



The Case for Counselling in Schools and Colleges

A socioeconomic impact assessment

Research commissioned by:



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To find out more about Citizens UK and BACP’s work to secure counselling across all schools and colleges in England, go to www.citizensuk.org/campaigns/school-based-counselling or get in touch with Dr Sebastien Chapleau at seb.chapleau@citizensuk.org.

Foreword

'When I was in Year 9 I had no wish to be in school. Then I was referred to the School Counsellor, who became a massive incentive for me to come to school. Now I'm in Year 11 doing my GCSEs.'

**Phoebe, Year 11, St Thomas More Catholic High School, North Shields
(Tyne & Wear Citizens)**

'The current system means pupils who don't need support from Children and Young People's Mental Health Services but still require more support than staff in schools are trained to provide are slipping through the gaps.'

**Shelley Baker, Headteacher, Varndean School, Brighton & Hove
(Brighton & Hove Citizens)**

This report has been commissioned by the British Association for Counselling and Psychotherapy (BACP) in partnership with Citizens UK. We have a long-established collaboration, building power together and campaigning for the provision of government-funded counselling in primary and secondary schools, as well as further education colleges in England.

BACP is the largest professional membership organisation for counsellors and psychotherapists across the UK, with around 70,000 members. Approximately one-third are trained to work safely and ethically with children and young people, ensuring high levels of competence and public safety.

Citizens UK is the largest community organising federation in the UK, with 19 local alliances and over 500 member institutions, including schools, colleges, faith groups, universities, unions, and charities. Currently, over 200 schools and colleges are members of Citizens UK.

In community organising, people come together to create change by listening to others, finding solutions and identifying those committed to working in solidarity to make a difference. This is how Citizens UK and the BACP have worked to achieve the following:

2020 - Tyne & Wear Citizens launched the first school-based counselling pilot in collaboration with the BACP.

2023 - Brighton & Hove Citizens persuaded their Council to launch the first city-wide counselling pilot in all secondary schools.

2024 - Tyne & Wear Citizens organised the North East Mayoral Assembly, where all candidates agreed to fund a region-wide counselling pilot for Year 9 pupils.

Central to the joint campaign between Citizens UK and the BACP is the availability of a highly-skilled counselling and psychotherapy workforce. This workforce can work in educational settings with those often referred to as the "missing middle". By this we mean children and young people whose bespoke needs cannot always be met by existing Children

and Young People's Mental Health Services and who would benefit from relational and integrative counselling interventions that positively impact the years ahead.

BACP, Citizens UK, and Public First have collaborated on this report to conduct a benefit-cost analysis for the provision of government-funded counselling in primary and secondary schools, as well as further education colleges in England. The report includes rigorous statistical analysis and testimony from education professionals, and from children and young people who have already benefited from counselling. By combining statistical analysis with personal testimony, this report demonstrates that the earlier the counselling intervention, the higher the returns on investment for every pound spent.

A handwritten signature in black ink, appearing to read 'P James', with a horizontal line underneath.

Dr Phil James
Chief Executive Officer
British Association for Counselling and Psychotherapy

A handwritten signature in black ink, appearing to read 'Simon D Mason', with a horizontal line underneath.

The Revd Dr Simon D Mason
Chair, National Action Team
Citizens UK School- and College-based Counselling Campaign

Executive summary

This Public First report sets out the socioeconomic case for universal access to counselling for children and young people in England. At present, and in contrast to the rest of the United Kingdom, there is no legal requirement in England to provide counselling services in schools or colleges. This means that about half of schools in the country do not provide access to counselling, despite evidence that access could improve outcomes on a range of metrics. This includes lifetime benefits in the form of reduced mental illness in adulthood and better labour market outcomes.

Key findings

- **A fifth (20%) of eight to 16 year-olds had a probable mental health condition in 2023.** Concerningly this is more than 50% higher than the rate of probable mental health conditions as recently as 2017 (13%).
- **This mental health crisis is leading to a wide range of negative outcomes for young people:**
 - Eight to 16 year-olds with a probable mental health condition are **seven times more likely to miss more than 15 days of schooling in an academic year** than those unlikely to have a condition (11.2% versus 1.5%)
 - Similarly, they are **16 times more likely to have tried to harm themselves in a four week period** (5.9% versus 0.4%)
 - 11-16 year-olds with a probable mental health condition are **50% less likely to agree that they enjoy learning at school** (35.2% versus 70.9%)
 - **Young people with mental health issues are about two times more likely to end up on welfare benefits than those without mental health issues.**
- **Access to appropriate treatment and support is insufficient:**
 - **Less than half of those with a probable mental health condition are accessing Children and Young People's Mental Health Services (CYPMHS).** This access rate falls to just 22% when measuring entering treatment as having had more than a single contact with CYPMHS.
 - **There is a substantial lack of access to treatment and support for those sitting just below the CYPMHS threshold in terms of their mental health.** There is a "missing middle" cohort of children and young people with mental health conditions that significantly impact their lives, albeit less so than those that are accepted by CYPMHS.
 - **Just 48% of teachers in England report that their schools offer on-site counselling.**
- **Ensuring universal access to counselling for young people in England could yield significant fiscal benefits in the form of increased tax revenues, reduced benefits spending and reduced pressure on government services including schools, the justice system and the NHS.**
 - Evidence shows that improvements in mental health and well-being among children and young people can lead to reductions in crime, reduced rates of truancy and exclusion, reduced rates of adulthood depression, and increased employment and earnings potential.
 - **Universal access to counselling among young people in England would generate lifetime fiscal benefits to the government of £1.9 billion, against an annual cost of about £250 million.**

- In other words, **the gains to the Exchequer are about eight times greater than the cost of ensuring universal access to counselling in schools.**
- Per young person receiving counselling, we estimate lifetime fiscal benefits to the government of about £2,640 against a cost of provision of £350.
- **In terms of access to counselling for primary school-age children, fiscal benefits are ten times greater than the cost of provision.**

1. Introduction

England is in the midst of a mental health emergency, including among the young. Academic pressures, social media influences, and a rapidly changing world are all placing an increasing strain on the mental well-being of children and young people.

