



# “Underspent and Overstretched: The Missed Opportunity in Every Service Budget”

**Briefing:** Supporting Children Young People and Families

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## Introduction

This isn't a sales pitch. I'm not saying 'buy my training.' I'm saying — if you're working in public services right now, you're probably:

- Watching budgets get clawed back at year-end or used in panic-spend mode
- Feeling burnout yourself, or seeing it in your colleagues
- Dealing with high service demands, and feeling guilty or pressured for even considering time away from direct work — to attend training for example.

I'm offering a simple, strategic solution to a very real and growing problem and that is to invest in your people. Rather than clawing back small underspends or slashing resource lines to plug structural gaps, let's redirect that money into staff training and development — the area most directly linked to service quality, staff wellbeing, and financial sustainability. Appropriate induction, training and CPD shouldn't be seen as a luxury; it's the smartest investment we can make.

## Context

Public sector organisations — including NHS trusts, local authorities, and charities find themselves in a paradox:

- Facing cuts to their funding and intense service pressures;
- Yet still underspending in budget lines at year-end.

This cycle leads to missed opportunities to invest in long-term, cost-saving interventions — especially in workforce development.

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## The Problem

- Budgets are often siloed and rigid, with “use-it-or-lose-it” rules that limit strategic flexibility
- Short-term pressures lead to training cuts or training requests being declined — even though this undermines workforce stability, staff morale and service quality
- Underspends are returned or absorbed into deficits, rather than being *actively redeployed*

## The Opportunity

There’s a smarter way to spend what’s already available and workforce training is one of the highest-return, lowest-risk investments any public sector body can make. Training and CPD:

- Improves productivity, morale, and retention<sup>1</sup>;
- Reduces reliance on agency staff, and lowers absenteeism<sup>2</sup> ;
- lead to better more consistent service outcomes<sup>3</sup>.

## Supporting Evidence

- At least £69.6m of Early Years entitlement funding was not spent by 104 Local Authority’s in 2022-23<sup>4</sup>
- Individual NHS Services collectively underspent by £30m in 2023–24<sup>5</sup>
- Research shows there is a very strong Return On Investment from staff development<sup>67</sup>

## Recommendations

1. Reframe underspends as opportunities — and invest them wisely
2. Prioritise high-quality workforce training as a strategic use of funds
3. Plan budgets early and monitor spend, support service managers (who probably aren’t accountants) to understand financial forecasts

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### Conclusion

Investing in people is the most sustainable way to reduce costs, retain staff, and protect services. Training is not a 'nice-to-have' — it's necessary *and* the smartest use of any unallocated budget. I'm not asking you to commission my training (though of course, you're welcome to if it's the right fit). I'm asking you to spend the money you have wisely and well.

### References

1. CIPD (2023). *Learning and Skills at Work Survey*
2. NHS Confederation (2022). *The Value of People: Investing in the Health and Care Workforce*
3. Health Foundation (2019). *Understanding the Health Care Workforce Crisis*
4. NDNA (2023). *Council underspends in early years at highest level at £70m.* [ndna.org.uk](https://ndna.org.uk)
5. HFMA (2024). *NHS England delivers balanced outturn despite major cost pressures.* [hfma.org.uk](https://hfma.org.uk)
6. The King's Fund (2022). *Staff Development: An Investment, Not a Cost*
7. CIPD (2023). *Impact of Learning and Development on Retention and Engagement*

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