

Residential Children's Home Use in England, including Current and Projected Local Authority Provision.

December 2024

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1. Executive Summary

Local authority children's home capacity

On September 1st, 2024, English local authorities (LA) placed 9,272 children or young people (CYP) in residential children's homes, this equated to 11.36% of the children looked after (CLA) population. Of these placements only 1,058 were with 347 local authority operated homes, this equated to 11.41% of all registered children's home population.

The East Midlands had the highest percentage of CYP in children's homes with 14.6% of CLA and the South East had the highest total with 1,326 CYP. Yorkshire & Humber had the lowest by percentage with 9.9% and the East of England the lowest with 694 CYP.

In terms of LA operated homes, Yorkshire & Humber had the highest percentage of children living in their own homes with 24.1% and the highest total with 229. The South West has the lowest percentage of CYP in their own homes with 3.5% and the lowest total with just 28 CYP.

Projected growth

77 local authorities have firm, budgeted plans to open their own children's homes by the end of the 2026/2027 financial year, this equates to 237 new homes throughout England bringing the total homes to 584 homes. Of these 237 homes, 100 have received DfE match grant funding.

Of the 77 local authorities planning to open homes, 26 do not currently operate their own children's homes. Given the current difficulties in recruiting suitably qualified staff, particularly registered managers, these 26 local authorities in particular may face challenges with opening these homes in an efficient timescale. This risk of delay is further exacerbated by the continued challenges within Ofsted to support the registration process with pace.

Consideration also needs to be given to what if any impact a significant rise in the number of local authority children's homes will have regionally and nationally on the private provider market.

The North West is planning to open the most homes with 43 (129 beds) and the South East is planning on opening the most beds with 153 planned (35 homes). As a percentage of growth, the South West is projecting the largest with a 234% increase from 12 homes (39 beds) to 27 homes (91 beds).

Using the average current LA operated home occupancy rates of 80% these new homes should increase the current beds used from 1,058 to a new total of 1,622 which is an overall growth of 57%. This projected growth should enable local authorities to meet 17.9% of need, up from 11.41% currently (Sept 24) achieved.

This will reduce the reliance on private and voluntary children's homes to from 88.6% to 82.1%. In doing so also enable more children and young people to remain or return closer to home as reduce the pressure to place CYP in unregulated placements.

2. Introduction

This report provides information and analysis gathered by Sufficiency.org.uk. The first to every local authority responsible for children's social care about their current use of registered children's home provision and their plans for opening their own provision as of September 1st, 2024. The other in October 2024 to the Department of Education requesting the names of each local authority that had been awarded grants to open new children's home provision.

The information was sought due to a lack of visible national data on the plans of local authorities to open and or expand their own provisions. The report aims to:

- help local authorities better understand their use of children's homes in comparison to neighbouring local and regional areas.
- prepare local authorities and the Department of Education for new growth, including staff recruitment and retention, in a market that is and has been dominated by the private sector for decades.
- provide Ofsted with a clearer national picture of the projected increase in applications.

The author

Nathan Whitley is a qualified social worker and commissioner with over 25 years' experience in children social care. Starting as a waking night in residential children's homes, he has worked in many roles within social care, particularly with children in care. He has held operational leadership roles within corporate parenting, provider services and children's commissioning in a number of local authorities as well as consultancy, commissioning, and transformation roles within over 20 local authority and regional collaborations. Nathan has also led national independent fostering organisations and adoption agencies and been the director for a group of children's homes.

More recently he has been assisting local authorities and regions with their sufficiency strategies including business cases for and operating their own residential and secure provision.

Other reports

This report should read in conjunction with the Residential children's home use in England – December 24 by contacting Nathan@sufficiency.org.uk or visiting www.sufficiency.org.uk

3. Current children's home use

On September 1st, 2024, across England, 11.4% of children and young people (CYP) in care were living in a residential children's home.