Statistics paint a concerning picture: a fifth of eight to 16 year-olds have a probable mental health condition, while about one in eight possibly have one¹ ². This translates into a growing number of pupils facing challenges such as anxiety, depression, eating disorders and self-harm.

Schools and colleges play a pivotal role in the lives of children and young people, acting as a springboard for academic achievement, social development, and emotional well-being. However, current resources within educational institutions are often stretched thin, leaving many without adequate support for their mental health needs. A survey of teachers in England showed just 48% saying that their school offered on-site counselling.³

Further, at present, there is no legal requirement on schools or colleges in England to provide counselling services in school/college. This is in contrast to Scotland, Wales and Northern Ireland which all have government-funded school counselling services delivered by independent providers (i.e. not managed or employed by the school directly).

This lack of blanket provision in England is denying children and young people access to support: this report argues that universal access to counselling services within all English schools and colleges could play a key role in improving mental health outcomes among children and young people. In addition, we predict that improvements in mental health would lead to lifetime benefits for individuals and society. This includes improved educational attainment, reduced rates of depression in adulthood and increased employment and wages.

For the government, we estimate a significant fiscal dividend from investing in counselling, with universal provision paying for itself within the space of two parliaments. These gains are in the form of increased tax revenues, reduced pressures on the NHS and other government services, and a reduced welfare bill.

In this report, we provide a socioeconomic impact assessment of the benefits and costs of access to universal school and college counselling provision in England.

¹ Source: NHS Digital statistics

²These NHS England Digital statistics used the Strengths and Difficulties Questionnaire (SDQ) to identify children who may have had problems with aspects of their mental health to such an extent that it impacted on their daily lives. These include difficulties with their emotions, behaviour, relationships, hyperactivity or concentration. Responses from parents, children and young people were used to estimate the likelihood that a child or young person might have a mental disorder, this was classified as either 'unlikely', 'possible' or 'probable'.

³

<https://www.ippr.org/media-office/only-half-of-teachers-say-their-school-can-offer-pupils-on-site-mental-health-counselling-in-wake-of-pandemic-finds-ippr>

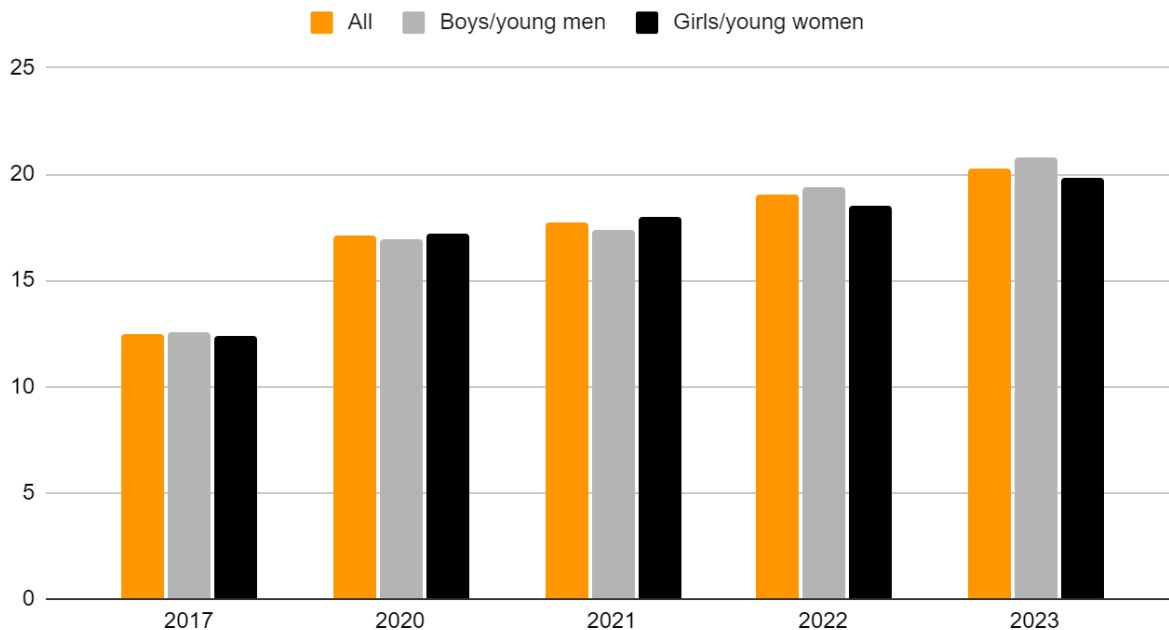
The structure of the report is as follows:

- **Chapter 2** provides an overview of the mental health emergency among children and young people.
- **Chapter 3** explores the role of counselling in improving mental health outcomes.
- **Chapter 4** sets out our benefit-cost analysis of access to universal counselling provision in English schools and colleges.
- **Chapter 5** draws conclusions from the preceding analysis.
- **The Appendix** provides sensitivity testing of our conclusions.

