



Sector updates

Chris Freestone.
December 2025

KCSiE and WTTSC

- Planning for a substantial KCSiE 2025-2026
- All legislation currently in the Lords final stages and then to the Commons
- Working Together review 2026
 - Recognition that the two statutory frameworks do not currently align.



Ofsted annual report

- Social care providers

We regulate and inspect children's social care providers using the social care common inspection framework (SCCIF).

There are different types of social care providers that we inspect and regulate. On 31 March 2025 there were:

- 4,010 children's homes, including 49 residential special schools that are registered as a children's home,
13 secure children's homes (SCHs), and 1 secure 16 to 19 academy
- 890 supported accommodation providers
- 340 independent fostering agencies

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Ofsted annual report

- 110 residential family centres
- 29 adoption support agencies
- 29 voluntary adoption agencies
- 10 residential holiday schemes for disabled children

In addition, we inspect 95 residential special schools, 51 boarding schools and 34 FE colleges with residential accommodation.

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Ofsted annual report

- Children's homes

There were 4,010 children's homes of all types as at the 31st March 2025. This was a 15% increase (520 homes) from the previous year (3,490) and is the highest number ever registered with Ofsted.

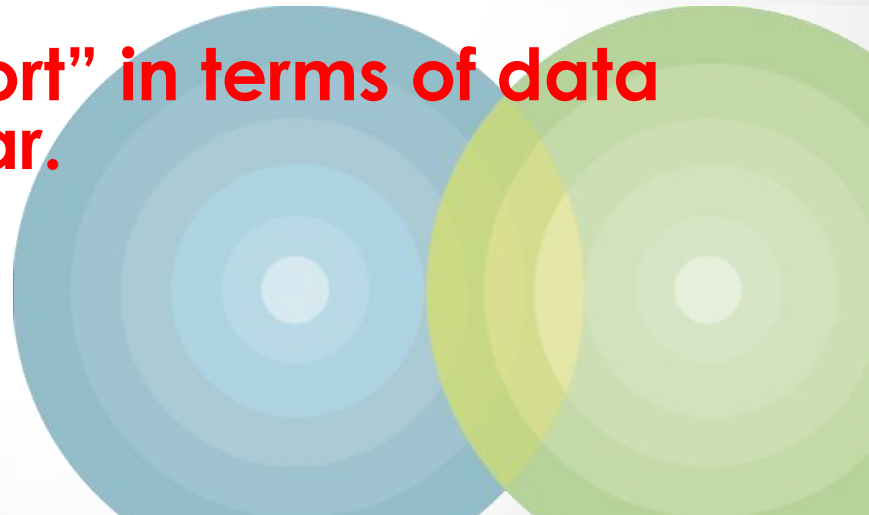
Although the number of children's homes increased in all regions this year, homes are still not evenly distributed across England. Similarly to last year, the North-West accounts for a quarter of all children's homes and almost a quarter of all places.

- Distribution of children's homes does not align with demand.



Ofsted annual report

- While 26% of children's homes are in the North- West, only 18% of looked-after children come from that region
The majority of children's homes are privately owned. This trend has continued to grow steadily and reached 84% (3,350) in 2025.
- This year, the majority of new registrations have come from organisations that already operate other children's social care provision registered with Ofsted.
- **Generally, a “lighter report” in terms of data and presentation this year.**



Thinking ahead- some focus areas

- Inclusion, vulnerability
- SEND
- School attendance
- The voices of children and young people – are we really hearing them ?
- Online safety
- Using AI
- Stability in placement



Institute for Government report 2025

- <https://www.instituteforgovernment.org.uk/publication/performance-tracker-2025/local-services/children-social-care>