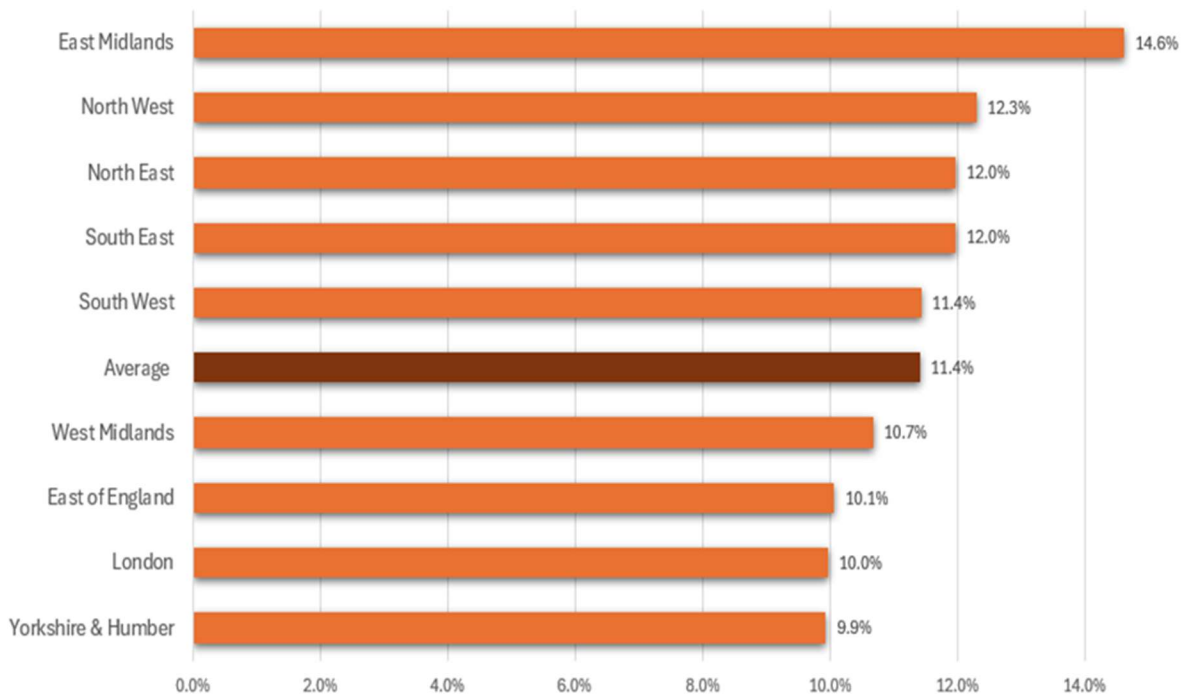


Fig 1. children's home placements as a percentage per region

Regions

The East Midlands, with 14.6% (+3.2% above average) used more children's home placements than any other region. There were three other regions with above average use of children's homes, these were the North West 12.3% (+0.9%), South East and the North East both with 12% (+0.6%) and the South West with 11.4%.

Yorkshire & Humber with 9.9% (-1.5% below average) were the least likely regions to use children's home placements. The other regions with average or below use were London 10% (-1.4%), East of England 10.1% (-1.3%), West Midlands 10.7% (-0.7%) and the West Midlands 10.7% (-0.7%).

Variance

There was a 5.7% variance in the local authority with most CYP living in a residential children's home, the East Midlands with 14.6% and Yorkshire & Humber with 9.9% (-1.5% below average).

This means CYP in care in the East Midlands were 68% more likely to live in a children's home than if they lived in Yorkshire & Humber and 28% more likely than the regional average. The CYP in Yorkshire and Humber were 15% less likely to be in a children's home than the regional average.

Local authority highlights

Lancashire had the highest number of CYP in children's homes (273), followed by Birmingham (228) and Bradford (223).

Nottinghamshire had the highest percentage of CYP living in children's homes (21.0%), then Nottingham (19.8%) and Richmond upon Thames (18.9%). North Lincolnshire had the lowest percentage of CYP living in children's homes (3.4%) followed by Islington (3.9%) and Luton (4.5%).

Local Authority	No. of CYP in children's homes	Local Authority	Highest % of CYP in children's homes	Local Authority	Lowest % of CYP in children's homes
Lancashire	273	Nottinghamshire	21.0%	North Lincolnshire	3.4%
Birmingham (Children's Trust)	228	Nottingham	19.8%	Islington	3.9%
Bradford (C&F Trust)	223	Richmond upon Thames	18.9%	Luton	4.5%
Nottinghamshire	200	Westmorland and Furness	18.4%	York	4.5%
Derbyshire	173	West Sussex	18.4%	Redbridge	4.8%
Hampshire	171	Oxfordshire	18.0%	Tower Hamlets	5.0%
West Sussex	168	Lewisham	17.9%	Slough (Children First)	5.0%
Leeds	163	Buckinghamshire	17.9%	Wakefield	5.4%
Kent	158	Northumberland	17.8%	Torbay	5.4%
Northamptonshire (Children's Trust)	156	Wokingham	16.9%	North Yorkshire	5.5%

Table 1. Number of LA CYP in children's homes incl. highest by total and highest & lowest by percentage

4. Local Authority children's home capacity

a. Current capacity

On September 1st, 2024, England wide, there were 347 local authority homes offering a maximum of 1322 beds.