2. Mental health among children and young people

According to NHS Digital statistics⁴, a fifth (20%) of eight to 16 year-olds had a probable mental health condition in 2023. Concerningly this is more than 50% higher than the rate of probable mental health conditions as recently as 2017 (13%). A sharp increase has been seen among both boys and girls, as shown in the chart below. Notably, the proportion of young people with a probable mental health condition has continued to rise even as the UK has emerged from the Coronavirus pandemic.

Rate of probable mental health conditions among 8-16 year-olds, %



Source: NHS Digital statistics

In terms of the types of mental health conditions contributing to these high rates, data on Children and Young People's Mental Health Services (CYPMHS) referrals show anxiety, being 'in crisis', neurodevelopmental conditions (excluding autism), depression, and self-harm behaviours as the most common specified reasons for referral to such services.⁵

There are important variations in the prevalence of probable mental health conditions when we look at the data split by age and sex. In particular, among primary school age children

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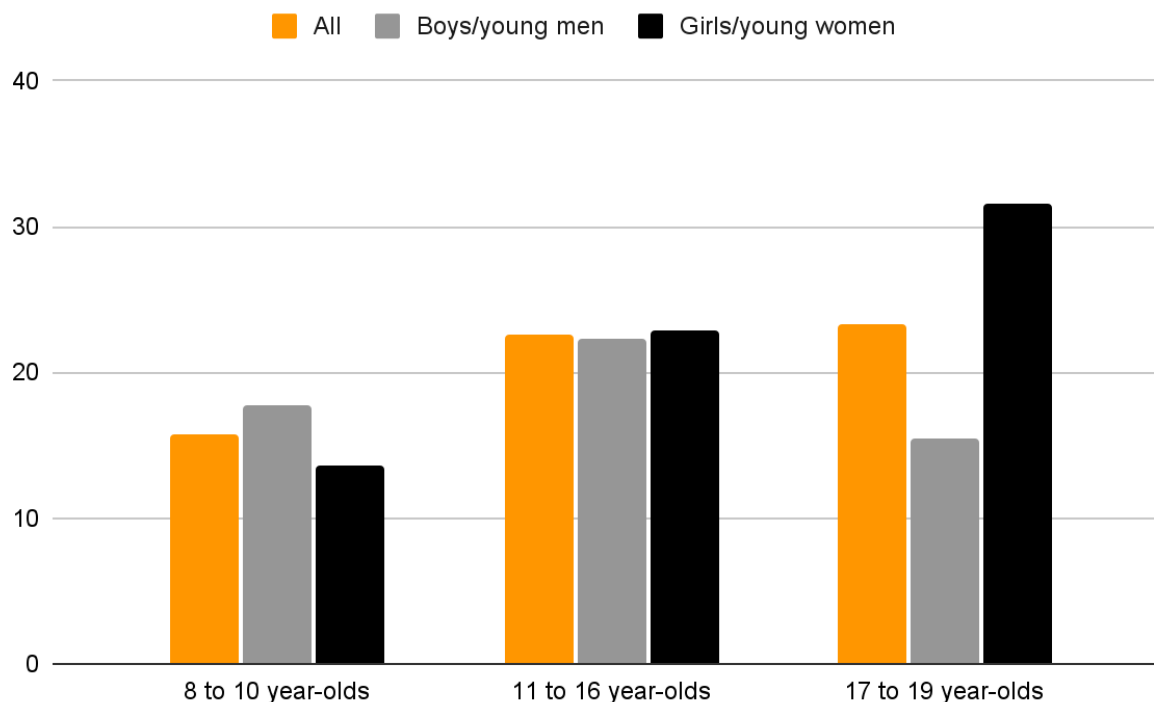
<https://digital.nhs.uk/data-and-information/publications/statistical/mental-health-of-children-and-young-people-in-england/2023-wave-4-follow-up>

⁵

<https://www.childrenscommissioner.gov.uk/resource/childrens-mental-health-services-2022-23/>

boys are more likely to have a probable mental health condition. Among those approaching adulthood, girls/young women are significantly more likely than boys/young men to have a probable mental health condition – over three in ten females in their late teens have one, over twice the rate seen for males in this age group.

Prevalence of probable mental health conditions by age and sex, 2023, %



Source: NHS Digital statistics

The same NHS data shows that poor mental health among children and young people translates into a range of negative outcomes. For example:

- Eight to 16 year-olds with a probable mental health condition are **seven times more likely to miss more than 15 days of schooling in an academic year** than those unlikely to have a condition (11.2% versus 1.5%)
- Similarly, they are **16 times more likely to have tried to harm themselves in a four-week period** (5.9% versus 0.4%)
- 11-16 year-olds with a probable mental health condition are **50% less likely to agree that they enjoy learning at school** (35.2% versus 70.9%)

Other evidence suggests that worse mental health outcomes in childhood and adolescence translate into worse outcomes throughout an individual's life. For example, the 2017 Study of Early Education and Development (SEED) report on the potential value for money of early education interventions⁶ noted how reductions in mental health metrics between ages three and seven can filter through into worse outcomes in adolescence – such as higher rates of

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https://assets.publishing.service.gov.uk/media/5a81c1c1ed915d74e33ffe46/Frontier_SEED_VfM_Report.pdf

smoking, persistent truancy, school exclusion and youth crime. The costs of worse mental health in children and young people feed through even further into adulthood, in the form of a greater likelihood of committing a crime as an adult, higher rates of adulthood depression and reduced employment and earnings potential.

