

Written evidence from the Department for Education (CSC 141)

Education Committee Children's Social Care

Introduction

1. Children's social care is integral to our mission to build opportunity for all children. We aim to give every child the best start in life – helping them to achieve and build skills for opportunity and growth, and ensuring family security, so background is no barrier to success. Children's social care exists to support children, young people and families, by intervening early where families have multiple issues, to prevent escalation and support them to succeed. We also want to act decisively to protect families at risk of harm and provide care for those who need it so that they grow up with safety, stability and love. We want to support children, young people and families to stay together, wherever it is safe to do so and where it is not possible, children's social care should protect children and young people from harm and provide the best care to meet their needs.
2. We know from recent and historical reviews, that children's social care is not consistently meeting children's needs and is financially unsustainable. Demand for children's social care services is also rising, and this rising demand is happening at higher levels of risk or need. We know that the characteristics of children entering care are changing, and an increasing number of children are receiving higher-cost interventions. There is a strong evidence base for what works in children's social care to improve outcomes and reduce the need for crisis intervention. Reviews highlight the need for decisive action, which is why we are committed to responding.
3. The Independent Review into Children's Social Care called for transformation of the children's social care system to prioritise early support to families, unlock the potential of family networks, improve the child protection system, and ensure care experienced people have lifelong loving relationships and stability. The Child Safeguarding Practice Review Panel's report on the tragic murders of Arthur Labinjo-Hughes and Star Hobson found a lack of robust critical thinking and challenge within and between agencies, and a need for sharper specialist child protection skills; and the Competition and Markets Authority study into children's social care placements found that the largest private providers were making materially higher profits than in a well-functioning market whilst carrying high levels of debt which put the whole system on a fragile footing.
4. As a government we are committed to reforming the children's social care system and our policy statement *Keeping Children Safe, Helping Families Thrive* sets out bold proposals to transform outcomes working in partnership with local government and listening deeply to the voices of children and families. The investment announced at the Autumn Budget and in the Local Government Finance Settlement, alongside modernising the legislative framework, will underpin this transformation. We need to do more to bolster preventative work in neighbourhoods and communities across the country, to avoid children and

families waiting too long for support when facing multiple challenges, such as attendance, domestic abuse, mental health, youth crime etc. Without intervention and co-ordinated whole family support, issues can spiral. Safeguarding reviews reveal persistent issues in child protection, such as failures in timely information sharing and a failure in multi-agency partners to work together as effectively as they should. Wider family networks frequently feel overlooked in decisions about a child's upbringing, and the experience of being in care can be stigmatising.

5. We recognise the dedication and hard work of everyone who works in children's social care, as well as the commitment of kinship carers, foster carers and adopters across the country. However, we know that change is needed to improve outcomes for children. We know that the characteristics of children entering care are changing, and an increasing number of children with complex needs require high-cost support which often fails to adequately meet their needs.
6. We have a comprehensive plan for improvement and reform. **We will build on evidence of what works, including from programmes such as Sure Start, and innovative work done through the Strengthening Families Protecting Children programme.** We will expand on the lessons learnt from the Families First for Children Pathfinder programme and Family Networks Pilot. Through our Opportunity Mission, we will enhance early family support, including through family hubs, to give children the best start in life and strengthen parent and family capabilities to shape a positive environment for children. To support local authorities to design interventions proven to have positive impacts, we are working with Foundations on the publication of a series of Practice Guides, bringing together the highest-quality evidence of what works to support leaders in children's social care to improve outcomes in line with the Children's Social Care National Framework (National Framework).
7. Based on the evidence we have of what works best to help vulnerable children to thrive, we will support children to live with kinship carers or in fostering families where possible. All children at risk of entering care will have alternative options considered in collaboration with their extended family, before they go into care. Where family-based placements cannot be found, there will continue to be a need for high quality residential care which meets the needs of the children, including those dealing with complex trauma.
8. A reduction in the current reliance on children's homes places will also help reduce spend on costly residential provision. It is vital that we fix the broken care market and tackle excessive profiteering by private providers, bringing a swift end to exploitative profit making in a sector which supports our most vulnerable children. We will do this through bringing forward new legislation, that regulates the sector, support better regional public sector commissioning, as well identify and act against the high levels of profit being made by a small number of private providers.
9. We articulated the first steps of this plan through '*Keeping Children Safe, Helping Families Thrive*',¹ published in November 2024, which set out our vision for

¹ [Keeping children safe, helping families thrive - GOV.UK](#)

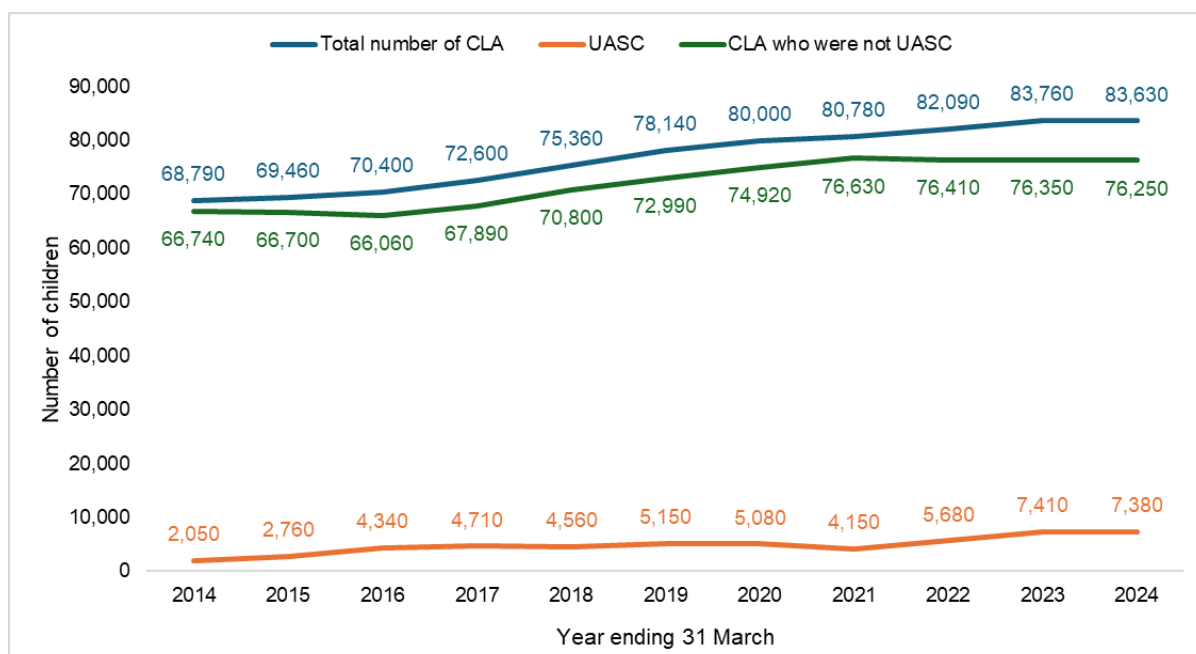
children’s social care reform during this Parliament, as well as legislative proposals to keep families together and children safe, remove barriers to opportunity, and make the whole system more child centred. Within this statement we also set out how we will rebalance the children’s social care system to improve outcomes for children in care, care leavers, and families. All of this builds on the principles, enablers and outcomes set out in the National Framework statutory guidance, which brings together in one place the expectations for practice for everyone who works in and with children’s social care.

10. We are grateful to the Education Select Committee for its interest in children’s social care. This written evidence sets out the context and the inherited challenges faced by the children’s social care system. It also provides an update on our progress since the election, as we proceed with whole-system reform, providing an issue-by-issue commentary in response to the Committee’s particular interests.