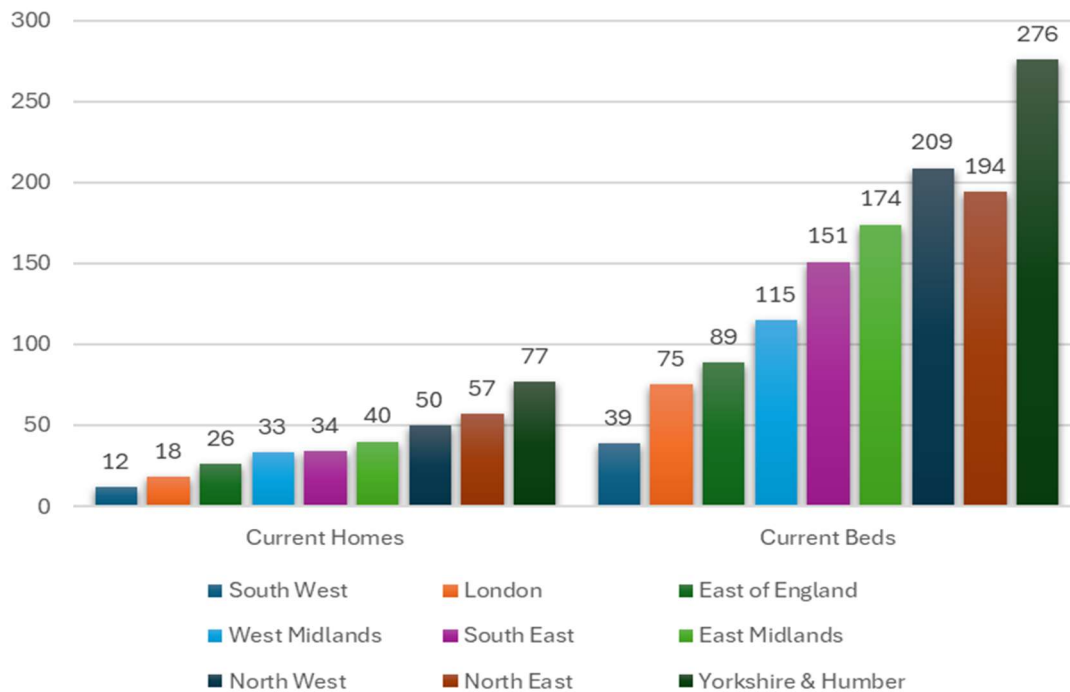


Fig.2 Current local authority children's homes in England - Sept 24

Regions:

Yorkshire & Humber had the highest number of LA operated homes by region - 77 homes offering a maximum of 276 beds, followed by North East 57/194, North West 50/209, East Midlands 40/174, South East 34/151, West Midlands 33/115, East of England 26/89 and London 18/75. The South West had the lowest number of LA operated homes with 12 offering a maximum of 39 beds.

Across England 11.4% of children and young people (CYP) in residential children's homes are living in a local authority operated home. Leaving 88.6% of CYP in private or voluntary provision.

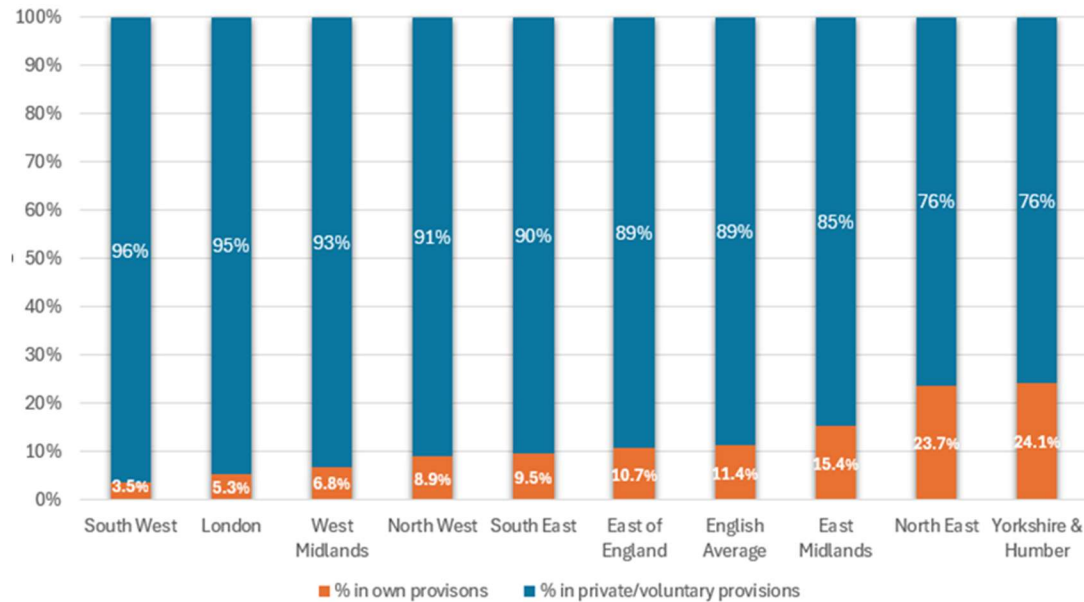


Fig.3 CYP living in Local Authority operated homes vs Private/Voluntary

Regions:

Yorkshire & Humber had the highest proportion of CYP in residential children's homes in their own local authority operated homes with 24.1%, followed by 2 regions with more than English average, the North East with 23.7% and the East Midlands with 15.4%.

Of the local authorities with less than the average children living in their own provision, the South West has the lowest proportion followed by London with 5.3%, West Midlands 6.8%, North West 8.9%, South East 9.5%, and East of England with 10.7%.

Local authority highlights

Lancashire has the highest numbers of CYP living in its own local authority operated homes (50), followed by Hull (36) and both Derbyshire and Lincolnshire (35).

North Lincolnshire has the highest percentage of CYP in children's homes living in their own provision (71.4%), then Hull (62.1%) and North Yorkshire (53.6%). The English average is 11.4%.