These worse outcomes throughout a lifetime are not just borne by the individuals themselves, but by wider society, including the state. For example, reduced likelihood of being in work and reduced earnings potential lead to a reduction in tax revenues for the Exchequer as well as a higher benefits bill. Being excluded from school and youth crime also impose significant costs on the state and wider society.

The SEED report found that a one standard deviation increase in Strengths and Difficulties Questionnaire⁷ (SDQ) score at age four, indicative of worse mental health outcomes led to lifetime costs to the government of £2,386 (mainly from lower lifetime tax revenues), to the children and young people themselves of £4,539 (mainly from lower earnings and employment) and to wider society of £123 (from crime and second-hand smoking).

A separate study found that young people with mental health issues were about two times more likely to end up on welfare benefits than those without mental health issues.⁸

The flip side of all this is that an *improvement* in mental health outcomes among children and young people can result in significant lifetime gains to society and individuals themselves. If policy can start to reverse the increase in mental health conditions among children and young people, there is scope to expand the tax base, reduce the benefits bill and curb pressures on the National Health Service and other government services over an individual's lifetime. As we argue in the next chapter, counselling is one way of achieving this.

⁷ The Strengths and Difficulties Questionnaire (SDQ) is a brief, 25-item, measure of behavioural and emotional difficulties that can be used to assess mental health problems in children and young people.

⁸ <https://www.pssru.ac.uk/pub/5160.pdf>

3. The case for counselling

Carmen (14 years old) was referred to the Mental Health Support Team for low mood and anxiety. A guided self-help manual for low mood combined with emotional self-regulation was used to help break the cycle she felt stuck in. A safety plan with grounding techniques was developed around urges to self-harm. However, due to a family crisis, she self-harmed again. She was then referred to professional counselling because an Educational Mental Health Practitioner is not trained to work with 'active risk'. We are fortunate in our service to have a clear pathway from Mental Health Support Teams to counselling, this approach should be embedded in every such team as it would not have been an appropriate referral to higher tiered CYPMHS.

Croydon Drop-In

There is evidence that, amid a sharp rise in cases of mental health conditions among children and young people, there is a significant gap in access to treatment and support. For example, while the data suggest that about a fifth of children and young people have a probable mental health condition, less than one in ten (8%) are accessing CYPMHS.⁹

In other words, less than half of those with a probable condition are accessing CYPMHS. This access rate falls to just 22% when measuring entering treatment as having had more than a single contact with CYPMHS.¹⁰

In addition to a gap in access to CYPMHS among those with the most significant mental health conditions, it is also our view that there is a substantial lack of access to treatment and support for those sitting just below the CYPMHS threshold in terms of their mental health. That is to say, there is a “missing middle” cohort of children and young people with mental health conditions that significantly impact their lives, albeit less so than those that are accepted by CYPMHS.

This is evident when lower intensity interventions provided by, for example, educational mental health practitioners (working within Mental Health Support Teams and covering approximately 44% of children and young people¹¹) require onward referrals but do not meet the threshold for higher intensity CYPMHS. A clear referral pathway to school and college-based counselling complements both these services by bridging this “missing middle” gap, providing a seamless step-care approach to therapeutic counselling, with counsellors trained and competent to work with more complex presenting issues.

Further evidence for the existence of a “missing middle” cohort of individuals can be found in statistics on the share of CYPMHS referrals that end up being “closed”. A closed referral is one in which an individual has zero or just one contact with CYPMHS before their case is closed. It therefore captures individuals who have been referred due to a mental health issue but are

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https://assets.childrenscommissioner.gov.uk/wpuploads/2024/03/Childrens-mental-health-services-22-23_CCo-final-report.pdf

¹⁰ *ibid*

¹¹

<https://www.sec-ed.co.uk/content/news/mental-health-support-teams-schools-lament-glacial-progress>

found to sit below thresholds for further support. It also captures individuals who are signposted to other kinds of support.

At present the number of closed CYPMHS referrals is substantial. In the 2022-23 financial year, two-fifths (39%) of referrals were closed.¹² In addition to suggesting a sizable cohort for whom alternative mental health support might be useful, this also suggests large, unnecessary burdens placed on CYPMHS associated with administering these cases. Greater availability of alternative mental health support could help ease this burden.

Counselling as an alternative form of mental health support

School and college counselling services play a crucial role in promoting positive outcomes for children and young people, not only in their immediate years in education but also throughout their lives. By providing a space for pupils to address their mental health concerns, develop coping mechanisms, and build resilience, counsellors can contribute to a wide range of socioeconomic benefits. This includes:

Enhancing academic performance and engagement

Pupils struggling with emotional or social issues often experience a decline in academic performance and a disengagement from educational activities. As we noted in the previous chapter, those with probable mental health conditions are half as likely to say that they enjoy learning at school. Counsellors can help by:

- **Identifying and Addressing Underlying Issues:** Counselling can uncover factors impacting academic performance, such as anxiety about test-taking, bullying, relationship issues or difficulties with focus.
- **Developing Coping Mechanisms:** Counsellors equip pupils with strategies to manage stress, improve emotional regulation, and build self-esteem, leading to a more positive learning environment.
- **Promoting Goal Setting and Motivation:** Counselling sessions can help pupils set realistic academic goals, develop study skills, and stay motivated throughout the school year.