National data on children’s social care

11. The number of children in care has increased by over 20% over the last 10 years reaching 83,630 children on 31 March 2024. Over the same time the rate of children in care has increased from 60 to 70 per 10,000 children in the population²

Chart A: Number of children in care, Unaccompanied Asylum-Seeking Children (UASC) and children in care who were not UASC at 31 March



12. The change over the last 10 years is in part be due to:

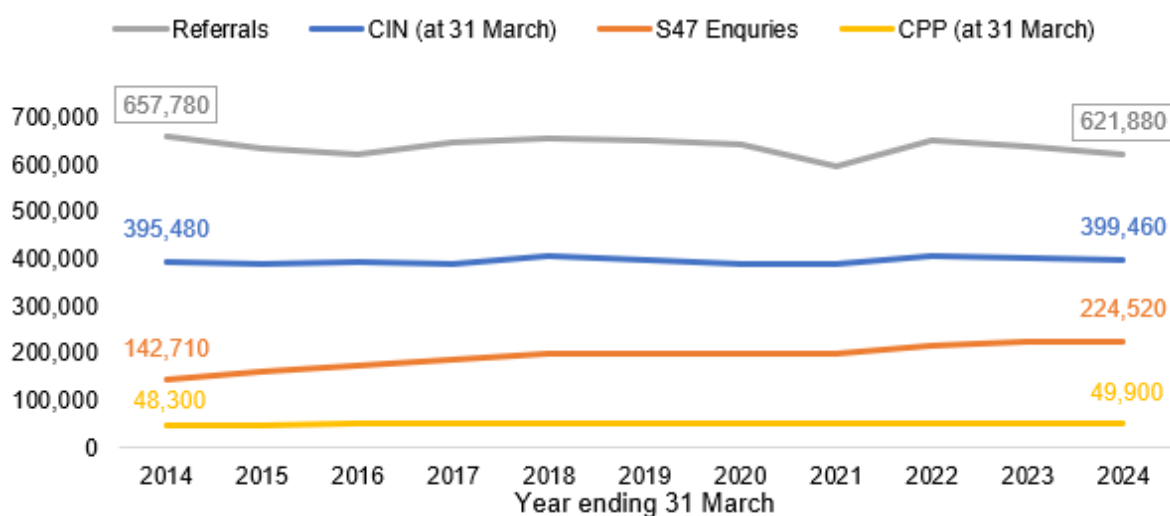
- Population growth, which accounts for 23% of the increase since 2014.

² [Statistics: looked-after children - GOV.UK](https://www.gov.uk/government/statistics/looked-after-children)

- Unaccompanied Asylum-Seeking Children account for 36% of the increase in the number of looked after children since 2014. On 31 March 2024, 7,380 UASC children were in care – 9% of the total.
- Local authorities and the Devolved Administrations are required to take Unaccompanied Asylum-Seeking Children (UASC) via the National Transfer Scheme and to ensure that all local authorities are playing a role in caring for these vulnerable young people. On 31 March 2024, 2,730 UASC were in foster placements (37%) and 1% (90) in secure homes and children’s homes².
- Children are staying in care for longer (the average care duration has increased by 13% since 2016).
- An increase in case complexity³ and increasing family and neighbourhood needs⁸.
- The number of children in care on 31 March who were not UASC increased by 15% between 2014 and 2021 but has remained stable since 2021.

The number of Children in Need⁴ (CIN), referrals⁵ and children on Child Protection Plans (CPP) has remained relatively stable over the last 10 years. However, the number of section 47 enquiries⁶ has risen by 57% over this period.⁷

Chart B: numbers of referrals, CIN, section 47 enquiries and CPPs.



³ [Studying-the-Outcomes-of-Childrens-Social-Care-Provision-for-Different-Types-of-Demand.pdf](#)

⁴ ‘Child in need’ is defined in section 17 of the Children Act 1989 as a child who is unlikely to reach or maintain a satisfactory level of health or development, or their health or development will be significantly impaired without the provision of children’s social care services, or the child is disabled.

⁵ A referral is defined as a request for services to be provided by children’s social care and is regarding a child who is not currently in need.

⁶ Under section 47 of the Children Act 1989, where a child is the subject of an emergency protection order or is in police protection or there is reasonable cause to suspect that a child who lives, or is found, in their area is suffering or is likely to suffer, significant harm, the local authority must make or cause to be made enquiries to decide if any action must be taken to safeguard or promote the child’s welfare.

⁷ [Children in need, Reporting year 2024 - Explore education statistics - GOV.UK](#)

- More than 1 in 7 children were in need at least once in the past 8 years, and 1 in 52 children were looked after at least once.⁸
- Concerns about the mental health of the child's parent/carer and the child's parent/carer being the victim of domestic abuse are the most common factors identified in nearly one third of episodes.⁷
- Repeat experiences of social care are common. In total, 46% of children starting an episode of need in 2019/20 had been a child in need in the previous 8 years⁸.

13. In September 2023 local authorities employed around 33,100 full time equivalent (FTE) child and family social workers: the highest ever number in the post and with lowest caseload recorded at 16.0. However, vacancy rates and turnover remain persistently high for the stable and sustainable workforce our children and families need, with 18.9% of FTE posts vacant and a turnover rate of 15.9%. In addition, local authorities are more reliant on agency social workers than ever. In 2023 there were 7,170 FTE social workers hired as agency workers, representing 17.8% of all local authority child and family social workers. This further exacerbates workforce instability and increases cost pressures on local government.

Evidence in response to specific areas of focus for the Inquiry

14. In this section we provide evidence aligned to the terms of reference for this Inquiry and include action being taken by government to address areas, through the following sub-sections:

- Delivering children's social care reform
- Funding pressures on local authorities
- Improving early intervention, including improving the experiences of disabled children
- Promoting and maximising family-based care for children (including kinship care, fostering and adoption)
- Fixing the market and tackling profiteering (including private sector care homes and homes run by local authorities)
- Delivering additional placements, including tackling out-of-area placements
- Improving outcomes for children in care and care leavers,
- Reforming the safeguarding system, and Ofsted's role as a regulator and inspector for children's social care

Delivering children's social care reform

15. Every day, local authority children's social care supports around 400,000 children, and in the last 8 years, on average, around 5 children in every

⁸ [Peter Fitzsimons, Dareece James, Samantha Shaw, Benjamin Newcombe: Department for Education, 'Drivers of activity in children's social care', Research Report, May 2022](#)

classroom in England were supported by a social worker. Effective leaders in children's social care promote the use of evidence to improve services and they empower their workforce to achieve the best possible outcomes for children, young people and families. The Children's Social Care National Framework (National Framework) statutory guidance brings together, in one place, the purpose, principles and enablers of good practice in children's social care, and the outcomes we want the whole system to achieve.