Local Authority	Total no. of children's home cohort living in own provision	Local Authority	% of overall children's home cohort living in own provision
Lancashire	50	North Lincolnshire	71.4%
Hull	36	Hull	62.1%
Derbyshire	35	North Yorkshire	53.6%

Lincolnshire	35	Lincolnshire	47.9%
Leeds	31	Wakefield	42.1%
Sunderland (Together for Children)	31	Sunderland (Together for Children)	40.3%
Hampshire	28	Kirklees	36.6%
Leicester	28	North Tyneside	32.1%
West Sussex	28	Darlington	31.6%
Hertfordshire	27	North East Lincolnshire	31.1%

Table 2. Total number and percentage of overall children's home cohort living in own provision

b. Projected capacity

77 local authorities have firm, budgeted plans to open their own children's homes by the end of the 2026/2027 financial year, this equates to 237 new homes throughout England bringing the total homes to 584 homes. Of these 237 homes, 100 have received DfE match grant funding.

Of these 77 local authorities planning to open homes, 26 do not currently operate their own children's homes.

Due to this local authority and DfE investment, it is predicted that by the end of March 2027 that 17.9% of children and young people (CYP) living in children's homes will be living within a local authority operated home - an increase of 64%. This will reduce the reliance on private and voluntary children's homes to 82.1% from 88.6%.

Regions:

It is projected that by March 2027 that the North East will have the highest proportion of CYP in residential children's homes in their own local authority operated homes with 34.36%, followed by 4 regions with projected percentages higher than the English average of 17.9%, Yorkshire & Humber 30.1%, East Midlands 20.5%, South East 19%, East of England 18.9%. (See fig.3)

London will have the lowest proportion of CYP in residential children's homes in their own provision at 9.7%, followed by West Midlands 10%, South West 11.9% and the North West 14.4%.

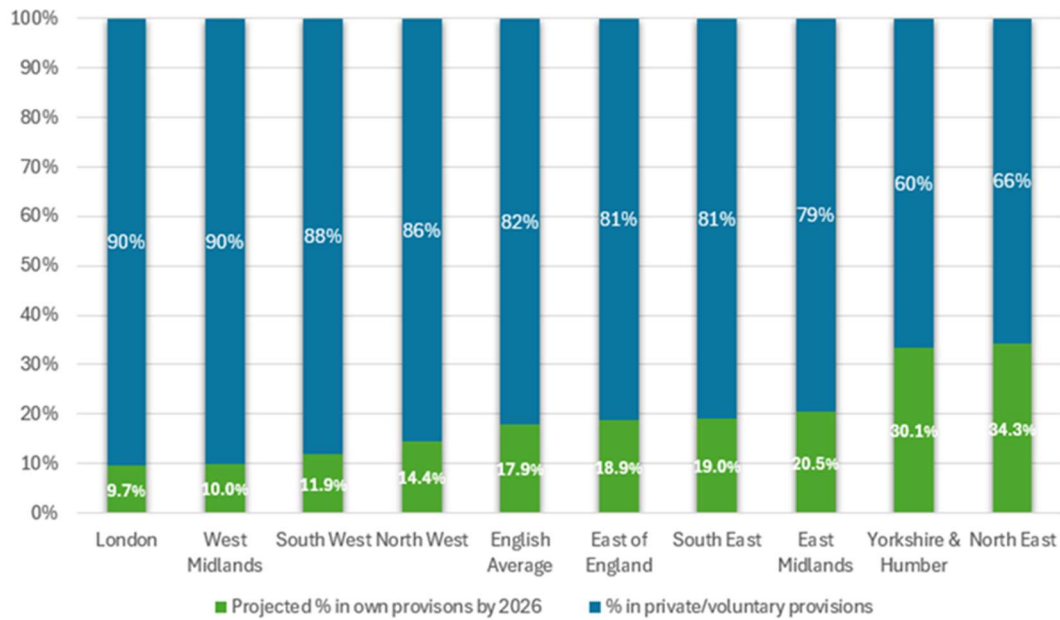


Fig.4 CYP living in Local Authority operated homes vs Private/Voluntary – Projected by March 2027

Local authority highlights

Kent is planning the largest children's home growth (54 beds) followed by Lancashire (40) and Leeds (37). By March 2017 it is projected that Leeds will have the most children's home beds (94), then Lancashire (92) and Surrey (65).

Local Authority	New beds planned	Local Authority	Total beds (Mar 27)
Kent	54	Leeds	94
Lancashire	40	Lancashire	92
Leeds	37	Surrey	65
Buckinghamshire	30	Hertfordshire	57
Hertfordshire	30	Kent	54
Surrey	30	Durham	52
Coventry	24	Derbyshire	51
Devon	23	Buckinghamshire	44
Bristol	22	Suffolk	41
South Gloucestershire	20	Leicester	41

Table 3. Highest new and total children's home bed numbers by LA

If all the new homes planned were delivered across England, from April 2027 we should see an increase from 347 to 584 local authority operated homes.