¹² *ibid*

"When I was 14 years old and in Year Nine my school attendance was 26%. I had no reason or wish to be in school. I didn't feel as though I had any purpose. I was then referred to Orlean, the School Counsellor, who became a massive incentive for me to come to school. Now I'm 16 years old and in Year 11 doing my GCSEs. I now have high goals and ambitions for myself, including becoming a barrister."

**Phoebe, Year 11, St Thomas More Catholic High School, North Shields
(Tyne & Wear Citizens)**

An 18 year-old suffers from negative thoughts, low self-esteem and depression. They live in a deprived area of the city. Their college attendance dropped to 42% and they are on the SEND register. After receiving twelve sessions of counselling they were more able to manage feeling emotionally overwhelmed and better understood the impact of earlier traumatic life-changing events. Their current attendance is 72%, and they will leave college with two A-Levels and a Maths GCSE. Without counselling this student would have left college without qualifications which would have significantly affected their life.

**Case study from Varndean College, Brighton and Hove
(Brighton & Hove Citizens)**

Building Social and Emotional Skills

Counsellors can help foster essential social and emotional skills in children and young people. These equip pupils with skills to navigate personal challenges, build healthy relationships, and make positive choices. These skills are essential not just for academic success but also for navigating future careers, interpersonal relationships, and overall well-being.

"I used to have many panic attacks in the past, I felt shaky, and used to constantly fidget and sweat. My counsellor has helped me with my anxiety, I can count to 10 to calm myself down. I've found it very powerful because I can pass down this knowledge to my children (if I want to have any), my younger cousins and friends. If I didn't have a counsellor, I would be lost. Now, things are different. My dad took me rock climbing. I was very nervous and scared. But I did it. I conquered my fear, and I'm proud of myself."

Year Five pupil, Primary School, Leicester

Promoting Mental Health and Resilience

Early intervention in addressing mental health concerns is crucial for long-term well-being. Counsellors are well-placed to provide early support and provide individuals with tools to develop higher rates of mental resilience: counselling can equip pupils with the tools to navigate challenges, cope with adversity, and bounce back from setbacks, fostering a sense of resilience for the future.

Evidence shows benefits of counselling, yet there is a significant gap in access

"The current system means that students who don't need higher-tiered support from Child and Adolescent Mental Health Services (CAMHS) but still require more support than what teachers and support staff in our schools are trained to provide are slipping through the gaps. These young people, if given adequate professional support in a timely manner, could avoid being on CAMHS stretched waiting lists. We need preventative measures, not reactive ones and young people can quickly become disempowered if this support is not available when they most need it."

**Shelley Baker, Headteacher, Varndean School, Brighton and Hove
(Brighton & Hove Citizens)**

Evaluations point to the potential for significant benefits from counselling in schools and colleges. Counselling within secondary schools has been shown to bring about significant reductions in psychological distress in the short term, and to help young people move towards their personal goals.¹³ Within primary schools, there is good evidence that counselling is associated with reductions in psychological difficulties¹⁴ which should lead to improvements in a wide range of lifetime outcomes.¹⁵

As the Department for Education noted in its 2016 blueprint on the future of counselling in schools¹⁶, school staff and young people usually evaluate school-based counselling positively, viewing it as an effective way of bringing about improvements in mental health and well-being, and helping children and young people to engage with studying and learning. Counselling is viewed as an accessible service, increasing the range of options available to children and young people who need to talk to a professional about issues in their lives.

Despite the evidence, and in contrast to the rest of the United Kingdom there is no legal requirement for schools or colleges in England to provide counselling services on site. This has resulted in a situation where just 48% of teachers in England report that their school offers on-site counselling. Further, evidence suggests that access to on-site counselling is particularly limited in less affluent areas, and that access has declined significantly over time. A Department for Education survey from 2010 found that 91% of schools were providing access to on-site counselling,¹⁷ suggesting that access may have almost halved in recent years.

¹³ Cooper (2013), School-based counselling in UK secondary schools: a review and critical evaluation

¹⁴ Daniunaite, A., Cooper, M., & Forster, T. (2015). Counselling in UK primary schools: Outcomes and predictors of change

¹⁵

https://assets.publishing.service.gov.uk/media/5a81c1c1ed915d74e33ffe46/Frontier_SEED_VfM_Report.pdf

¹⁶

https://assets.publishing.service.gov.uk/media/5a74ba8640f0b619c8659f41/Counselling_in_schools.pdf

¹⁷

<https://www.ippr.org/media-office/only-half-of-teachers-say-their-school-can-offer-pupils-on-site-mental-health-counselling-in-wake-of-pandemic-finds-ippr>

4. A benefit-cost analysis of universal counselling provision

The previous chapters have set out the scale of the mental health emergency among children and young people in England, and the potential role for counselling in improving mental health outcomes. In this chapter we assess whether counselling can deliver these benefits in a way that provides value for money to the government, in terms of the fiscal benefits exceeding the costs.

Our key finding, under our central scenario, is that the fiscal benefits of universal counselling provision in schools and colleges in England are eight times greater than the costs. Further, the costs of provision pay for themselves in the space of two parliaments.

Approach to assessing the benefits and costs of universal provision

To estimate the benefits and costs of universal counselling provision in England, we have needed to quantify:

1. The number of children and young people who would likely benefit from counselling.
2. The costs of providing this counselling, which is a function of the number of counsellors required to meet the expected need.
3. The socioeconomic benefits of this counselling provision over an individual's life.