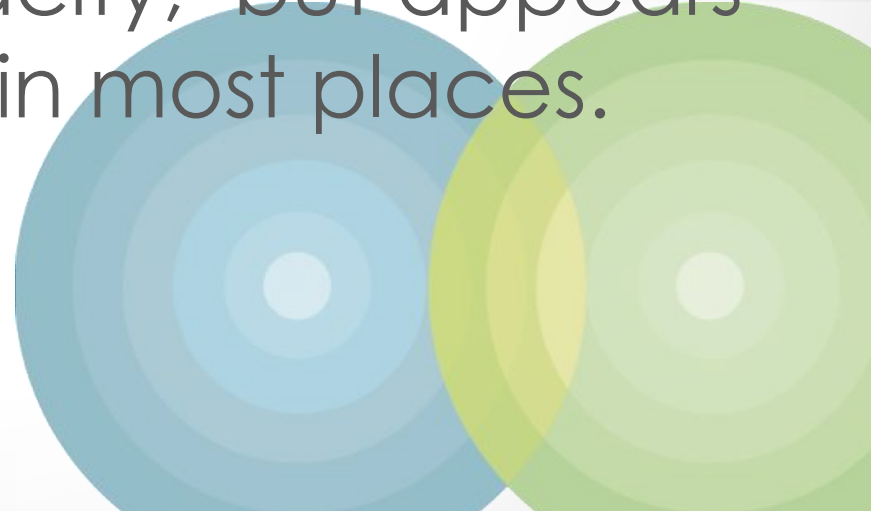


Institute for Government report

- Spending on children's social care has grown faster than economy-wide inflation every year since at least 2009/10.
- In 2023/24, local authorities in England spent £13.3 billion on children's social care, nearly a quarter (23%) more in real terms than the £10.8bn spent on the eve of the Covid pandemic in 2019/20 and two thirds (68%) more than the £7.9bn spent in 2009/10.²
- Local authority budgets shrank because of cuts in the early 2010s, and they have yet to fully recover. In 2024/25, local authority core spending power was 5.4% lower in real terms than it was in 2010/11.
- Children's social care is therefore eating up a substantially bigger – and growing – share of available money. In 2011/12, spending on children's social care accounted for 18% of local authority spending. By 2024/25, it had reached 27%.⁵ It is now the biggest financial pressure that most councils face, putting some at risk of insolvency.

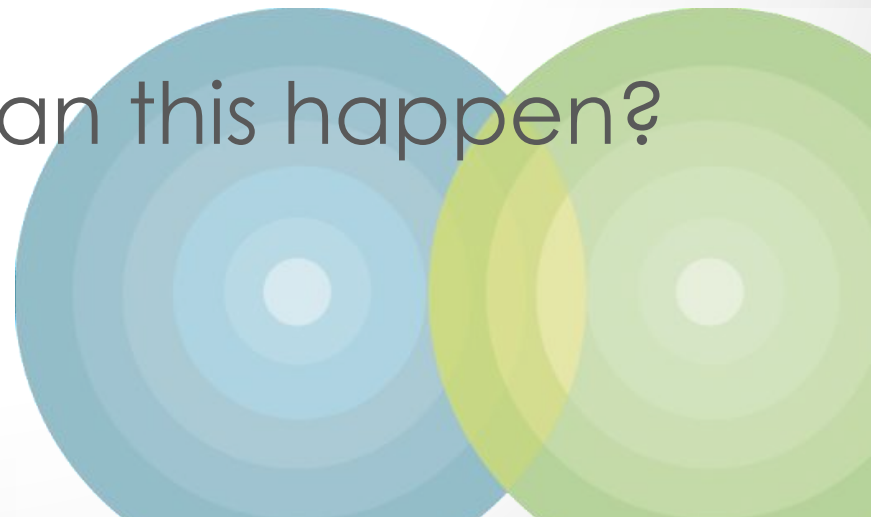
Institute for Government report

- Another factor driving overspend, then, is local authorities' proficiency at forecasting demand and planning provision accordingly. This varies significantly from area to area, depending on factors such as leadership and capacity, but appears to be relatively poor in most places.



Report continued

- Many local authorities report that children in receipt of social care have increasingly complex needs. Ofsted defines complexity as describing “multiple, overlapping needs” that “require a collective response from multiple agencies”
- Is this happening / can this happen?



Report continued...

- Directors of children's services report that the rising complexity comes at least in part from children's inability to access other services, particularly mental health services.
- Children's and young people's demand for mental health services has exploded in recent years, with referrals rising by 11.7% per year, from roughly 40,000 a month in 2016 to nearly 120,000 a month in 2024.¹⁰⁴
- The capacity of mental health services has seriously lagged behind. Since 2016, the number of people in contact with child and adolescent mental health services has risen more than four times faster than growth in the child and adolescent psychiatry workforce.¹⁰⁵

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Sector updates

Crime and Policing Bill ,and Children Well being and Schools bill are both still at the report stage in the House of Lords.