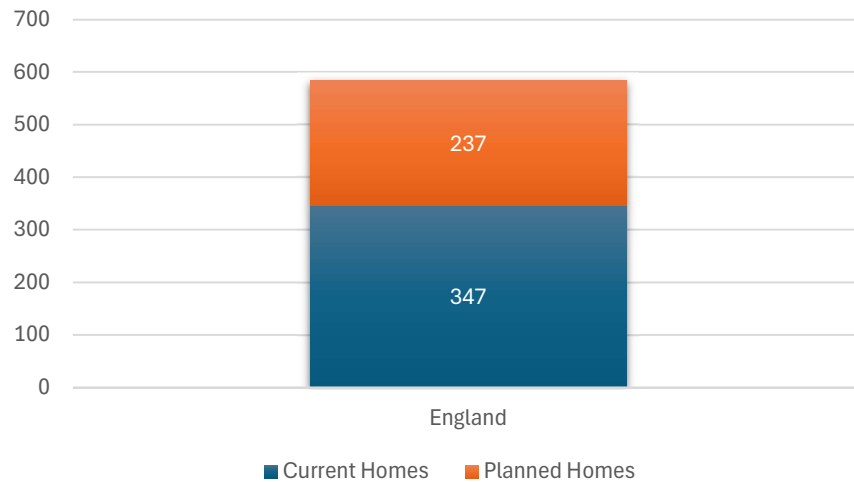


Fig.5 Current (Sept 24) and planned (Mar 27) local authority children's homes in England

This home increase equates to an additional 755 available beds providing a total maximum bed number of 2077 beds.

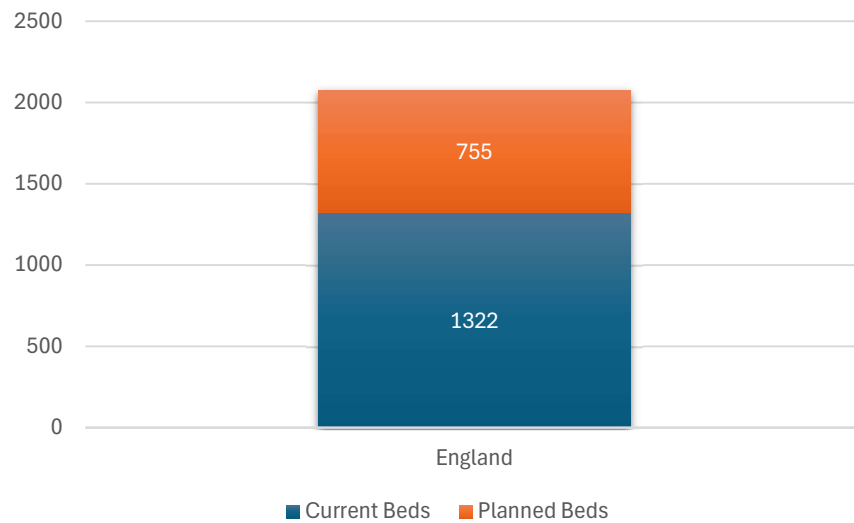


Fig.6 Current (Sept 24) and planned (Mar 27) local authority children's homes beds in England

Regions:

The North West are planning on opening the most homes with a new 43 homes offering an additional 129 beds. The South East are planning to open 35 new homes offering the highest additional beds numbers at 153.

The East Midlands is planning on opening the least homes at 17, offering an additional 51 beds.