16. To see the change, we need in the system, we will take action to support those leading the system, including multi-agency partners, and the workforce, to embed the National Framework and focus on the highest aspirations for children and families. Key enablers for children's social care system include effective multi-agency working, an equipped workforce, and committed leaders who drive the right outcomes.
17. As highlighted in *'Keeping Children Safe, Helping Families Thrive'*, we will also use legislation to improve the experience and outcomes of children and families by reducing local authority reliance on agency workers in children's social care services. And we will prioritise embedding the National Framework – which sets a clear vision for the outcomes we want the whole system to achieve. Whilst taking this action, we will continue to support local authorities through partnership working to improve how they deliver children's social care through our improvement and intervention work. We are making a long-term commitment to working together better across organisational boundaries, continuing financial investment, and taking the opportunity to legislate where necessary to drive reform forwards.
18. How local authorities are funded is a key enabler of reform. As a matter of course, we work in partnership with the Ministry of Housing, Communities and Local Government to support the sector in delivering effective services for children and young people. A key priority for the Ministry of Housing, Communities and Local Government this parliament is resetting the relationship with local government, ensuring they have the right resources to deliver high quality services. This includes easing disproportionate burdens on local authorities, including consolidating smaller pots of funding into larger grants, with more proportionate reporting and assurance arrangements. We have already made good progress on this for 2025/26 by consolidating six previously-DfE grants into local government settlement with the creation of the Children and Families Grant and will look for opportunities to further consolidate funding in the future.
19. Government has a policy of distributing funding effectively - directing funding to where it is most needed, based on an up-to-date assessment of need and local resources. Reforms that the Ministry of Housing, Communities and Local Government we put in place will build on the proposals set out in the previous government's review of Relative Needs and Resources (also referred to as the 'Fair Funding Review'), using the best available evidence to inform local authority

funding allocations. Ministry of Housing, Communities and Local Government have committed to move gradually towards an updated system and will invite views on possible transitional arrangements to determine how local authorities reach their new funding allocations.

20. To underpin delivery of children's social care system reforms, we need to invest in key enablers, including the workforce, better data and information sharing, to scale and spread evidence-based programmes which have improved children's outcomes. **This includes evidence from Sure Start, the Strengthening Families Protecting Children programme and the Supporting Families programme.** Unfortunately, there are instances where children fall through those gaps due to a lack of information sharing between the services working with families. It is a challenge we are determined to address head-on. Information sharing is important not just because it helps us protect children from significant harm, but because it also helps earlier identification of needs so that children can quickly get the help they need to make the best possible start in life.
21. The Department for Education published a report to parliament in July 2023 on Multi Agency Information Sharing⁹ which showed there are several barriers to information sharing. These include a lack of clarity / misinterpretation about the law, systems & technology that are not joined up, inconsistent leadership, culture and data skills that do not support practitioners to share information and, a lack of practitioner confidence in their role and the relevance of the information they hold. We want to ensure that the right information is shared at the right time, with the right people so the full picture of relevant events in a child's life are understood, leading to improved decision making, earlier identification of risk and joined up support. Government is designing pilot activity to evaluate the potential of using a single unique identifier as a means for improving information sharing. The pilots will help to shape the way a unique identifier may be used in the future. The pilot is a crucial step towards better data sharing and integration across local authorities, offering valuable insights into the feasibility and impact of using a single unique identifier for data integration.
22. Alongside the piloting of a single unique identifier there is a wider programme of work to address the other barriers to information sharing. Most notably, we know that consistent data and technical standards are needed to support greater integration of systems.¹⁰¹¹ We have a strategy to improve the usability of case management systems and their ability to join up with the systems used in other sectors involved with children and families. We are working closely with the Department for Health and Social Care and Home Office to make the improvements.
23. Our actions to deliver children's social care reform include:

⁹ <https://www.gov.uk/government/publications/improving-multi-agency-information-sharing>

¹⁰ <https://www.gov.uk/government/publications/improving-multi-agency-information-sharing>

¹¹ <https://www.gov.uk/government/publications/childrens-social-care-data-and-digital-strategy>

Focusing on improving outcomes

- Embed the Children's Social Care National Framework (National Framework) and align policy with these expectations for practice, driving the whole national system to focus on the highest aspirations for children and families.
- Show how the system is moving towards embedding the outcomes in the National Framework through a Children's Social Care Dashboard. We will continue to iterate and improve how it presents available statutory data to support learning. We will also be developing and testing more timely data flows and addressing data gaps through a private secure access version of the Dashboard, to improve the use of data in measuring and improving outcomes.
- Enable learning from data and take forward digital solutions to build a better understanding of children, young people and families and to create improved support for individuals and communities.

Multi-agency working

- Enable strategic multi-agency working by supporting statutory safeguarding partners across local authority, police and Integrated Care Boards with multi-agency national facilitators and use safeguarding partnerships yearly reports as an accountability and learning tool to improve the system.
- Support safeguarding partnerships to prevent or reduce the risk of recurrence of serious harm or abuse, through the sharing of data and evidence from the Child Safeguarding Practice Review Panel.

Workforce

- Support, champion and empower the social work workforce through recruiting and retaining social workers, and professional development programmes. The work they deliver for children and families is essential and deserves to be recognised and supported. We published tools and resources designed to support local authorities' retention strategies in October on a new virtual hub called 'Support for Social Workers'.
- Implement statutory guidance published on local authority use of agency child and family social workers. This will help reduce the impact of workforce instability on children and families, improve quality and reduce costs. Underpinning the agency rules with a new regulation making power, will create a legally binding framework regarding the use of agency workers in children's social care, which local authorities must adhere to.

Leaders

- Galvanise local leaders to drive improvements in their region, with a focus on outcomes, through work with the Local Government Association, Regional Improvement and Innovation Alliances (RIIAs) and other sector-led programmes, such as Sector Led Improvement Partners (SLIPs).
- Continue to intervene in local authorities where Ofsted have found poor social care practice, to drive service improvements to keep children safe.
- Work with Ofsted in response to the findings of their Big Listen, to explore how improvements to their frameworks can ensure inspection is a

constructive force in the sector that champions good practice, empowers leaders and practitioners, and drives improved outcomes.

- Address the drivers which cause delays in the family court, and improve the experience of children and families, by improving pre-proceedings practice and investing in developing local solutions.

Local authority funding pressures

24. The costs of delivering children's social care are placing financial pressure on local authorities. Annual local government expenditure on children and young people's services increased by 11% from £11.9 billion in 2021-22 to £13.3 billion in 2022-23.¹² Over half (53% or £7 billion) of this total annual spend was on children looked after, including care leavers services. In 2015/16, local authorities spent around £4 billion on looked after children, compared to around £7 billion in 2022/23.

25. In October and November 2023, the Local Government Association sent an online survey to all local authorities in England. In 2018/19, 23% of responding local authorities reported having at least one placement in a cost bracket above £10,000 per week compared to 91% in 2022/23. The highest placement cost was over £21,000 per week, whilst the median highest was £16,450 per week. The highest reported placement cost was £63,000 per week. Local authorities said the key drivers of high costs were a lack of choice in placements (98% of local authorities), children exhibiting challenging behaviours (93%) and children requiring support with complex or significant mental health needs (92%).¹³

26. We have a plan to bring these costs under control. We intend to rebalance funding away from the expensive crisis end of the system and reinvest in prevention. And we will tackle excessive profiteering in the care placements market.

27. We are also increasing investment in children's social care. The Provisional Local Government Finance Settlement¹⁴ provides £5.7 billion in 2025-26 through the Social Care Grant, supporting both adult and children's social care. This is an increase of £680 million compared to 2024-25. It also announced two designated grants for children and family services:

- A Children's Social Care Prevention Grant – comprising £263 million of new funding (sourced from the increase in Local Government funding announced at Budget). This investment is the first step to national rollout of transformed Family Help services, a preventative service at the core of children's social care reform, while ensuring more children have access to Family Group Decision Making. This grant will use a new children's needs-

¹² [Local authority revenue expenditure and financing England: 2022 to 2023 individual local authority data - outturn - GOV.UK](#)

¹³ [High-cost children's social care placements survey | Local Government Association](#)

¹⁴ [Policy Statement, published 28 November 2024](#)

based formula, which will allocate funding according to estimated need for children's social care services.

- A Children and Families Grant – worth £415 million, this grant consolidates a number of previous DfE children's social care grants, including £253.5 million of funding from the Supporting Families Programme. In this interim financial year, ahead of a planned multi-year Local Government Finance Settlement from 2026/27, each grant will be distributed according to 2024-25 allocations.

