all others, $\beta_2 W$ is a dichotomous variable coded 1 for Welsh local authorities and 0 for all others, X_{it} is a set of controls for local context, θ_t a time fixed effect and ε an error term.

Random effects panel regression is used to estimate the model because it can accommodate theoretically important time-invariant independent variables (e.g. country). Hausman tests do not reject the null hypothesis of no misspecification when comparing random effects with fixed effects estimates, confirming their robustness.

(i) Local context variables

Previous research has shown that local public service expenditure is influenced by an array of different local socio-economic and political variables (Narbón-Perpiñá and De Witte, 2018). The panel regression analysis presented here controls for six such variables. First, annual local authority population estimates published by the Office for National Statistics were used as a measure of *population size* to capture scale economies. These population figures were divided by the area of each local authority in square kilometres to give a measure of *population density*, which captures economies of scope and urban dislocation effects. To gauge the quantity of service need, demand for education and children's social services was measured as the percentage of the local population aged 0–15, with demand for adult social services measured as the percentage of the local population aged 65+. The latter indicator controls for the increased demands placed by an ageing population on social care services. The trajectory of these demand indicators for 2009–22 are shown in [Figures A1](#) and [A2](#) in the [Appendix](#).

To capture diversity of service need, a measure of ethnic diversity was constructed by squaring the proportions of the various ethnic sub-groups identified in each local authority (e.g. white British, Indian, Chinese) in the UK 2001, 2011, and 2021, and the Scottish 2022 national censuses and then subtracting the sum of these squares from 10,000. The resulting measure is the equivalent of a Hehrfindahl index used to measure diversity in markets, with the expectation being that diverse service needs are associated with higher welfare spending.

The prosperity of local residents was measured using two indicators: (i) GDP per capita; and, (ii) the number of people claiming unemployment-related benefits per 1,000 working age population (i.e. 16–64, as per UK government usage). On the one hand, residents in prosperous local authorities may have fewer complex social needs and be more willing to devote time and money to coproducing local services, thereby reducing spending costs. On the other hand, wealthier residents tend to be more politically active and could therefore demand higher spending, especially on services that they value highly.

Local political effects on expenditure were controlled by including two dichotomous variables in the models that capture whether a local authority was controlled by the Conservative Party or the Labour Party. The excluded category when including these variables in the models encompasses those local authorities with no overall control in all three countries, and Liberal Democrat controlled authorities in England and Wales, SNP controlled authorities in Scotland, and Plaid Cymru controlled authorities in Wales. While these other political parties play an important role in local politics, especially the SNP in Scotland and Plaid Cymru in Wales, the Conservative and Labour Party variables proxy for whether right-wing or left-wing political control of local authorities results in different local service expenditure patterns.

Finally, the potential impact of the different types of local authority present within the English local government system is controlled by including dichotomous variables coded 1 for London boroughs and zero otherwise, 1 for metropolitan boroughs and zero otherwise, and 1 for county councils and zero otherwise. As well as controlling for structural effects, the London variable accounts for the higher costs and demands of providing local services within the capital. [Table 2](#) presents the descriptive statistics for all the variables included in the models.

(ii) Regression analysis

[Tables 3](#) and [4](#) present the results of the regression analysis. The second column of each table shows the statistical results when regressing just the country dummy variables on to local education expenditure, with the third column showing the results when including local context variables. This pattern is repeated for children's social services in columns 4 and 5, and for adult social services in columns 6 and 7. The average variance inflation factor (VIF) score for the models is around 2.5, so multicollinearity is unlikely to be a problem. Population, population density, and GDP per capita are logged prior to inclusion in the regression models to correct for skewed distributions.

The fully specified models presented in [Tables 3](#) and [4](#) explain a reasonably large amount of the variation in local welfare expenditure, with the R^2 statistics ranging from .42 for children's social services spending per capita to .75 for the proportion of local spending allocated to adult social services. Critically, the country differences in local education and social services expenditure identified in the figures presented above are observed even when controlling for potentially important local determinants of local authority spending.

Education

In terms of education, when adjusting for local socio-economic and political variables, the statistically significant positive coefficient for Scotland suggests that locally-managed education spending is £325 per capita greater than in England and that education spending represents 10 per cent more of overall local authority expenditure in Scotland than in England. The coefficient for Wales indicates that locally-managed education spending is £193 per capita higher than in England and that it represents 2.5 per cent more of overall local authority expenditure. The findings for the

Table 2: Descriptive statistics (2009–22)