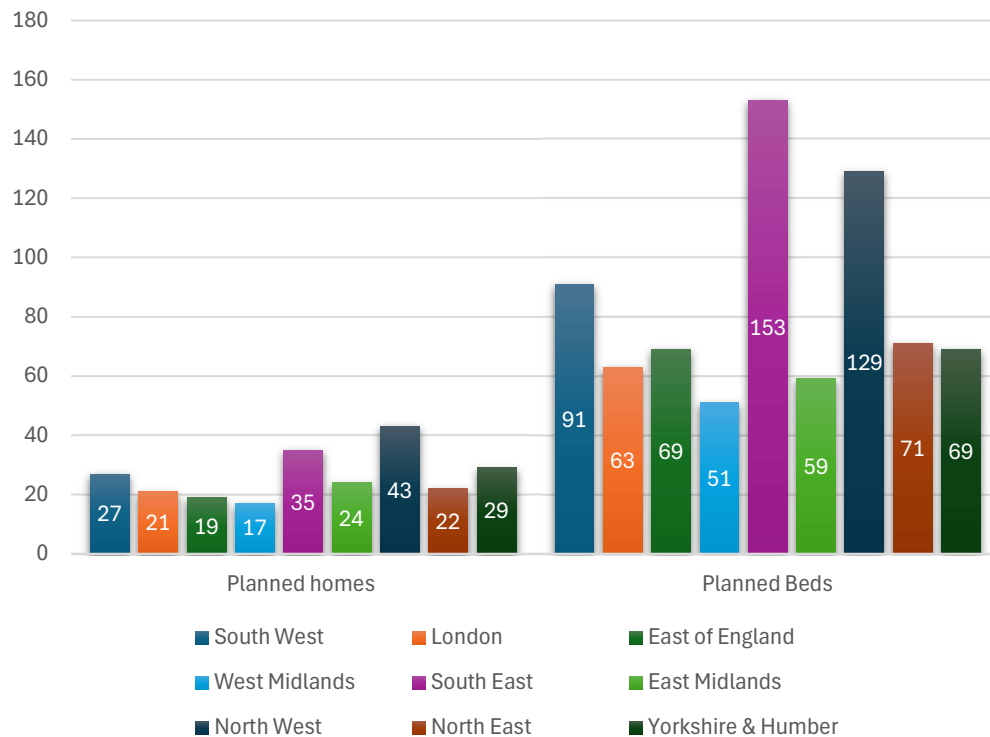


Fig.7 Planned new local authority children's homes in England by Mar 2027

Regions:

As a proportion the South West is planning the most ambitious growth as a percentage of their current provision with 27 new homes, a 225% increase. London has plans for 21 new homes, an 117% increase. The South East is projecting a 103% increase.

Yorkshire & Humber are reporting the lowest growth plans with a 38% increase in homes but because of the size of their current children's home stock that still equates to 29 new homes.

Local authority highlights

The South West local authorities of Devon, Bristol, Gloucestershire and Wiltshire are making considerable investments into new provision leading to the significant increase in bed growth in this region.

South East local authorities have also reported significant ambitious growth plans with Kent, Surrey, Buckinghamshire and Oxfordshire all planning a big increase to their current provision.

London authorities will see a significant increase in local homes with 12 authorities opening new provisions. 9 of these local authorities do not currently operate children's homes.

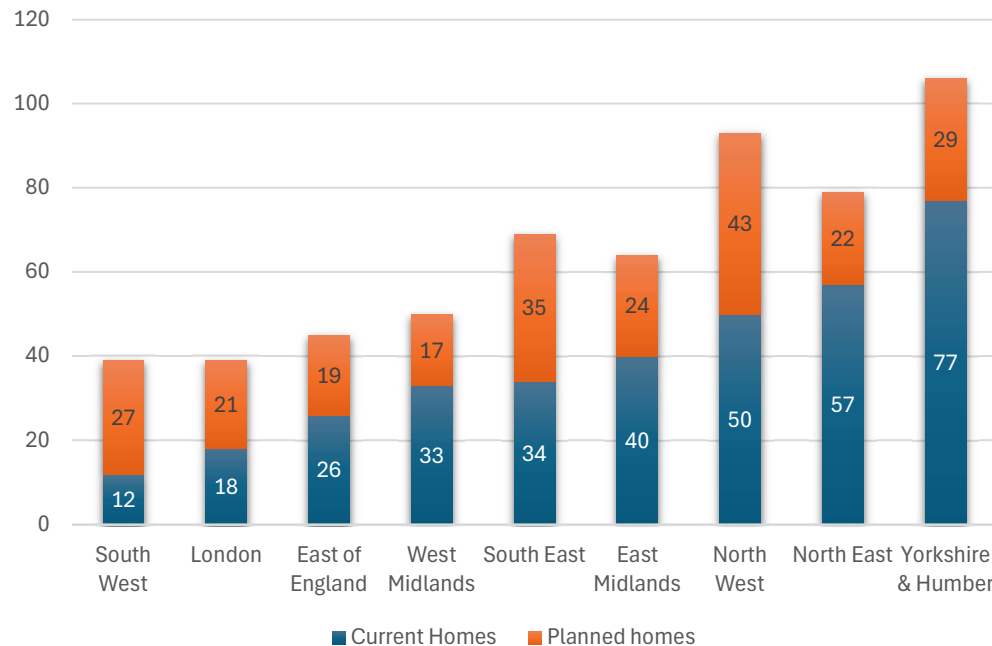


Fig.8 Current (Sept 24) and planned new local authority children's homes in England by Mar 27

Local authority highlights

East Riding have plans to create enough children's homes plans to meet 90% of their current demand for children's home beds, followed by North Lincolnshire (86%) and Westmorland & Furness (66%).

Local authority	% of CYP requiring children home bed living in LA operated home (Mar 27)
East Riding	90%
North Lincolnshire	86%
Westmorland &Furness	66%
Warrington	63%
Wakefield	63%
Hull	62%
Coventry	60%
Kirklees	59%
Hillingdon	58%
Leeds	58%

Table 4. % of CYP requiring children home bed living in LA operated home (Mar 27)

5. Occupancy adjustment

The current average local authority children's home occupancy rate across England is 80%