28. Taken together, the new grants provide over half a billion pounds of funding for preventative support – made available to local authorities to roll out Family Help and Child Protection reforms. This will nearly double direct investment in preventative services in 2025-26. We want these reforms to mark a step-change in how services are delivered locally and make a real and tangible difference to children and families, and the sustainability of local government services.

29. Further, at the Autumn Budget 2024, we announced £40 million in new investments in 2025-26 to support children in kinship and foster care, and £4m for fostering hubs, building on £11m already set aside, to recruit more foster parents. We also announced £90 million to maintain capacity and expand provision in secure and open residential children's homes, which builds on £259m secured at Spending Review 2021 and £165m at Spring Budget 2024. This funding aims to create up to 550 additional open children's homes placements nationally for children with complex multiple needs by March 2029. To date, 166 placements have been delivered, 184 are on track to be delivered by summer 2025 and a further 200 placements, for children that have been or are at risk of being deprived of their liberty, will come on stream by March 2029. It will also deliver up to 81 additional welfare and 8 transition placements in secure children's homes by 2029-30, as well as improve provision across the existing secure children's homes estate. This will provide safe and suitable homes for some of our most vulnerable children and young people.

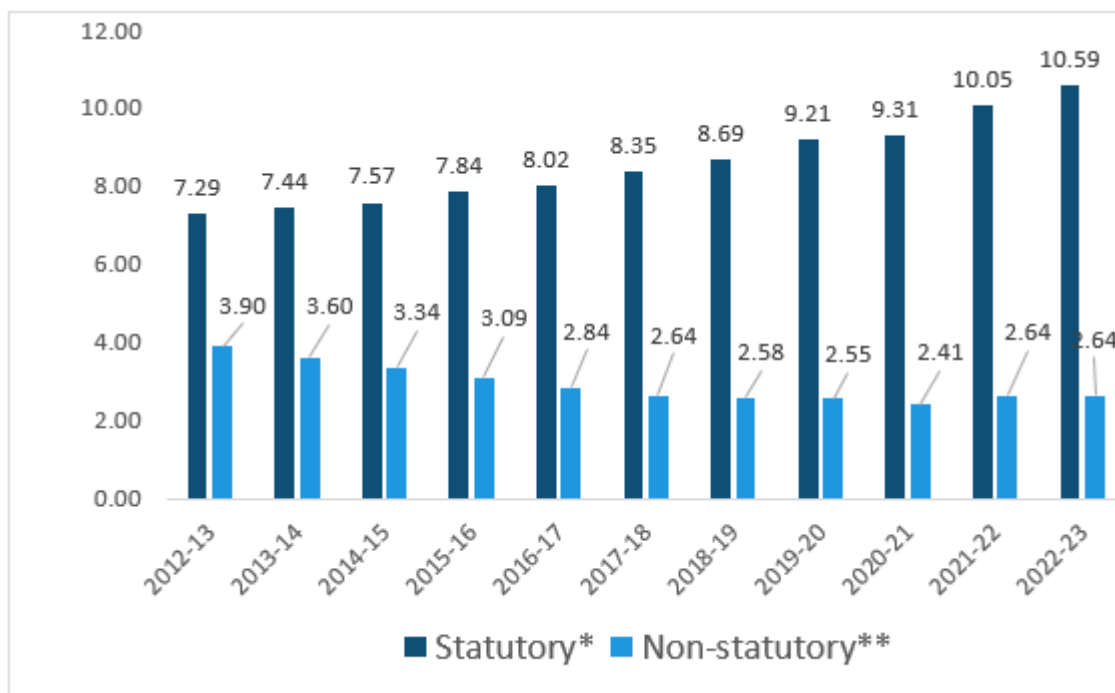
30. At Autumn Budget, this Government committed to set out plans for fundamental reform of the children's social care system in 'Phase 2' of the Spending Review. This will include promoting early intervention to help children to stay with their families where possible and fixing the broken care market.

Early intervention: supporting children to stay safely with their families

31. Early intervention services play a pivotal role in keeping more children safe with their families and can also help families overcome problems before they escalate, and a statutory response is required. Over the last decade, spending on children's social care has risen by £4.4.bn, while the amount spent on preventative services has decreased. In real terms, children's social care

spending on non-statutory, “preventative” services have fallen from £3.9bn in 2012-13, to £2.7bn in 2022-23 - a fall of 31% in real terms. This has created a vicious cycle whereby children and families present to children’s social care later and with more complex needs, locking spend at the acute end of the system. Despite increased spend overall, outcomes remain poor, particularly for children in the care system.

Chart C: Total spend on children’s services has increased but is increasingly dominated by statutory services and not non-statutory early help and support. 2022-23, real terms, £billion.



32. We recognise that there is a strong evidence base for shifting the dial toward early intervention. ‘*Keeping Children Safe, Helping Families Thrive*’ signalled our long-term commitment to rebalancing the children’s social care system away from crisis point intervention, to ensure that wherever possible, children remain safely with their families. This includes the national rollout of Family Help and Child Protection reforms to improve the way children’s social care supports children and families. Family Help reforms will establish a seamless, non-stigmatising offer of support delivered by community based multi-disciplinary teams. It combines the strengths of targeted early help and section 17 work, with an emphasis on whole-family working and greater flexibility on who leads work with families. This ensures the right support is received at the earliest opportunity, improving outcomes and reducing costs to public services.

33. Through the Families First for Children Pathfinder programme we have worked with 10 local authority areas to co-design new systems, with input from children and families as well as local authorities, police, health and other local partners. By putting children and families at the heart of system design, areas are already

seeing positive changes. Thoughtful consideration is given to differing characteristics and needs, helping services to be more responsive and less stigmatising. Services are largely being delivered in the heart of the community, often via Family Hubs. Offering services in familiar environments where multi agency teams can operate together and engage appropriately as need increases or decreases over time. We will take this vital learning forward into the future to support children and families nationwide.

34. **We will build on the robust evidence base on the Supporting Families programme to inform early intervention.** The independent evaluation of the programme found a 32% reduction in rates of looked after children two years after joining the programme, and that every £1 spent on the programme delivered £2.28 of economic benefits¹⁵. We recently announced the end of Supporting Families as a specific programme from 31 March 2025, but this government embed its vital learning across the system. **Local authorities are also building on the Sure Start legacy with family hubs**, which aim to provide a single access point to a wide range of universal services for families with children aged 0-19 (or up to 25 for those with SEND), with dedicated funding for early family support services such as parenting interventions and support for the home learning environment.
35. As mentioned earlier in this evidence, from April 2025, **we will make £500m available to local authorities to roll out Family Help and Child Protection nationally to transform services and transition towards earlier intervention.** This is a landmark moment and will nearly double direct investment in preventative services to over half a billion pounds in 2025-26.
36. Reforms to Family Help and Child Protection will improve preventative support for all children and families, and we are particularly determined to improve the way services support disabled children and their families. Over 1.2 million children in Great Britain are living with a disability¹⁶; on 31 March 2024 there were 54,510 Children in Need with a disability, 14% of all Children in Need. We want to ensure that this vulnerable cohort and their families can access the support they need at the earliest opportunity, including through better integration between SEND services and children's social care at a local level to streamline referral pathways. In the Families First for Children pathfinder local authorities, we are seeing examples of staff receiving SEND training to support decision making at the 'front door' and the appointment of SEND qualified practitioners to lead direct work with families.
37. Working Together 2023 includes an emphasis on ensuring practitioners recognise the additional pressures and distinct challenges that families may have negotiate because of their children's disability. We are also encouraging local authorities to adopt the Designated Social Care Officer for SEND role to provide strategic join up between social care and SEND services. We will also continue to

¹⁵ [Supporting Families Independent Evaluation](#)

¹⁶ [Growing-Pressures.pdf](#)

work closely with the Law Commission as it conducts a review into the laws relating to the provision of support and services for disabled children in England, and the wider legal frameworks in which they are contained.