Below, we outline our approach to these quantifications.

Quantifying the number of individuals who would benefit from counselling

To quantify the number of pupils who would benefit from universal counselling, our starting point has been to draw on Office for National Statistics population estimates and Department for Education estimates of the size of the population in state education in 2024. We have combined this with NHS Digital estimates of the proportion of children and young people, by age group, with a probable mental health condition, to estimate the absolute number of individuals with a probable condition.

As discussed in the previous chapter, this cohort of individuals is likely to be divided up between those with more significant conditions, for whom CYPMHS services are the most appropriate treatment and those with more moderate conditions for whom alternative provisions such as (but not excluded to) counselling are appropriate - our so-called "missing middle".

This cohort is not well-captured in the official statistics but we believe a reasonable gauge of the size of this "missing middle" is the proportion of CYPMHS cases that end up being closed after no or just one contact - 39%. We take this to indicate that 39% of the probable mental health condition cohort could be suited to alternative forms of provision such as counselling - amounting to about 730,000 individuals in 2024.

Quantifying the costs of counselling provision to these individuals

To estimate the cost of providing counselling provision to these 730,000 individuals we make the following assumptions:

- Pupils normally attend an average of six sessions of counselling, in line with past calculations of the cost of counselling provision.¹⁸
- Counsellors undertake 18 sessions per week, for 46 weeks per year. We assume that counselling takes place throughout the year, including outside of term time.
- Counsellor average salary stands at £35,745, which is National Joint Council Spinal Column Point 27. This is the relevant pay band for a BACP-registered Counsellor.
- Employer pension contributions stand at 18% of salary (in line with IFS estimate of public sector average¹⁹)
- Training, supervision and other non-salary costs per counsellor amount to 10% of salary.

Based on these assumptions and calculating employer NICS for the average salary used above, we arrive at:

- 4.4 million counselling sessions required across England
- Circa 5,300 counsellors are required to deliver this.
- Cost of provision of circa £250 million in aggregate – £350 per individual receiving counselling.

Benefits of providing counselling

Our approach to modelling the benefits of universal counselling provision in England has been to draw on the existing evidence base. In particular, we drew on two studies that were most similar to the type of economic benefit-cost analysis we are undertaking here:

1. The 2017 Study of Early Education and Development (SEED) report on the potential value for money of early education interventions (mentioned earlier).
2. The evaluation of Place2Be counselling in primary schools, undertaken by Pro Bono Economics.²⁰

The SEED report contains a robust analysis of the impact of Strengths and Difficulties Questionnaire (SDQ) score movements in primary school-age children on later life outcomes – such as the likelihood of committing a crime, being excluded from school, future earnings, employment prospects and depression in adulthood. The SEED report also contains quantifications of the monetary costs associated with negative outcomes such as school exclusion or crime.

¹⁸

<https://www.citizensuk.org/campaigns/school-based-counselling/#:~:text=By%20providing%20effective%20support%20earlier.and%20reduced%20quality%20of%20life>.

¹⁹

<https://ifs.org.uk/publications/public-spending-pay-and-pensions#:~:text=The%20relative%20generosity%20of%20employer,18%25%20of%20pay%20in%202021>.

²⁰ <https://www.probonoeconomics.com/place2be-cost-benefit-2022>

The Place2Be study evaluated the impact of primary school counselling on Strengths and Difficulties Questionnaire (SDQ) scores. It used the findings of the SEED report to translate these SDQ movements into monetary benefits.

Our approach to quantifying the benefits of universal counselling provision in England has been to:

- Update the societal costs in the SEED report to reflect overall increases in price levels in the economy, as well as the latest data on wages and tax rates.
- Assume that primary school counselling across the board has a similar impact on SDQ scores as Place2Be's counselling did in the Pro Bono Economics study – a 2.1 point reduction in SDQ score, equivalent to a movement of 0.36 standard deviations.
- Assume that universal counselling can reduce the number of “closed” CYPMHS referrals by 50%.
- Assume that secondary school and college counselling has 50% as much impact as primary school counselling, given that early years interventions tend to be more effective.²¹

The latter two assumptions are made given the relative lack of comparable evidence base on the impact of secondary school or college-based counselling, or the likely impact of demand for CYPMHS. The appendix of this report provides a sensitivity analysis, showing how our conclusions change if these assumptions change. We find that our core conclusion that the fiscal benefits of counselling exceed the costs holds even as these assumptions are flexed considerably.

In contrast to the Place2Be evaluation and SEED report, we exclude impacts from reduced rates of smoking from our analysis. This reflects the recent policy decision by the government to phase out access to tobacco products over time.

In line with most economic impact assessments of this nature, we apply a discount rate of 3.5% per annum to future benefits, in line with HM Treasury project appraisal guidance in its Green Book. That is to say, future benefits are valued less than benefits today. This allows us to give a “present value” to the lifetime, one parliament (five years) and two parliament (ten years) benefits of universal counselling provision.