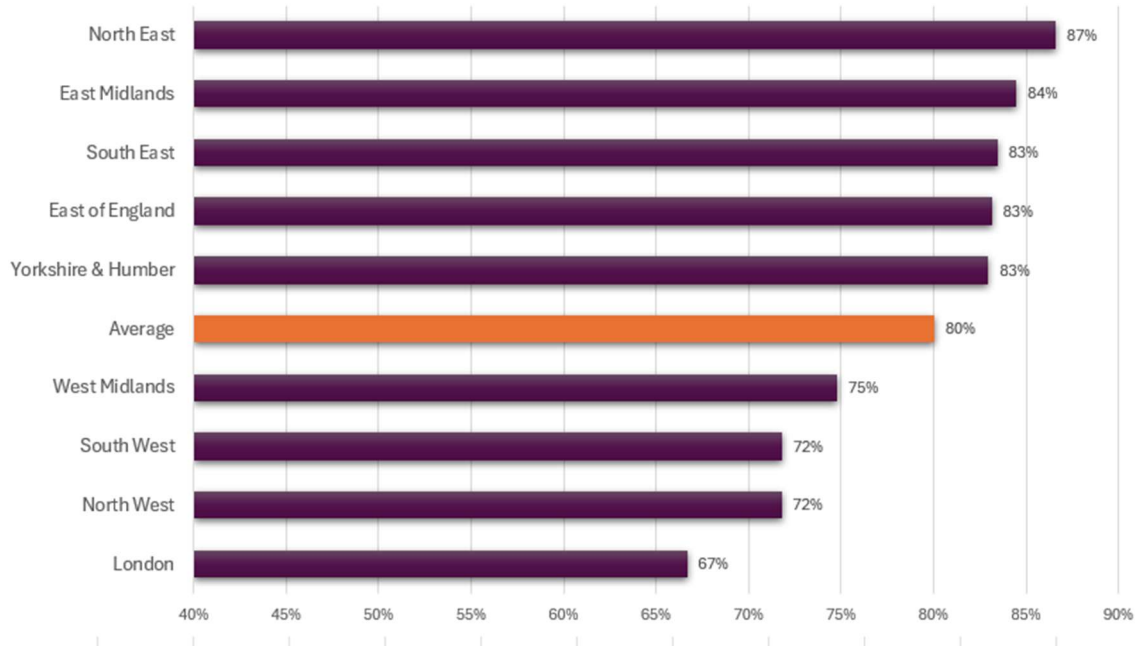


Fig.9 Local Authority Children's Homes – Current Occupancy Rates (Sept 24)

Regions:

The highest occupancy rates are found in the North East with 87% and the lowest being in London with 67%.

Using the current occupancy rates, it gives us the opportunity to predict what the overall beds use will be per region with the new homes being delivered by March 2027.

The South East should see the greatest increase in beds used at 126 followed by the North East with 73 and then the South West with 66. The West Midlands will see the lowest rise in used beds with 39.

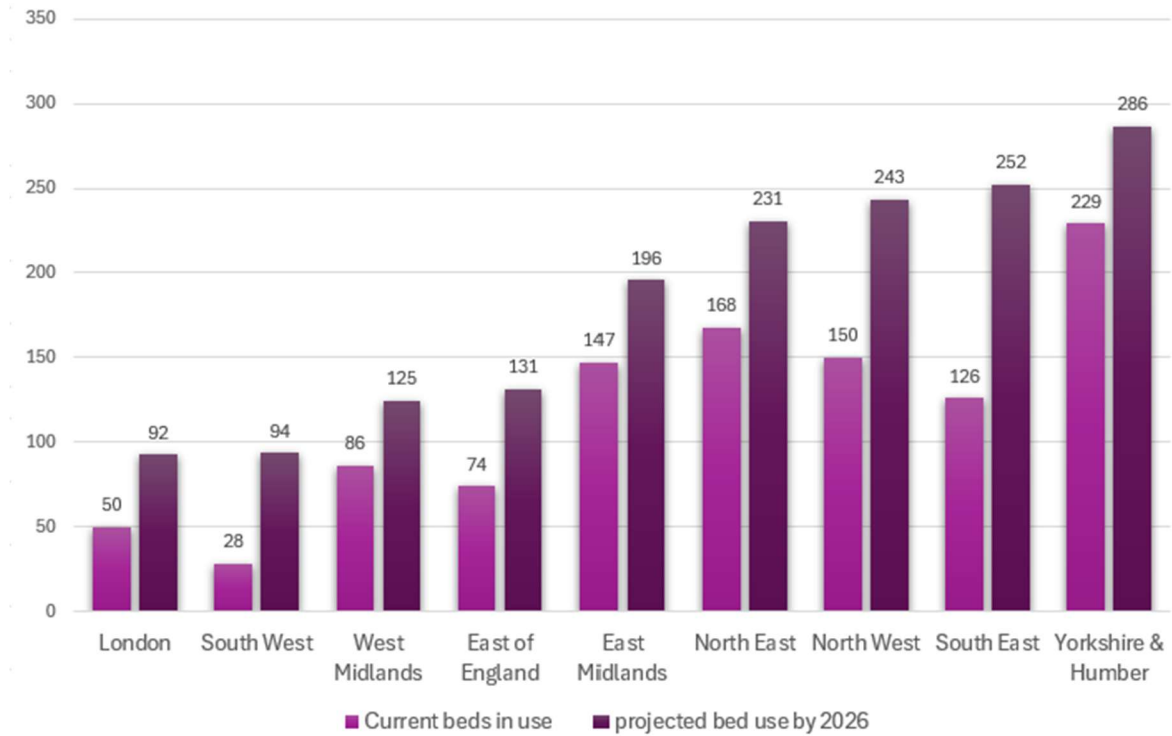


Fig.10 Projected growth in actual children's home bed use per region by Mar 27

The South East should see the greatest increase in beds used at 126 followed by the North East with 73 and then the South West with 66. The West Midlands will see the lowest rise in used beds with 39.