38. Through our Opportunity Mission, we will enhance early family support, including through family hubs, to give children the best start in life and build parent and family capabilities to shape a positive environment for children. **We are building the evidence base through work with Foundations on the publication of a series of Practice Guides, bringing together the best evidence to support local authorities to design interventions that reflect the outcomes of the National Framework.** This includes Practice Guides focussed on parenting interventions, which we expect will be particularly useful for the design and delivery of these services.
39. **We are also proposing future legislation to embed family group decision making as an offer to all families before care proceedings and ensure more extended family members can play a role in children's lives. A Family Group Conference (FGC) is a specific model of family group decision making which has strong evidence of diverting children from care.** Research by Foundations found that children whose families were referred for a Family Group Conference were less likely to have had care proceedings issued (59%) compared to those not referred (72%) and were less likely to be in care one year later (36%) compared to those not referred (45%).¹⁷

Promoting and maximising family-based care for children (including kinship care, fostering and adoption)

40. When children cannot live with their parents, we know that a family-based care setting is often the next best alternative. Kinship care allows children to remain within their wider family network, and high-quality foster care allows children to grow up in a nurturing family setting which provides the resources and support they need to thrive. Prioritising kinship care and fostering avoids children detaching from the communities, schools and relationships they have known up until this point, and which often provide a protective factor against children coming to further harm. Research shows that children who are cared for by members of their family network, have better educational, health and labour market outcomes than children who experience local authority care. 69% of adults who experienced kinship care were in employment, compared to 59% and 48% for those with history of fostering and residential care¹⁸.

¹⁷ [Family Group Conferencing at pre-proceedings stage - Foundations](#)

¹⁸ [The-lifelong-health-and-wellbeing-trajectories-of-people-who-have-been-in-care.pdf](#)

Kinship Care

41. Kinship care is the most prevalent form of non-parental care for children worldwide. In 2021, there were more than 130,000 children living in kinship arrangements in England¹⁹ and 12,450 of those were Children Looked After in foster care with a relative or friend². Kinship carers often take on this role at a time when they were least expecting to raise a family and need extra support to do so. We recognise the important role that kinship carers play in caring for vulnerable children.
42. The Independent Care Review recommended that all local authorities should make available a financial allowance paid at the same rate as their fostering allowance for special guardians and kinship carers with a Child Arrangements Order looking after children who would otherwise be in care. We understand and support the case for kinship carers, and kinship children, to get the support they need – and so that no child lives in poverty. Whilst we recognise many local authorities already pay their kinship carers a financial allowance; to deliver this change nationally, which remains our ambition, government needs to further understand how payment of a financial allowance will impact both kinship carers, children and local authorities. At Autumn Budget we announced a £40 million package of new investment to pilot a new kinship allowance in up to 10 local authorities from next year, to test whether paying an allowance can help increase the number of children taken in by family members and friends. This is the single biggest investment any government has made in kinship care to date.
43. Recognising that many children in kinship care arrangements face equal or greater challenges achieving and thriving in school, the role of the Virtual School Head was expanded in September 2024 to include championing the education, attendance, and attainment of children in kinship care. In *‘Keeping Children Safe, Helping Families Thrive’*, we set out legislative changes which will extend the role of virtual heads to represent children in kinship families, and place a statutory duty on local authorities to promote the achievement of all the cohorts of children represented by the Virtual School Head.
44. To further underpin our commitment to supporting kinship care, we made a range of commitments during National Kinship Care week 2024, including:
- the appointment of the first National Kinship Care Ambassador, Jahnine Davis, to advocate for kinship children and their carers, working directly with local authorities and across government to help improve services and share best practice.
 - launching new Kinship Care statutory guidance for local authorities which sets out the support and services local authorities should provide to kinship families, including reaffirming the requirement to publish their local offer of support in a clear and accessible way.

¹⁹ [Kinship care in England and Wales - Office for National Statistics](#)

- publication of the Kinship Care Practice Guide, to ensure frontline practice is rooted in evidence about what works to improve outcomes for children in kinship care.
- the delivery of over 140 peer support groups across England, available for all kinship carers to access, where they can share their experience, exchange advice, and support each other. We are also delivering a package of training and support that all kinship carers across England can access.

45. Alongside financial support, improved guidance, legislation and training – we also recognise the challenge that many kinship carers face in continuing to work alongside raising a child. Following the lead taken by many private sector employers, the Department for Education is introducing kinship leave for its staff from next year and are dedicated to keeping this area under review to ensure working kinship families receive the support they need.

Fostering

46. Where children cannot remain with their family, foster care is often the next best option and allows children to grow up in a family environment. In 2023-24, 68% of children in care (56,390 children) were looked after in foster placements². To keep more children in stable and loving homes, we have committed £15 million, including £4m announced at Autumn Budget, to support the recruitment of foster carers through a national programme of fostering hubs. These hubs help raise awareness about fostering and offer prospective carers a centralised platform to find information, ask questions and get support from the start of their fostering journey. This is expected to generate hundreds of new foster placements, reduce reliance the residential care and offer children a stable environment to grow up in.

47. Regional Recruitment hubs are designed to provide a warm, rapid welcome to prospective foster carers and offer support throughout the journey of application to approval, including targeting campaigns to attract new carers for Unaccompanied Asylum-Seeking Children. **Ten new hubs have been set up across England so far, covering 64% of local authorities, and the investment at the Budget will allow us to scale up so that all local authorities have access to a hub. Each local authority in the programme has also worked with The Fostering Network to implement or roll out 'Mockingbird', the well-evidenced retention model.** Early data from the Northeast is encouraging. In total, from September 2023 until 31 October there have been 38 new fostering households approved.

Adoption

48. Adoption can help improve the life chance opportunities for children by providing them with a permanent stable and nurturing family environment. In 2023-24, 2,980 children in care were adopted (9% of all children who left care during the year)². Most adopted children will have experienced trauma, through serious abuse or neglect, before coming into care – these impact on their physical,

mental, social, and emotional well-being and they will therefore need ongoing support.

49. Adoption services are delivered through 33 regional adoption agencies. Local authorities have delegated responsibility to them but remain legally accountable. The Government is funding Adoption England (a collaboration of regional adoption agencies working together) with £9m in 2024-25 to:

- Recruit sufficient adopters from all communities
- Support all potential adopters in the registration and approval process
- Deliver a service where children are matched seamlessly with families
- Deliver high quality adoption support to all families which meets their child's needs from the moment a match has been confirmed and continues throughout their childhood whenever it is required.

50. Adoption England is also working to put in place a national framework of standards so that children and families can receive excellent services no matter where they live. This year the government is providing £49m for the Adoption and Special Guardianship Support Fund, helping to pay for essential therapeutic services for adoptive and special guardianship families.

Ensuring high quality residential care for those who need it, while fixing the children's homes market

Strengthening regulation to ensure good quality provision

51. For some children and young people, a placement in a children's home or supported accommodation will be the right way to meet their needs and help them to thrive. It is essential, for the safety and wellbeing of young people in residential settings that we both strengthen regulation and accountability for the quality of provision.

52. Under the current framework Ofsted can only inspect individual settings. However, private provision has increased: 83% of children's homes are now privately owned, many of which are owned by larger provider groups who own multiple homes. Some groups own over 100 children's homes. We therefore intend to update the legislative framework so that Ofsted can hold these providers to account at group level, rather than individual setting level, for any weaknesses across their organisation.