	Mean	Min	Max	SD
<i>Dependent variables</i>				
Education (£000s) per capita	741.09	209.90	2067.68	232.99
CSS (£000s) per capita	164.41	.95	483.96	60.27
ASS (£000s) per capita	326.82	167.78	1305.35	108.32
Education as % of total expenditure	39.40	14.87	66.07	8.37
CSS as % of total expenditure	8.97	.03	26.89	3.18
ASS as % of total expenditure	17.78	7.46	36.87	4.88
<i>Independent variables</i>				
England	.73	0	1	.44
Scotland	.16	0	1	.36
Wales	.11	0	1	.31
Population	310,113.76	20,940	1,593,191	257,607.58
Population density	2,147.79	8.55	16,598.45	2,965.25
% population aged 0–15	18.71	12.60	27.39	2.03
% population aged 65+	17.70	5.64	30.02	4.40
Ethnic diversity	2,892.26	354.11	9,215.49	2,466.19
GDP (£s) per capita	28,863.85	9,046.45	435,303.86	23,561.53
Claimant count per 1,000 population aged 16–64	3.46	.54	12.00	1.73
Conservative control	.27	0	1	.45
Labour control	.36	0	1	.48
London borough	.16	0	1	.36
Metropolitan borough	.18	0	1	.38
County council	.13	0	1	.33

Number of observations = 2,835.

control variables point towards scale economies in education spending per capita and a higher proportion of expenditure being devoted to education in larger local authorities and in those with a large school-age population. Interestingly, ethnic diversity seems to have a negative relationship with both indicators of education spending. All the other types of local authority in England accord more importance to education expenditure than English unitaries, with authorities in London spending a similar amount to those in Scotland. Labour party controlled local authorities spend more on education, but do not accord it greater importance in the overall pattern of expenditure than other authorities.

Children's social services

Regarding children's social services, the statistically significant negative coefficient for Scotland in the percentage share model suggests that the proportion of local authority spending on children's social care is 2 per cent lower than in England, which probably reflects the accounting differences discussed above. The statistically significant coefficient for Wales in the per capita model indicates that spending on children's social care is £33 per resident higher than in England. However, a slightly lower proportion of local authority expenditure is allocated to children's care in Wales than England when adjusting for local circumstances. The coefficients for the control variables in these models again point towards scale economies in spending per capita, but also the impact of a challenging socio-economic environment on children's social services: the coefficients for population density and ethnic diversity are positive and statistically significant in both models. Interestingly, London authorities spend less on children's social services than all other types of authority. Political control makes no difference to expenditure patterns in this part of the local welfare state.

Adult social services

In terms of adult social services, the statistically significant positive coefficient for Scotland in both models implies substantial differences between Scottish local authorities and those in England: spending is £164 per capita higher and represents nearly 4 per cent more of overall local authority expenditure. The statistically significant

Table 3: Determinants of local welfare spending per capita in England, Scotland, and Wales (2009–22)

	Education		Children's social services		Adult social services	
Scotland	336.078** (40.847)	325.106** (36.965)	−19.889* (7.986)	−6.551 (10.163)	193.166** (24.063)	164.590** (16.227)
Wales	210.465** (16.500)	193.215** (37.799)	25.979** (8.782)	33.357** (9.060)	107.640** (9.855)	58.096** (19.828)
Population (log)		−99.874** (34.277)		−22.795** (5.988)		−59.665** (21.047)
Population density (log)		9.968 (10.885)		9.975** (3.034)		21.581** (6.726)
% population aged 0–15		2.017 (7.444)		−.853 (2.309)		
% population aged 65+						13.181** (2.756)
Ethnic diversity		−.044** (.009)		.006** (.002)		−.012** (.004)
GDP (£s) per capita (log)		49.237 (43.937)		−2.660 (8.580)		32.741* (15.611)
Claimant count per 1,000 (16–64)		3.797 (6.118)		3.916+ (2.199)		−3.262* (1.656)
Conservative control		5.421 (14.058)		−4.272 (4.638)		5.030 (4.177)
Labour control		28.619* (14.283)		3.058 (5.411)		−1.955 (5.003)
London borough		367.752** (62.062)		−20.968+ (12.044)		94.740** (24.440)
Metropolitan borough		159.957** (37.512)		1.631 (7.570)		25.902 (18.886)
County council		99.547* (45.160)		10.825 (8.912)		44.860+ (26.887)
Constant	790.88** (12.593)	1399.401* (649.122)	131.505** (3.903)	361.174** (121.498)	263.506** (3.871)	337.756 (334.860)
Wald chi2	1544.87**	1642.17**	912.17**	1297.94**	816.21**	1358.72**
R squared	.39	.43	.25	.46	.56	.53

Number of observations = 2,835.