Findings

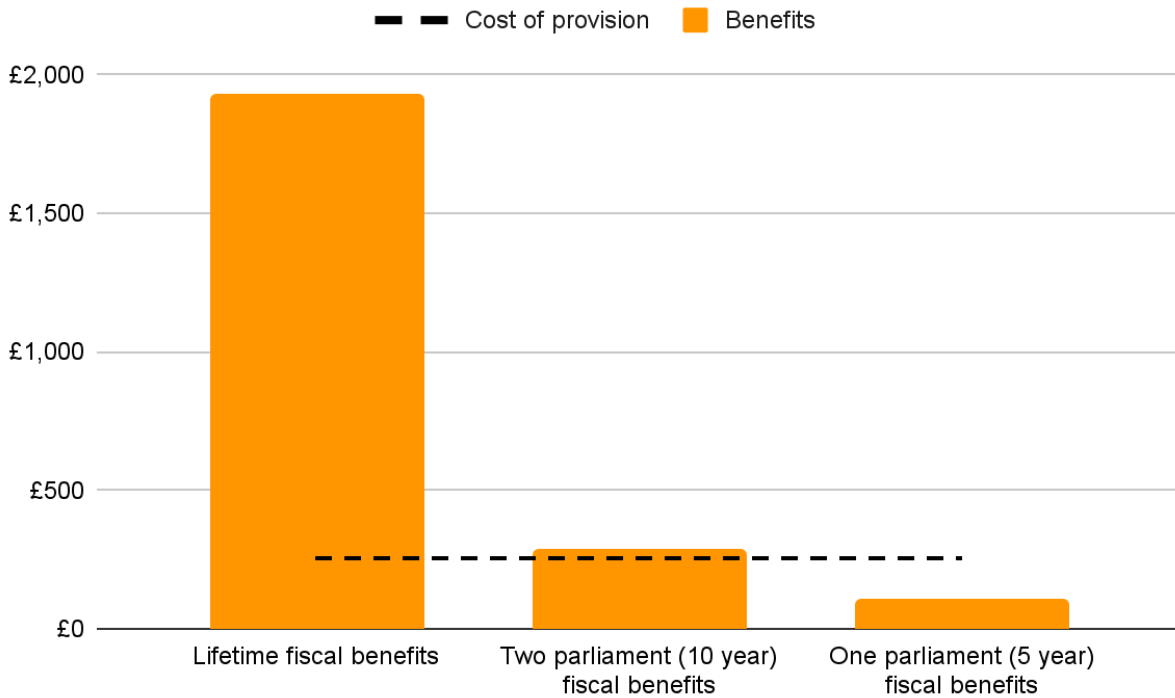
Our modelling suggests that universal access to counselling among children and young people in England would generate lifetime fiscal benefits to the government of £1.9 billion, against a cost of about £250 million. In other words, the gains to the Exchequer in the form of increased tax receipts, reduced demand for government services and a lower welfare bill are about eight times greater than the cost of ensuring universal access to counselling.

We estimate that the policy starts to pay for itself within the space of two parliaments, as more of the children and young people in our modelling enter the labour market and benefit from increased employability and earnings potential.

²¹

<https://send-network.co.uk/posts/early-intervention-the-gap-between-policy-and-practice#:~:text=It%20is%20additionally%20acknowledged%20that,years%20of%20a%20child's%20life>

Present value of benefits and costs of universal counselling provision in England, £ millions

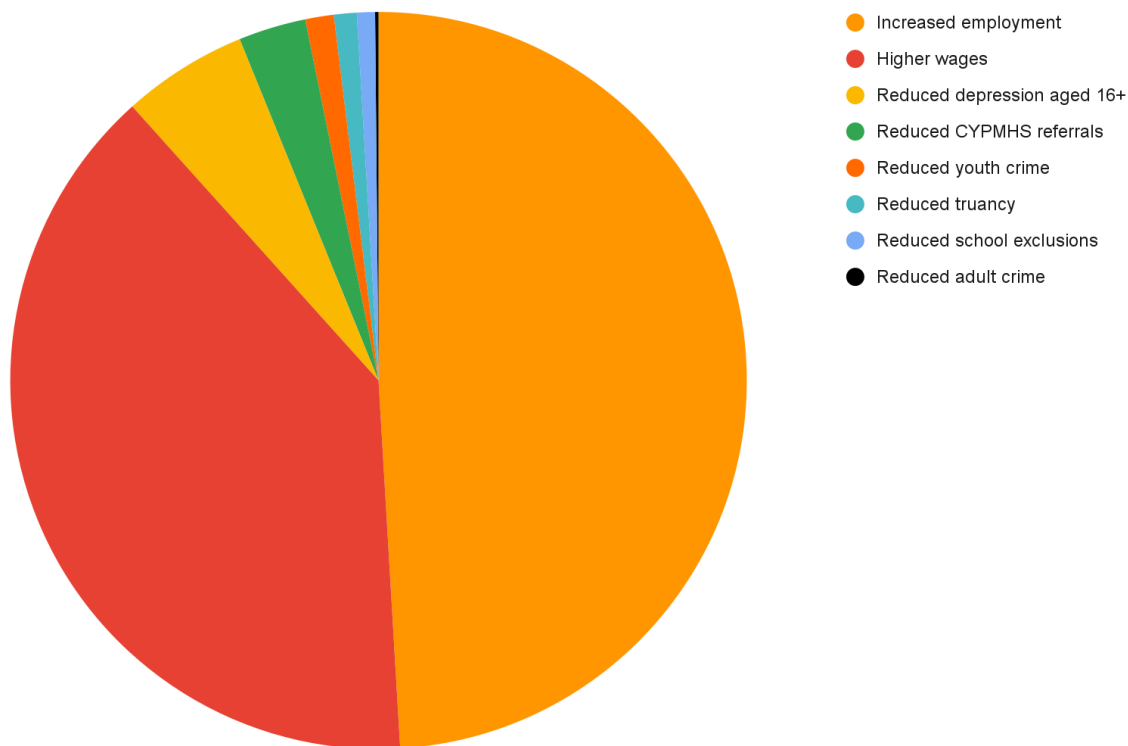


Source: Public First analysis

Per child or young person receiving counselling, we estimate lifetime fiscal benefits to the government of about £2,640 against a cost of provision of £350.