53. The absence of appropriate and affordable homes in the right places for children also means that we are seeing a worrying trend in the rise of the use of unregistered provision. Often these settings are wholly inappropriate places for children, and the fact they are unregistered settings means they are not held to account for the quality of provision through registration and inspection. Whilst Ofsted already has power to prosecute unregistered settings and agencies

providers, we intend to strengthen Ofsted's enforcement powers so they can issue monetary penalties against providers of unregistered settings. These new powers will allow Ofsted to act at pace to tackle more unregistered settings.

54. Making sure that residential settings are staffed by a skilled and sufficient workforce is key to ensuring children are protected and cared for. We work collaboratively with Ofsted and the sector and know the challenge of recruiting and retaining staff with the right skills. We launched our latest children's home workforce census in September 2024, following a census published in March 2023, to enhance our understanding of the challenges.
55. Where there is evidence that care for children falls below the high standards we rightly expect, the government has acted to tackle the causes and mitigate risks. **In April 2023, the Child Safeguarding Review Panel published a report on "safeguarding children with disabilities and complex health needs in residential settings"** ²⁰following the Hesley abuse scandal. **This report included recommendations for national changes and improvements in residential care. Our vision for reform speaks to many of the recommendations made by the Panel.** This is because the lives and experiences of children with disabilities and complex health needs are at the heart of what we do and what we want to achieve. On 18 November 2024, we wrote to the Child Safeguarding Practice Review Panel outlining progress against the recommendations they made to make sure the shocking abuses that took place within the Hesley Group never happens again.²¹²²²³

Ensuring there are enough of the right types of placements, in the right places

56. Local authorities have a duty to ensure there are sufficient places to meet the needs of the children they look after; however, they are facing challenges as there are not enough places of the right type in the right place and existing provision has not adapted to meet children's changing needs. In addition to the action we are taking to reform the children's homes market, we will take action to deliver additional homes for children and ensure there are in the places where there is greatest demand to address specific challenges, such as the unacceptable number of out-of-area placements.
57. Children's homes provide care for some of the most vulnerable children and young people in the country including children with emotional and behavioural difficulties, disabilities, special educational needs and those who are victims of abuse or neglect. We are helping local authorities to provide high-quality places for the children they look after by investing significant capital funding in local areas. This is to maintain existing capacity and expand provision in both open

²⁰ [Hearing feedback, accepting criticism and building a better Ofsted: the response to the Big Listen - GOV.UK](#)

²¹ Initial report - [Safeguarding children with disabilities in residential settings - GOV.UK](#)

²² Initial Gov't response - [Safeguarding children with disabilities in residential settings: government response - GOV.UK](#)

²³

Most recent progress update - [Safeguarding children with disabilities in residential settings: progress report - GOV.UK](#)

children's homes (OCH) and secure children's homes (SCH) across England.

Fixing the placements market and tackling profiteering

58. We recognise that children's social care budgets are under significant pressure because of rapidly increasing placement costs for children in care, with costs doubling from £3.1bn in 2009/2010 to £7bn in 2022/23. The Competition and Market Authority (CMA) 2022 report described the children's social care market as "dysfunctional" and underlined the scale of the challenges that Government is facing to fix it.
59. Latest data shows that as at March 2024, 83%²⁴ of children's homes are owned by private providers²⁵. Whilst many of these providers are offering very high-quality provision for children who cannot remain with their family, we would like to see greater diversity of providers, including voluntary sector and ethical investors and a reduction on excessive profits being made by some of the very largest providers in the country, which can be as high as 30%. Stakeholders report numerous barriers which deter potential new providers from entering the market such as high start-up costs, registration timescales, and obtaining planning permission. We are acting to address these barriers, including working with Ofsted to consider a fast-track route for the registration of selected new children's homes and with the Ministry of Housing, Communities and Local Government to examine potential legislative reform, making it easier to establish homes where they are needed. We are working with local authorities, charities and voluntary sector providers and ethical investors to encourage them to enter the market.
60. The Competition and Markets Authority and Independent Review of Children's Social Care both found that the current approach to providing and commissioning children's care places is not working. As a result, we are introducing a regional model for providing homes for children in care. Regional Care Co-operatives represent a radical shift from the existing way of commissioning and delivering care placements. We believe this level of change is necessary to truly reform the system so that it works for children and young people who need a stable, loving home. We must be ambitious for children and young people in care, and care leavers.
61. Building on recommendations by the Competition and Markets Authority, and the Independent Review of Children's Social Care, the government will enable local authorities to set up Regional Care Co-operatives (RCCs) to plan and commission children's social care places regionally. We are currently working with Greater Manchester and the Southeast to set up two Regional Care Co-operative pathfinder areas to trial this new approach. To boost the capacity and ability for local authorities to compete with the size and scale of private providers, and improve forecasting across a larger cohort of children, we expect the

²⁴ (<https://www.gov.uk/government/statistics/childrens-social-care-in-england-2024>)

²⁵ [Main findings: children's social care in England 2024 - GOV.UK](#)

Regional Care Co-operatives to gain economies of scale and harness the collective buying power of individual local authorities. They will facilitate greater collaboration with partners (including health and justice) to improve services for children in care. The government plans to legislate to support the roll out of the Regional Care Co-operatives when parliamentary time allows, building on the learning from the setting up of two pathfinders.

62. *‘Keeping Children Safe, Helping Families Thrive’* also sets out our intention to introduce a Financial Oversight Scheme, which will give advanced warning to local authorities if ‘difficult to replace’ providers of children’s social care placements are at risk of failing financially. These are the providers whose exit from the market risks the greatest disruption to young people’s lives, for example because of the number of places they offer or their regional concentration. Providers will need to submit financial information to the Department for Education and develop and submit contingency plans to ensure providers and their parent companies play an active role in managing their exit from the market. The government will monitor the financial risk and will be able to issue an advanced warning notification to impacted local authorities and Ofsted. This will give local authorities more time to manage market exit in a way that minimises negative impacts on children.
63. Collectively, we are confident that the measures outlined above will fix the dysfunctional care market, curbing excessive profit and ensuring financial stability in the market whilst increasing the supply of placements and diversifying provision. However, as we set out in *‘Keeping Children Safe, Helping Families Thrive’*, if these do not address profiteering behaviour from some providers, we will not hesitate to cap their profits.
64. Private providers should not be profiteering from our most vulnerable children. Our plans will introduce powers for the Secretary of State to cap the level of profit which can be made from children’s social care placements through secondary legislation in the future. We will allow time for our other market reforms to rebalance the market first and will only step in to cap profits if this does not happen.

Improving outcomes for children in care and care leavers

65. Children’s social care has the power to transform children’s lives. However, the latest statistics (published in April 2024) for the school year 2022/23²⁶ show that Children Looked After (CLA) achieve poorer educational outcomes than their peers:
- In 2023 at KS2, 36% of CLA as of 31 March achieved the expected standard in reading, writing, and mathematics – significantly lower than the rate for all pupils (60%).

²⁶ [Outcomes for children in need, including children looked after by local authorities in England, Reporting year 2023 - Explore education statistics - GOV.UK](#)

- At KS4, the average Attainment 8 score for CLA as of 31 March was 18.4, compared to 46.3 for all children, and 18.3 for children in need.
- Looked after children are more than three times more likely to have a special educational need than the overall population, which accounts in part for the difference in attainment compared to the overall pupil population.

66. This long shadow continues into young adult life, where care leavers have some of the worst long-term life outcomes in society across health, housing, education and employment. According to research published by the DfE in 2022, more than a third of care leavers felt that they left care too early, and many care leavers felt 'alone' or 'isolated' when they left care and did not know where to get help with their mental health or emotional well-being.²⁷ In 2024, nearly 4 in 10 care leavers aged 19-21 were not in education, training or employment.²⁸

67. Outcomes for children in need are also poor; compared to all individuals, those that were in need were three times more likely to have out-of-work benefits recorded as their main activity between ages 17-24, less likely to have employment recorded and earning on average £3,800 less in the eighth year after leaving secondary school²⁹.