Note: +p<.10; *p<.05; **p<.01. Robust standard errors clustered at the local authority level. Year effects not reported.

positive coefficient for Wales in the per capita model indicates that spending on adult social care is £58 per resident higher than in England, but that this represents a similar proportion of overall local authority expenditure to that in English local authorities. Scale economies appear to be present in per capita spending on adult social services, but larger authorities allocate more to these services than smaller ones. Authorities with larger ageing populations spend more per capita on adult social services and as a share of their overall expenditure: the coefficient for the percentage population aged 65+ is positive and statistically significant in both models. Authorities serving densely populated areas also spend more on adult social services, as do those which are more affluent, since the GDP per capita coefficient is positive and statistically significant in both models, and the claimant count coefficient is negative in the per capita model. London authorities spend more per capita on adult social services, but as for metropolitan authorities, less as a proportion of total expenditure. County councils spend more on adult social services per capita and more as a proportion of their overall spending. Labour-controlled authorities allocate less of their overall spending to adult social services.

Summary

The regression results point towards the likelihood that policy differences in England, Scotland, and Wales are responsible for variations in the resources that local authorities allocate to the most important welfare services that

Table 4: Determinants of welfare spending as a percentage of total local authority expenditure in England, Scotland, and Wales (2009–22)

	Education		Children's social services		Adult social services	
Scotland	6.599** (.893)	8.504** (1.266)	-2.816** (.393)	-2.319** (.538)	4.093** (.482)	3.794** (.501)
Wales	.692 (.698)	2.403* (1.035)	-1.223** (.327)	-.929* (.413)	.278 (.523)	-.588 (.449)
Population (log)		1.415* (.725)		.269 (.275)		.595* (.302)
Population density (log)		-.577 (.365)		.308* (.147)		.446* (.183)
% population aged 0–15		.456* (.234)		.031 (.122)		
% population aged 65+						.541** (.096)
Ethnic diversity		-.001** (.0003)		.0004** (.0001)		-.0001 (.0001)
GDP (£s) per capita (log)		.122 (1.391)		-.749+ (.432)		.831* (.425)
Claimant count per 1,000 (16–64)		.315 (.199)		.141 (.094)		.027 (.069)
Conservative control		.625 (.596)		-.274 (.310)		.122 (.262)
Labour control		.578 (.570)		-.352 (.277)		-.825** (.235)
London borough		5.387** (1.768)		-3.577** (.697)		-1.892** (.573)
Metropolitan borough		2.379+ (1.270)		-.977* (.430)		-1.930** (.395)
County council		10.287** (1.456)		2.002** (.517)		4.569** (.692)
Constant	41.950** (.728)	16.350 (15.644)	6.892** (.120)	14.249* (6.255)	14.315** (.283)	-12.707* (6.311)
Wald chi2	450.73**	588.49**	854.90**	1059.64**	924.74**	1,499.15**
R squared	.28	.42	.40	.45	.26	.75

Number of observations = 2,835.

Note: +p<.10; *p<.05; **p<.01. Robust standard errors clustered at the local authority level. Year effects not reported.

they provide. Hence, even though the UK government applies multiple central regulations and policy principles relating to the public financing of public services, local policy choices relating to expenditures on education and social care appear to be strongly influenced by the distinctive approaches to welfare that have emerged in England, Scotland, and Wales. To add further confidence in these findings, the sample of English local authorities was restricted to those that are unitary authorities—i.e. with exactly the same service responsibilities and structure as their Scottish and Welsh counterparts. Although some of the coefficients for the control covariates differed in statistical significance, this supplementary analysis revealed similar country effects to those presented in [Tables 3 and 4](#) (see [Table A1](#) in the [Appendix](#)).

To test for the potential lagged effects of responsiveness to local circumstances, additional analyses were also undertaken with the control variables measured 1 year prior to the expenditure variables. These estimations, which drew on a slightly shorter panel of data from 2010–22, made no difference to the observed country effects except that the negative coefficient for percentage of spending on adults' social services in Wales became statistically significant at p.10. At the same time, the coefficients for most of the control variables were similar, illustrating the relative 'stickiness' of local circumstances as a driver of local welfare spending (see [Table A2](#) in the [Appendix](#)). In

the concluding section, the policies that are potentially responsible for the observed country effects are discussed and the future trajectory of the local welfare state in each of the three countries considered.

V. Conclusion

In this paper, I present evidence of diverging patterns of local welfare expenditure in English, Scottish, and Welsh local authorities in the years 2009–22. I find striking country-level differences that remain statistically meaningful even when controlling for local needs, with Scottish local authorities, in particular, spending more money on education and adult social services than their counterparts in England and Wales. Local authorities in Scotland, especially, but also in Wales, provide public services to more dispersed populations, which may result in distinctive spending patterns in the two countries ([Institute for Government, 2021b](#)). Further analysis suggested that education and adults' social services expenditure levels are higher in sparsely populated Scottish local authorities, but not of a magnitude sufficient to outweigh the wider 'Scottish effect'. Population density made no additional difference to welfare expenditure levels in Welsh local authorities (see [Table A3](#) in the [Appendix](#)).