As the pie chart below shows, the gains from increased employment and higher wages - which translate into greater tax take and reduced benefits spending - account for the overwhelming majority of the fiscal benefits associated with universal counselling provision (about £1.7 billion). The next largest fiscal benefit comes from reduced rates of depression in adulthood, generating lifetime savings to government services of £106 million.

Breakdown of the fiscal benefits of universal counselling provision



Source: Public First analysis

Reflecting our assumption that secondary school and college-based counselling have a smaller impact than primary school counselling (as earlier interventions tend to be more impactful), our benefit-cost multiple is higher for those of primary school age (fiscal benefits ten times greater than costs) than for secondary school age (fiscal benefits six times greater than costs).

5. Conclusions

Aside from the compelling human case for improving access to support amid a sharp rise in mental illness among children and young people, our analysis suggests a strong *economic* case for ensuring universal access to counselling for children and young people in England.

The measure would deliver a clear fiscal benefit to the government, with the policy more than paying for itself over time, particularly given the expected improvements in employability and earnings as older young people enter the labour market. The policy would start to pay for itself within a “decade of national renewal²²” following the next general election.

Stress testing our assumptions suggests that the fiscal case for universal counselling provision in England continues to hold up. Further, our finding of benefits far exceeding the costs is just one part of a larger literature demonstrating the significant return on investment from investing in improving mental health among children and young people. Beyond the Pro Bono Economics evaluation of Place2Be counselling and the SEED report, discussed elsewhere in this report, other studies point to large returns, with benefit–cost ratios of between six and 15.²³

Intuitively, high benefit–cost ratios for mental health interventions among the young make sense, given the likely follow–on impacts on educational attainment, future employment and mental health in later life. Access to support at a young age generates many years of benefits over an individual’s life.

Investment in counselling across England is therefore far from a gamble. Key to maximising the benefits however will be ensuring that those that would benefit from counselling *are* indeed receiving it. Statistics for other services such as CYPMHS suggest far fewer children and young people are receiving support than would likely benefit from it, highlighting the need for a strong referral process and capacity to meet demand.

Further, if counselling and other alternatives to CYPMHS are to ease the current pressures on CYPMHS, by providing support for the “missing middle” cohort described in this report, an effective triage system needs to be in place. This means individuals receive the right type of therapeutic intervention for their needs.

²²

<https://labour.org.uk/updates/press-releases/keir-starmer-promises-to-kick-of-decade-of-national-renewal-as-he-sets-out-plan-to-get-britains-future-back/>

²³ To give a couple of examples: an [evaluation of a social and emotional learning intervention in Sweden](#) showed a core benefit–cost ratio of between 6 and 14. An [evaluation of group cognitive behavioural therapy for depressed adolescent](#)s found a fiscal benefit–cost ratio of 15.

Appendix: sensitivity analysis

Two key assumptions in our benefit-cost analysis are around the impacts of secondary school and college-based counselling and the impacts of counselling on CYPMHS referrals.

While the SEED report and existing Place2Be evaluation provide comparable analyses of gains from early years interventions in primary schools, there is a lack of comparable lifetime benefit-cost analyses concerning secondary school or college-based counselling. Assumptions therefore need to be made on potential impacts on indicators like future employment rates and likelihood of committing crimes. In the spirit of a wide range of literature suggesting early years interventions have a greater impact, we believe we err on the side of caution by assuming that secondary school or college-based counselling has half the impact of primary school counselling.

An evaluation of Place2Be counselling in primary schools found that the service did not lead to an elevation in CYPMHS referrals²⁴, though in our view there is reason to believe that there is significant scope for counselling to lead to a reduction in “closed” referrals (referrals with zero or just one CYPMHS contact) if an appropriate triage system is in place to direct individuals to the most appropriate kinds of support given the relative severity of their mental health conditions.

Changing the assumptions about post-primary school counselling impacts and CYPMHS referrals could see the lifetime benefit-cost ratio as low as four or as high as 12, as shown in the table below. Even under the worst-case scenario of post-primary school counselling having zero impact on outcomes, and counselling having zero impact on CYPMHS referrals, the fiscal benefits of universal counselling provision are still significantly higher than the costs.

Lifetime fiscal benefits as a multiple of costs - impact of changing assumptions about impact in secondary schools/colleges, and impact on “closed” CYPMHS referrals

	0% (secondary school counselling has no impact)	25%	50%	75%	100% (secondary school counselling has same impact as primary school counselling)
0% (counselling has no impact on CYPMHS referrals)	3.5	5.4	7.3	9.2	11.1
25%	3.6	5.5	7.4	9.3	11.3
50%	3.7	5.6	7.5	9.5	11.4
75%	3.8	5.7	7.7	9.6	11.5
100% (counselling eliminates all “closed” CYPMHS referrals - i.e. referrals with 0 or just 1 contact with CYPMHS)	3.9	5.8	7.8	9.7	11.7

²⁴ <https://acamh.onlinelibrary.wiley.com/doi/full/10.1111/camh.12519>

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