Statistics and Evidence on 'Out of Area' Placements

68. In 2023-24, 22% of looked after children were placed over 20 miles from their home, an increase of 2 percentage points since 2020. Children who were placed for adoption (51%) and those in secure homes or children's homes (49%) were more likely to be placed more than 20 miles from home². On average, children who have experienced multiple moves are living further away. In 2023, a fifth of children (21%) who had not experienced any moves during the year were living more than 20 miles from home compared to almost a third of children (31%) who had moved twice or more³⁰.

69. The government is clear that it is much better for most children and young people to be placed as close to home as possible, and regulations³¹ are clear that the decision to place a child outside of the local authority should not be taken lightly. The decision should have the child's interest at heart and consider the child, family and independent reviewing officer's views. It should be signed off by directors of children's services, and all relevant parties should be notified (including the receiving local authority, safeguarding partners).

70. It is the local authority's responsibility to ensure there are sufficient places for looked after children in their area. Most children are placed within the local

²⁷ Department for Education, 'Ready or not': care leavers' views of preparing to leave care (Jan 2022)

²⁸ [Children looked after in England including adoptions, Reporting year 2024 - Explore education statistics - GOV.UK](#)

²⁹ [\[ARCHIVED CONTENT\] UK Government Web Archive - The National Archives](#)

³⁰ [Still-Too-Far-report-FINAL-v1.pdf](#)

³¹ Care Planning, Placement and Case Review (England) Regulations 2010

authority area in which they live (78%) although there can be instances where it is the child's best interest to be placed further from home – particularly where this a risk of gang or sexual exploitation, or to move closer to a wider family member. However, sufficiency issues are also leading to a higher number of children being placed out of area than we would like, which some of the markets reforms we will bring forward, will address.

71. Children placed away from home experience disruption to their lives – particularly to their education (evidence shows that children who move schools often have lower attainment levels) and health care. It can make it harder to maintain key relationships for the child. Sometimes OOAP are used because they are right for that child, particularly where county lines, gangs or domestic abuse factor. However, we believe in most cases, LAs use OOAP due to a lack of suitable places to meet the child's needs close to home – for example any child from London who requires a secure children's home will always be placed out of area, as there is no secure children's home in London.
72. We are acting to safely reduce the number of children in care and fix the market. Together these reforms (in kinship, fostering and children's homes capital) and reform plans (to fix the broken market, and taking a different regional approach, via the regional care cooperatives) should ensure there are more of the right placements in the right places and lower the need for local authorities to use OOAP when they are not in the best interests of the child.

Improving support for children in care and care leavers

73. This government is committed to giving young people growing up in and leaving care the right support to grow up in a safe and stable environment that supports and nurtures them and continues to support them as they transition to adult life.
74. Looked after children have priority in school admissions and benefit from the support of designated teachers and Virtual School Heads, who manage Pupil Premium Plus funding of £2,570 per looked after child. The Government is providing £24m of Pupil Premium Plus funding to Virtual School Heads between 2023-2025 to enable them to provide extra support to children in care and care leavers in post-16 education, with £10m allocated to local authorities in 2023-24 and a further £14m in 2024-25.
75. To reduce the disparities in long-term physical and mental health outcomes and improve wellbeing for children in care and care leavers, we are working closely with health partners to:
 - Update existing joint Dept for Education and Dept for Health and Social Care statutory guidance, 'Promoting the Health and Wellbeing of Looked After Children'. The guidance sets expectations on local authorities, including Directors of Public Health, commissioners of health services for children, NHSE and others.

- Strengthen our data for key indicators of looked-after children's mental health, including collection of data from local authorities on care leaver deaths.

76. Secure and stable accommodation provides the foundation for care leavers to thrive. Compared to their peers who are more likely to have pastoral and financial support, former relevant children (those leaving care at 18) face more challenges adjusting to independent living: securing housing, budgeting and household maintenance. Cross-Government work is ongoing to review and remove barriers to accessing housing for care leavers. We intend to legislate to ensure that all local authorities consider whether each former relevant child (up to age 25) whom they looked after requires a package of support known as 'Staying Close'. **Staying Close support could include support to find and maintain suitable accommodation alongside a package of emotional and practical support. This builds on the work of the Staying Close pilots from 2018, which found that the programme's features can support better outcomes: a 20% improvement in mental health outcomes, 13% reduction in the number of young people who were NEET and a 21% reduction in anti-social behaviour.**
77. To support care leavers into jobs, around 1000 have taken up opportunities to work in the Civil Service through the Care Leaver Internship Scheme. The Scheme now offers an 18-month fixed term appointment at a junior grade for one to two years. Care leavers can receive a £3,000 bursary if they take up an apprenticeship. Our levy-funded growth and skills offer, with apprenticeships at the heart, will deliver greater flexibility for learners and employers in England, aligned with our industrial strategy creating routes into good, skilled jobs in growing industries. As part of this, we are introducing new foundation apprenticeships to support young people at the start of their careers.
78. The Government is also committed to ensuring that care leavers and care experienced students can access, participate and achieve at university. Care Leavers are entitled to a statutory bursary of £2000 in addition to receiving support packages provided directly by Universities under their Access and Participation regimes.
79. We are funding the ongoing delivery of the Care Leaver Covenant, a partnership scheme of over 500 national and local organisations spanning the public, private and voluntary sectors who have signed the Covenant and backed their support up with practical offers of support from job opportunities and discounts on services to fitness and wellbeing. Signatories include the John Lewis Partnership, Pure Gym, Amazon, SKY, Channel 4, the NHS, over 70 universities, JC Decaux and Merlin Entertainments.
80. The Government is funding 50 family finding, befriending and mentoring programmes across 45 local authorities. These programmes will help children in care and care leavers to identify and connect with the important people in their lives and create safe, stable loving relationships.

Support for Care Leavers

81. Children's social care has the power to transform children's lives. However, despite committed support from social workers, care leavers are still likely to have poorer outcomes, when compared with their peers, both educationally and in terms of social and life skills. We know many children in care face barriers when they leave care, their needs and circumstances are often complex, reflecting their experiences of trauma, loss and instability.
82. We are committed to tackling the barriers to opportunity to help looked after children and care leavers thrive. We are engaging widely with those with lived experience and all interested stakeholders to help us drive the right change and scale up good practice in children's social care across the country, Barnardo's and Coram Voice have worked with policy officials to facilitate engagement sessions and focus groups with care experienced young people covering topics such as fostering, family help, corporate parenting and advocacy.
83. We have established a Care Leaver Ministerial Board, chaired by the Dept for Education Secretary of State and the Deputy Prime Minister, which brings together Ministers from key departments to improve support for care leavers across government. We plan to extend corporate parenting responsibilities to government departments and relevant public bodies to create a culture change in which we realise our shared ambition to support children in care and care leavers. We will also seek to nationally roll out 'Staying Close' to children leaving residential, so they have bespoke packages of support to help develop their skills for independent living and help their emotional health and wellbeing.

Reforming the safeguarding system, and Ofsted's role as a regulator and inspector for children's social care

Data on Serious Incident Notifications

84. Whilst the children's social care system keeps most children safe – sadly there are occasions where a child is seriously injured, or dies, because of child abuse or neglect. Understanding what and why things happened as they did can help to improve our response in the future. These serious incidents must be notified to the Child Safeguarding Practice Review Panel (the Panel), and by extension to the Department for Education and Ofsted, by the local authority, within 5 working days.
85. Any harm to an individual child is potentially devastating for them and the people that love them, and in the Department for Education we are committed to protecting children from harm and ensuring that lessons can be learned from serious incidents to prevent further harm. Within 15 working days of the serious incident notification, Safeguarding Partnerships are required to send a rapid review to the Panel. The review identifies the key facts of the case, any failings and initial learning and the Panel decide whether a full 6-month local child safeguarding practice review is needed to identify and share further learning.