Although the analysis presented above does not report direct tests of the impact of specific policies on expenditure patterns, it does correlate with prior evidence on regional effects in local authority expenditure in the UK ([Boyne, 1992](#)) and divergent patterns of local welfare spending found in cross-country comparative research ([Kleider, 2018](#)). Importantly, the analysis points towards the impact of policy divergence, with the case of Scotland seeming to represent a more coherent alternative 'universalist' model of welfare to the more conditional and competitive model in England, likely because the Scottish government has wide-ranging powers and a strong nationalist party ([Greer, 2006b](#)). In Wales, where the politics and institutionalization of devolution is not yet as far advanced as in Scotland ([Williams and Eirug, 2022](#)), the evolving local welfare model is less coherent, hovering between the Scottish and English approaches. The salience of this policy divergence for local welfare spending in England, Scotland, and Wales is discussed in more detail next, before I conclude with some reflections on future challenges to the local welfare state across the UK.

(i) Policy effects on local welfare expenditures

Theories of regional development and territorial politics emphasize the significance of sub-national and regional policy variation for the spending of local authorities—something that seems to be affirmed for the country effects on local welfare expenditures within the UK identified here. This finding has implications for the theory and practice of welfare state devolution, suggesting that political decentralization may potentially generate territorial inequalities, even in states where the central government has considerable control over public finance and upholds minimum standards for public service quality, such as the UK ([Boyne, 1999](#)). Critically, for each welfare service studied here there are plausible reasons for anticipating distinctive policy effects to be at the heart of the observed cross-country differences.

First, the finding that Scottish local education spending per capita is particularly high corroborates evidence that spending per pupil is higher in Scotland, even when taking into account academization of the English school system ([Sibieta, 2023](#)). This discrepancy in spending is not attributable to the Barnett formula, which is sometimes claimed to be responsible for higher public spending per capita in Scotland ([Groom, 2014](#)). Instead, as the [Institute for Government \(2021a\)](#) emphasizes, 'the discrepancy in public spending levels is not a direct product of the formula itself, but rather a reflection of historical differences in spending between the UK nations' (p. 11), which have not been adequately equalized within the Barnett formula. The differences in locally managed welfare services also reflect policy developments within each country, especially in the wake of the Scotland Acts of 2012 and 2016 and the Wales Act of 2014 that devolved some tax raising powers to the two countries ([Keep, 2024](#)).

In Scotland, additional resources were invested in helping local authorities to implement the Early Years Framework and the Curriculum for Excellence in the early 2010s. Furthermore, the expansion of early years entitlement for pre-school children in 2021 may explain the different post-Covid spending trajectory for Scottish local authorities. In Wales, an Early Years Outcome Framework was introduced in 2016, with a new Curriculum for Wales being rolled out from 2022 onwards, though these have not yet received financial support akin to that in Scotland. In England, academization removed large chunks of school spending from the control of local authorities. Further analysis indicates that the percentage of academy schools in a local area has a strong statistically significant negative relationship with the level and share of locally-managed education spending in England (see [Table A4](#) in the [Appendix](#)). Cuts to the Sure Start early years programme have also reduced English local authorities' education spending, while the national curriculum in the country has remained largely unchanged for the past 20 years, requiring little additional resource to update.

In the future, the discrepancy between local education expenditures across England, Scotland, and Wales may change due to plans to replace the Barnett formula with a needs-based system equalize fiscal outcomes, especially between Scotland and Wales ([Institute for Local Government, 2021a](#)). Likewise, pressures towards convergence may arise as the new UK Labour government seeks to deliver on its promise to employ more teachers in England and to more closely regulate multi-academy trusts. This process seems likely to be hastened should the Labour government also seek to revive the Sure Start programme. At the same time, though, the declining numbers of young people across all three nations (see [Figure A1](#) in the [Appendix](#)) may enable local authorities to achieve additional efficiency savings in education.

Second, while the cost of looked after children's placements has increased dramatically across the UK, especially in the private sector ([Competition and Markets Authority, 2022](#)), there appear to be particular challenges confronting local authorities in Wales. The number of looked after children has grown faster in Wales since 2016 than in England, while it has fallen in Scotland ([Competition and Markets Authority, 2022](#)). Moreover, although the vast majority of children's placements in Wales are in the private sector, the finding that children's social services spending is higher in Welsh local authorities likely reflects antipathy towards market-based solutions in the country. When making placement decisions, local authorities are required to seek permission to use for-profit providers from the Welsh Government if a not-for-profit provider is unable to guarantee a child's wellbeing. The costs of managing the placement process for looked after children are therefore higher in Wales than elsewhere.