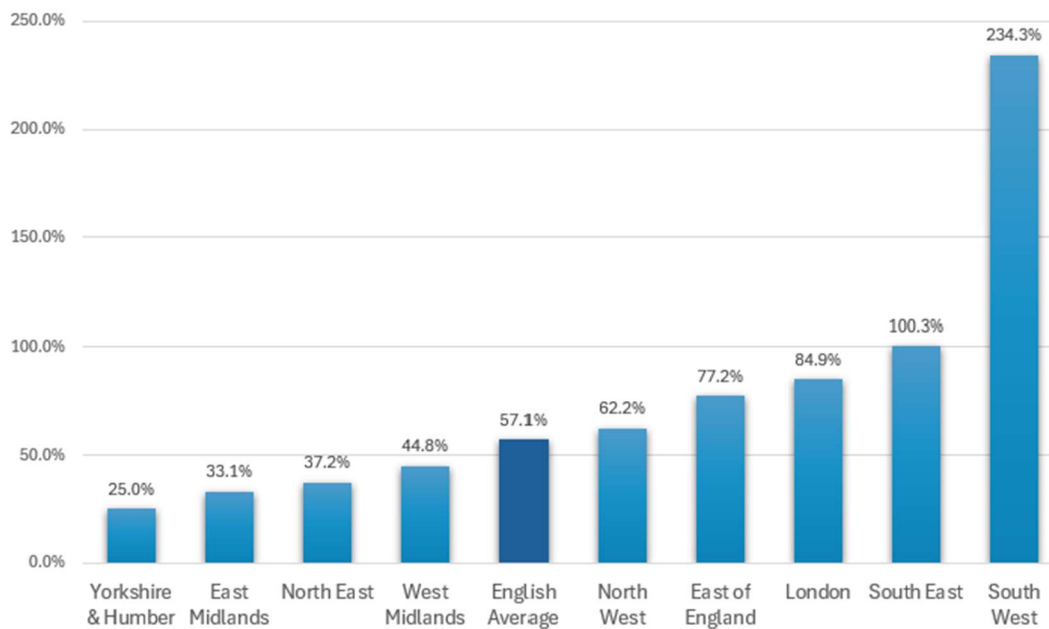


Fig.11 Projected growth in actual beds used in LA children's homes by percentage per region Mar 27

Regions:

The South West should see the largest rise in beds used with an increase of 234%, next is the South East with 100% and then London with 84.9%. Yorkshire & Humber has the lowest projected bed use increase at 25%.

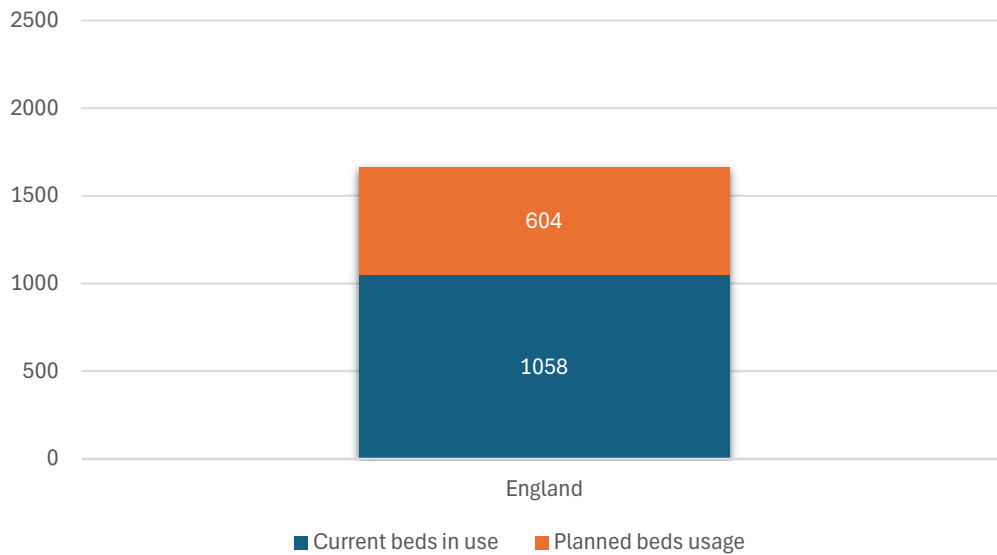


Fig.12 Projected growth in actual beds used in LA children's homes by percentage per region by Mar 27

As a percentage, the average bed use growth across England should be around 57% after the new homes are operational. An increase of 604 beds in use, up from 1058 to 1662.