86. Responsibility for how the system learns the lessons from serious child safeguarding incidents lies at a national level with the Panel and at local level with the safeguarding partners. The Panel and the safeguarding partners have a shared aim in identifying improvements to practice and protecting children from harm. Where there are issues of national significance, the Panel consider if a national review is necessary. From January 2024, local authorities should notify the Panel about the death of a care leaver up to their 25th birthday, where they are aware of their care leaver status. We have required these notifications to continue because of our role as corporate parents to children in care and the fact that we know care leavers can be vulnerable. Ensuring we have data on any incidents of serious harm to care leavers is intended to give us an evidence base to improve the support that government and other agencies can provide to care leavers

Reforms to child safeguarding arrangements

87. The Panel's report recommended that multi-agency child protection teams should be established in every local authority, and we intend to legislate for this change when parliament timescales allow. This will move us closer to creating a decisive child protection system, where partners and agencies work together to share expertise, experience, time and support to keep children safe.

88. As indicated in *'Keeping Children Safe, Helping Families Thrive'*, we also intend to put a new duty on safeguarding partners to ensure schools are sufficiently involved in multi-agency safeguarding arrangements, and to ensure parents have consent from local authorities to home educate children where there are safeguarding concerns.

The role of Ofsted in safeguarding

89. Ofsted has a crucial role in upholding standards in children's social care and helping make sure children and young people are safe. Ofsted is responsible for assessing the performance of children's social care as delivered by local authorities, through their inspecting of local authority children's services (ILACS) frameworks, which also brings together other inspectorates through for joint-targeted area inspections (JTAs). Ofsted is also a regulator in children's social care, providing oversight of providers through the social care common inspections framework (SCCIF).

90. **DfE is working closely with Ofsted on the actions committed to in response to the 'Big Listen' consultation in September 2024.³² The response to the Big Listen was clear, that single word judgements are imperfect at capturing the complex nature of children's social care. Following this, Ofsted will work with the DfE to replace the single word judgement for overall effectiveness, in children's social care and across all settings that Ofsted inspects.**

³² [Hearing feedback, accepting criticism and building a better Ofsted: the response to the Big Listen - GOV.UK](#)

91. The response to the Big Listen also demonstrated that there are strengths to the current inspection frameworks, in providing important information about children at risk of harm. In any future system, Ofsted and DfE will need to maintain and strengthen current levels of oversight and support high and rising standards for children's social care provision. We will be taking the time to consult with the sector on these changes.
92. As the Dept for Education reforms the children's social care system, including the delivery of reforms set out in *'Keeping Children Safe, Helping Families Thrive'*, it is critical that inspection and regulation are aligned. As set out below, this includes giving Ofsted greater powers to tackle persistent use of unregistered provision, being able to hold groups of providers to account for improvement, and to strengthen the financial oversight regime.
93. Importantly, inspection frameworks will need to continue to evolve to reflect the priorities of children's social care. This is already underway, with the introduction of the ILACS sub-judgement to specifically consider the experiences and safety of care leavers (January 2023), as well as changes to the inspection framework to strengthen the focus on kinship and to more closely mirror the language of the Children's Social Care National Framework (April 2024). The Dept for Education will continue to work closely with Ofsted to bring together the changes from the Big Listen, legislation proposals and wider children's social care reform.

Strengthening Ofsted's regulatory powers

Provider Oversight

94. The Child Safeguarding Practice Review Panel published its Phase 1 and Phase 2 reports on safeguarding children with disabilities and complex health needs in residential settings, in response to the case of unacceptable abuse of the children living in homes owned by the Hesley Group. The findings highlighted that systemic and organisational weakness can cause the conditions for harm.
95. Where there is weakness in organisational structures, under the current framework Ofsted must inspect each individual setting and it cannot act at scale to improve the quality of provision and keep children safe. We want to make changes to the framework to empower Ofsted to be able to drive improvements in the quality of care for children more quickly. It is important that we update the legislative framework to reflect the current placements market. Private provision has increased: 83% of children's homes are now privately owned, many of which are owned by larger provider groups who own multiple homes and influence decisions relating to the care of many children. Some groups own over 100 children's homes. Currently, Ofsted cannot hold these provider groups to account for any weaknesses across their organisation, despite their overarching influence in the care of children, both in individual homes and across the wider sector.
96. We will change the regulatory framework so that where there are quality issues across several settings owned by the same provider group, Ofsted can hold provider groups to account for these. Specifically, Ofsted will be able to request

an improvement plan in which provider groups will be required to detail the actions that they will take to resolve any identified issues or concerns. Ofsted will have the ability to enforce the development and implementation of the improvement plan, and the measures detailed within it (by way of a monetary penalty and/or restriction of growth). This should help to resolve issues quickly at a higher level in the organisation before they spread or escalate.

97. Despite it being a local authority's duty to ensure that they have sufficient, registered places for children to live, local authorities' reliance on private providers means they have a limited ability to shape their local market. The lack of appropriate and affordable homes in the right places for children means that we are seeing a worrying trend in the rise of the use of unregistered provision – most notably in children's homes and supported accommodation, but Ofsted have also identified unregistered independent fostering agencies and residential family centres. Often these settings are wholly inappropriate places for vulnerable children to live in, and sometimes children are living there for extended periods of time. In 2023-24 Ofsted opened cases on 1,109 potentially unregistered settings and found that 887 (87%) should have been registered (compared to 370 that should have been registered in 2022-23). We suspect there are more unregistered settings operating than Ofsted have received intelligence about.
98. Whilst Ofsted already has power to prosecute unregistered provision, settings and agencies providers, Ofsted needs alternative enforcement options. We are therefore strengthening Ofsted's enforcement powers so they can issue monetary penalties against providers of unregistered provision. These are as an alternative to criminal prosecution and will allow Ofsted to act at pace to tackle more unregistered provision, in a proportionate way (i.e. a single offence may warrant a financial penalty, whilst a repeat, or very serious offence may warrant prosecution). The Care Standards Act 2000 contains further offence provisions for which Ofsted can already prosecute – these may also be subject to the new monetary penalties. This is logical and brings consistency to Ofsted's enforcement powers.
99. Locally, safeguarding partners must identify serious child safeguarding cases which, in their view, raise issues of importance in relation to their area and undertake a Local Child Safeguarding Practice Review. The death of a looked after child must also be notified to the department, regardless of whether abuse or neglect is known or suspected. From January 2024, local authorities should notify the death of a care leaver for those aged up to their 25th birthday, where they are aware of their care leaver status.
100. In April 2023, the Child Safeguarding Review Panel published a report on "safeguarding children with disabilities and complex health needs in residential settings" following the Hesley abuse scandal. This report included recommendations for national changes and improvements in residential care. Our vision for reform speaks to many of the recommendations made by the Panel. This is because the lives and experiences of children with disabilities and complex health needs are at the heart of what we do and what we want to

achieve. On 18 November 2024, we wrote to the Child Safeguarding Practice Review Panel outlining progress against the recommendations they made to make sure the shocking abuses that took place within the Hesley Group never happen again.³³

December 2024

³³ - Initial report - [Safeguarding children with disabilities in residential settings - GOV.UK](#)

- Initial Gov't response - [Safeguarding children with disabilities in residential settings: government response - GOV.UK](#)

- Most recent progress update - [Safeguarding children with disabilities in residential settings: progress report - GOV.UK](#)