Due to a political commitment to increasing state involvement in residential care, there appears to be little likelihood that children's social services costs in Wales will decrease in the short to medium term. Indeed, the recent proposal to ban profits from care placements in Wales altogether has been criticized because 'eliminating profit from children's social care will require substantial investment in terms of time and resources' ([Chartered Institute of Public Finance and Accountancy, 2024](#), p. 6). The new UK Labour government has signalled an intention to better regulate the children's residential care market in England. However, no country has, to date, indicated a willingness to establish a centralized purchasing body to shape markets and drive residential care costs down as recommended by the Competition and Markets Authority. As a result, growing demand for this component of the local welfare state will increasingly threaten the financial sustainability of local authorities, particularly those in England and Wales.

Third, the larger amount of expenditure on adult social services in Scotland than in England and Wales is in line with prior research that suggests the costs of resourcing free personal care for older people explains the comparatively high adult care expenditure in the country ([Deaner and Phillips, 2013](#)). Indeed, while care for working age people still accounts for a large proportion of local authorities' adult social services' expenditure, it is pressures associated with the ageing population that likely matter most for costs. For example, people's eligibility for local authority assistance with care home costs is much tighter in England than elsewhere, thereby reducing local authority expenditure ([Competition and Markets Authority, 2017](#)). At the same time, there is a much larger older population in both Scotland and (especially) Wales than in England that is also ageing at a faster rate (see [Figure A2](#) in the [Appendix](#)), placing additional burdens on local authority budgets. Further analysis of the data used in this study suggests that the impact of a larger older population on adult social services expenditure per capita is stronger in Scotland and Wales than in England (see [Table A5](#) in the [Appendix](#)). Hence, it would be essential for any discussions about a needs-based replacement for the Barnett formula to account for these different ageing populations.

In all three countries, concerns about the need to better integrate health and social care services have spurred plans to develop a National Care Service to administer the social care for older people. In England, the new Labour government in Westminster has indicated that adult social services would still be managed by local authorities once the new national care service is established. In Wales, the National Care and Support Office within the Welsh Government is intended to better coordinate and manage local authorities' efforts to meet the challenges in delivering social care ([Welsh Government, 2023](#)). In Scotland, the Scottish Government recently abandoned plans to remove the responsibility for social services entirely from local authorities, but has delayed implementation of the new national-level care service due to the projected costs of the reform ([Scottish Government, 2023](#)). All of the above developments underline a broad convergence in policy approach towards adult social services, aside from the availability of free personal care in Scotland.

(ii) Future of the local welfare state in the UK

The local welfare state in the UK currently exhibits important differences across England, Scotland, and Wales, which partly reflect historical deviations in spending but also policy divergence across national administrations. Nevertheless, the challenges that local authorities confront in providing education and social services are broadly alike and recent policy solutions for addressing these challenges are similar, blending national prescriptions with

continued local responsibilities. In each country, local government will therefore continue to play a critical role in the management and performance of the local welfare state.

Although the academization of the English school system led to the refurbishment of schools infrastructure and improved standards in many areas (Curtis *et al.*, 2008), it has also resulted in worse outcomes for many disadvantaged pupils (Hutchings and Francis, 2018). Achieving a better balance between educational choice and social equity may be challenging without a renewed commitment to locally-controlled schools. Likewise, successful revival of the Sure Start programme would require the devolution of considerable resources to local authorities. In Scotland and Wales, it is too soon to determine whether the early years frameworks have had beneficial effects. However, research has suggested that the Scottish Curriculum for Excellence may be partly responsible for the recent drop in PISA scores in Scotland, and that the proposed Curriculum for Wales may ‘run the risk of widening inequalities, increasing teacher workload and limiting future education opportunities’ (Sibieta, 2024). Given declining pupil enrolments across the UK, it is possible that educational expenditures will become more impactful, but the ability of local authorities to drive school improvements will doubtless remain under close scrutiny from parents and politicians.

In contrast with education, the quality of children’s social services is rarely high on the local or national political agendas, though cases of serious failure do, of course, hit the headlines (Marinetto, 2011). Nevertheless, local management of private providers of children’s social services in England and Wales is set to be scrutinized more carefully as the number of looked after children requiring placements continues to rise and concerns about the role of hedge funds in bankrolling private providers grow (Garcia *et al.*, 2023). The potential for national commissioning bodies to address excessive placement costs may enable local authorities to maintain closer control of the quality of children’s care in the future, but would require careful negotiation between all the different partners involved in the market for care (Competition and Markets Authority, 2022).

Across the UK, the greatest challenge that confronts locally managed welfare is the need to meet the growing demand for elderly residential care, especially in the wake of on-going concerns about the quality of care in private care homes and the financial viability of many providers (Fotaki *et al.*, 2023). Again, disquiet about the potential for profiteering is increasingly a feature of debates about the future of this branch of the social services sector (Booth and Goodier, 2023). Although proposals for greater national coordination of care services may prove effective in making the care home market more equitable, efficient, and financially sustainable, improvements in service quality may remain elusive if local needs are not effectively articulated within a more centralized system. The role that local government plays in connecting communities, service users, and providers is thus likely to shape the future of the local welfare state.

Appendix

Table A1: Determinants of local welfare spending in England, Scotland, and Wales (2009–22)—unitary authorities only

	Education		Children's social services		Adult social services	
	Per capita	% share	Per capita	% share	Per capita	% share
Scotland	278.589** (50.725)	8.196** (1.626)	–5.258 (12.668)	–1.917** (.691)	138.528** (17.554)	3.535** (.573)
Wales	167.733** (48.858)	3.167** (1.134)	32.890** (10.334)	–.671 (.506)	44.132* (22.524)	–.426 (.513)
Population (log)	–143.214** (41.662)	.337 (.924)	–20.292** (7.479)	–.093 (.303)	–72.448** (25.720)	.468 (.357)
Population density (log)	16.354 (13.115)	–.178 (.449)	8.018* (3.641)	.284 (.177)	10.308 (7.663)	.068 (.215)
% population aged 0–15	–18.974 (12.049)	–.264 (.403)	–.652 (4.179)	.113 (.237)		
% population aged 65+					6.693 (4.272)	.330* (.133)
Ethnic diversity	–.063** (.013)	–.0015** (.0005)	.008* (.004)	.0006** (.0002)	–.024** (.006)	–.0001 (.0001)
GDP (£s) per capita (log)	153.036* (64.884)	5.258* (2.465)	–14.529 (4.034)	–1.621+ (.856)	42.089+ (24.703)	1.097 (.727)
Claimant count per 1,000 (16–64)	4.001 (10.636)	.384 (.362)	4.813+ (4.034)	.200 (.169)	1.252 (2.802)	.210+ (.113)
Conservative control	26.824 (24.898)	1.326 (.957)	–6.867 (7.910)	–.424 (.532)	11.915+ (6.954)	.240 (.376)
Labour control	40.497* (19.103)	.090 (.757)	3.056 (8.430)	–.450 (.418)	5.352 (7.134)	–.723* (.347)
Constant	1,232.40 (847.240)	–13.120 (23.751)	422.144** (184.983)	18.742+ (9.804)	564.694 (424.369)	–9.241 (9.525)
Wald chi2	1,062.07	355.60**	690.21**	694.38**	999.61**	826.65**
R squared	.46	.25	.37	.40	.58	.62

Number of observations = 1,512.

Note: +p<.10; *p<.05; **p<.01. Robust standard errors clustered at the local authority level. Year effects not reported.

Table A2: Determinants of local welfare spending in England, Scotland, and Wales (2009–22)—control variables lagged 1 year

	Education		Children's social services		Adult social services	
	Per capita	% share	Per capita	% share	Per capita	% share
Scotland	344.691** (37.447)	9.840** (1.299)	-7.385 (10.302)	-2.403** (.562)	160.842** (15.743)	3.578** (.535)
Wales	220.537** (37.799)	3.212** (1.061)	35.626** (9.258)	-1.037* (.425)	60.470** (19.428)	-.907+ (.468)
Population (log)	-95.255** (34.250)	1.525* (.734)	-21.830** (6.296)	-.244 (.292)	-56.632** (21.192)	.599+ (.317)
Population density (log)	5.192 (10.792)	-.738* (.364)	10.345** (3.114)	.349* (.150)	17.535** (6.728)	.323+ (.185)
% population aged 0–15	-2.400 (7.749)	.524* (.241)	-.883 (2.495)	.062 (.134)		
% population aged 65+					9.717** (2.978)	.411** (.097)
Ethnic diversity	-.032** (.009)	-.001** (.0003)	.006** (.002)	.0003* (.0001)	-.017** (.004)	-.0003* (.0001)
GDP (£s) per capita (log)	47.319 (43.580)	.330 (1.376)	-1.179 (8.072)	-.645 (.413)	29.552* (14.330)	.628 (.401)
Claimant count per 1,000 (16–64)	9.096 (5.801)	.530 (.198)	2.740 (2.107)	.083 (.092)	-2.606+ (1.541)	.039 (.073)
Conservative control	.431 (13.046)	.385 (.528)	-2.861 (4.633)	-.187 (.299)	2.532 (4.235)	.110 (.253)
Labour control	12.299 (14.266)	.315 (.553)	8.617 (5.729)	-.016 (.294)	-7.302 (6.242)	-.865** (.248)
London borough	338.221** (62.173)	5.109** (1.807)	-23.278+ (12.308)	-3.474** (.722)	100.137** (24.414)	-1.425* (.571)
Metropolitan borough	164.474** (36.843)	2.529* (1.295)	-.156 (7.844)	-1.118* (.445)	24.817 (16.676)	-2.057** (.405)
County council	95.969* (45.404)	10.229** (1.468)	8.643 (9.272)	1.998** (.547)	43.891+ (26.827)	4.707** (.713)
Constant	1447.981* (642.200)	11.771 (15.450)	340.657** (119.172)	12.555* (6.188)	422.473 (330.107)	-7.493 (6.360)
Wald chi2	1,771.90**	587.62**	1,296.57**	1,026.24**	1,204.44**	1,448.72**
R squared	.45	.44	.45	.43	.55	.76

Number of observations = 2,632.

Note: +p<.10; *p<.05; **p<.01. Robust standard errors clustered at the local authority level. Year effects not reported.

Table A3: Determinants of local welfare spending per capita in England, Scotland, and Wales (2009–22)—population density interactions

	Education	Children's social services	Adults' social services
Scotland x population density (log)	–59.598* (23.966)	–6.709 (5.505)	–33.734* (15.829)
Wales x population density (log)	9.865 (22.230)	7.842 (6.614)	–16.985 (10.754)
Scotland	660.132** (148.898)	29.964 (29.857)	363.447** (91.842)
Wales	165.582 (142.759)	–7.456 (39.473)	173.158** (66.503)
Population (log)	–86.889** (30.703)	–21.227** (5.794)	–49.704** (18.433)
Population density (log)	33.479* (16.278)	11.673** (3.603)	36.999** (8.710)
% population aged 0–15	–.371 (7.627)	–1.102 (2.351)	
% population aged 65+			13.595** (2.814)
Ethnic diversity	–.049** (.009)	.006** (.002)	–.013** (.004)
GDP (£s) per capita (log)	45.138 (44.593)	–3.456 (8.443)	31.513* (15.515)
Claimant count per 1,000 (16–64)	3.296 (6.147)	3.824+ (2.193)	–3.212* (1.646)
Conservative control	6.924 (13.978)	–4.261 (4.642)	5.330 (4.148)
Labour control	27.268+ (14.199)	2.650 (5.446)	–1.982 (4.984)
London	343.167** (65.870)	–23.575+ (12.441)	69.222** (23.587)
Metropolitan	141.622** (39.002)	.120 (8.155)	11.467 (15.805)
County	102.856* (43.772)	10.151 (8.695)	47.648+ (25.702)
Constant	1,178.309+ (613.662)	343.934** (125.817)	119.133 (298.895)
Wald chi2	1,603.90**	1,373.62**	1,335.82**
R squared	.43	.46	.56

Number of observations = 2,835.

Note: +p<.10; *p<.05; **p<.01. Robust standard errors clustered at the local authority level. Year effects not reported.

Table A4: Determinants of locally-managed education spending in England (2009–22)—effects of academization

	Education	
	Per capita	% share
% academy schools	–5.815** (.271)	–.261** (.012)
Population (log)	–24.602+ (14.894)	1.453* (.658)
Population density (log)	4.126 (5.911)	–1.536** (.354)
% population aged 0–15	21.553** (3.957)	1.406** (.157)
% population aged 65+		
Ethnic diversity	.009+ (.005)	–.0001 (.0002)
GDP (£s) per capita (log)	–14.601 (26.454)	–1.594* (.734)
Claimant count per 1,000 (16–64)	12.329** (3.204)	.148 (.119)
Conservative control	–16.353* (6.522)	–.275 (.367)
Labour control	6.157 (7.137)	.419 (.282)
London borough	68.074** (25.314)	–1.018 (1.075)
Metropolitan borough	32.853* (14.655)	–.827 (.724)
County council	17.337 (24.444)	9.263** (1.235)
Constant	784.451* (339.613)	25.471 (11.660)
Wald chi2	3,496.26**	2,625.58**
R squared	.81	.81

Number of observations = 2,082.

Note: +p<.10; *p<.05; **p<.01. Robust standard errors clustered at the local authority level. Year effects not reported.

Table A5: Determinants of local adult social services spending per capita in England, Scotland, and Wales (2009–22)—older population interactions

Scotland x % population 65+	22.104** (3.641)
Wales x % population 65+	18.976** (3.068)
Scotland	–242.502** (67.815)
Wales	–304.004** (62.138)
Population (log)	–46.378* (21.379)
Population density (log)	22.147** (6.917)
% population aged 65+	6.694** (2.701)
Ethnic diversity	–.007+ (.004)
GDP (£s) per capita (log)	30.566* (13.692)
Claimant count per 1,000 (16–64)	–3.151+ (1.686)
Conservative control	2.946 (4.004)
Labour control	–1.944 (5.134)
London	27.498 (17.962)
Metropolitan	13.390 (14.702)
County	51.231+ (26.942)
Constant	302.324 (323.701)
Wald chi2	1,341.08**
R squared	.60

Number of observations = 2,835.

Note: +p<.10; *p<.05; **p<.01. Robust standard errors clustered at the local authority level. Year effects not reported.

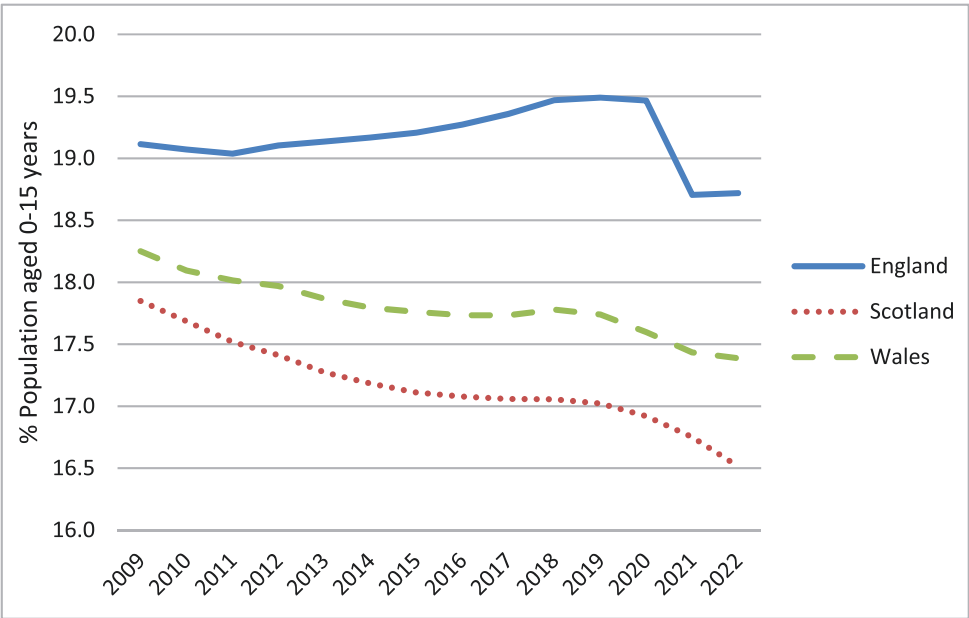


Figure A1: Population aged 0–15 years in English, Scottish, and Welsh local authorities

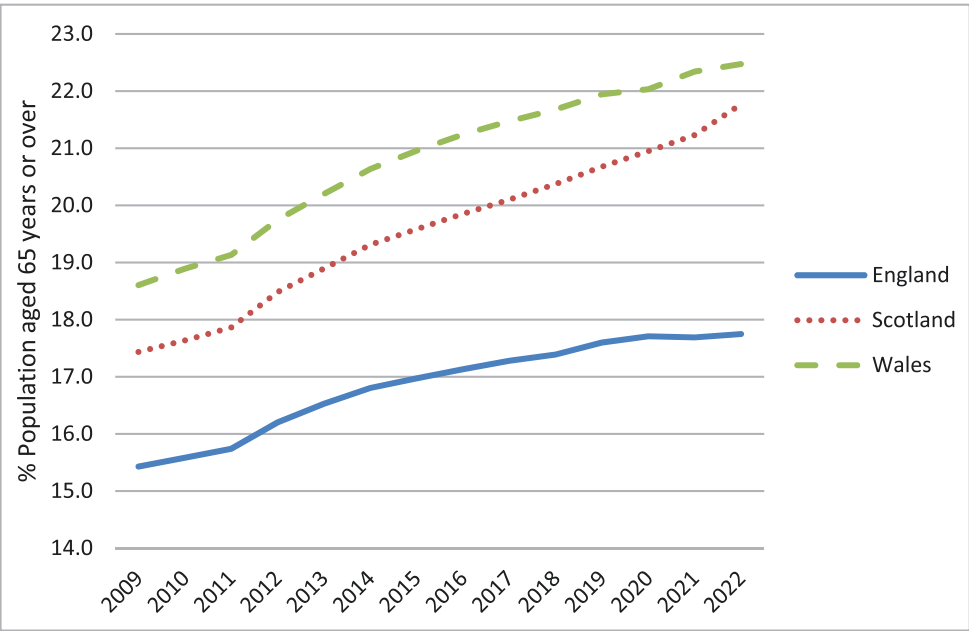


Figure A2: Population aged over 65 years in English, Scottish, and Welsh local authorities

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