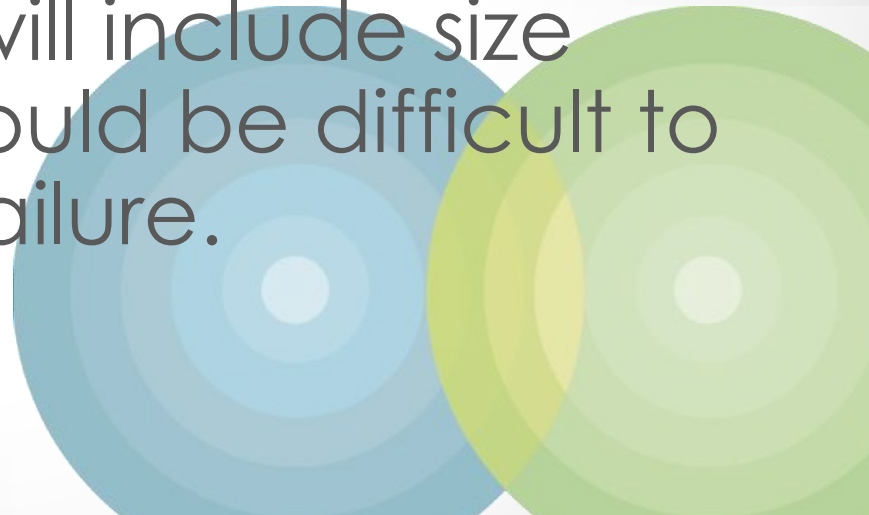
Late winter /early spring for Royal assent?



Children , well being and school's bill

- At this stage the regulations and processes in respect of financial oversight of providers has not been hugely amended.
- There will be a provision in legislation to introduce financial oversight for providers who meet the conditions in the regulations- this will include size and whether they would be difficult to replace in event of failure.

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Children , well being and school's bill

- If there are financial concerns the government can impose the submission of a “recovery and resolution “plan. This must clearly identify the risks to financial stability and the actions the provider will take
- If the government, see a “significant risk “ in the plan proposed or the finances ,they will have the right to arrange an independent business review of the provider and for them to act upon the independent response plan.
- They will also warn the LAs so that they can create an appropriate failure plan.

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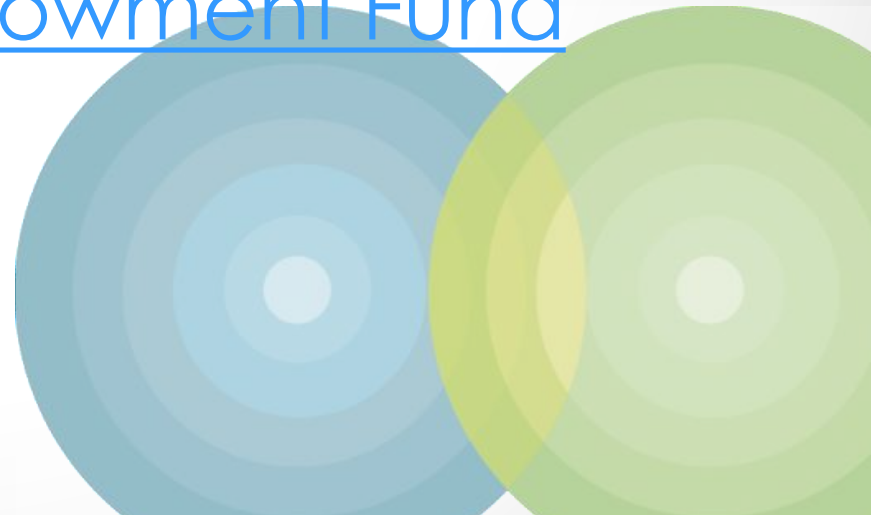
Taxi drivers

- Following on from the Casey report into grooming gangs and the role that the loopholes in the taxi driver system played there is now secondary legislation going through re.:
 - new national standards for taxi drivers
 - Reduction in licensing authorities from 270+ to 70 in England- seen to be likely to give a more consistent approach.

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Youth Endowment Fund report

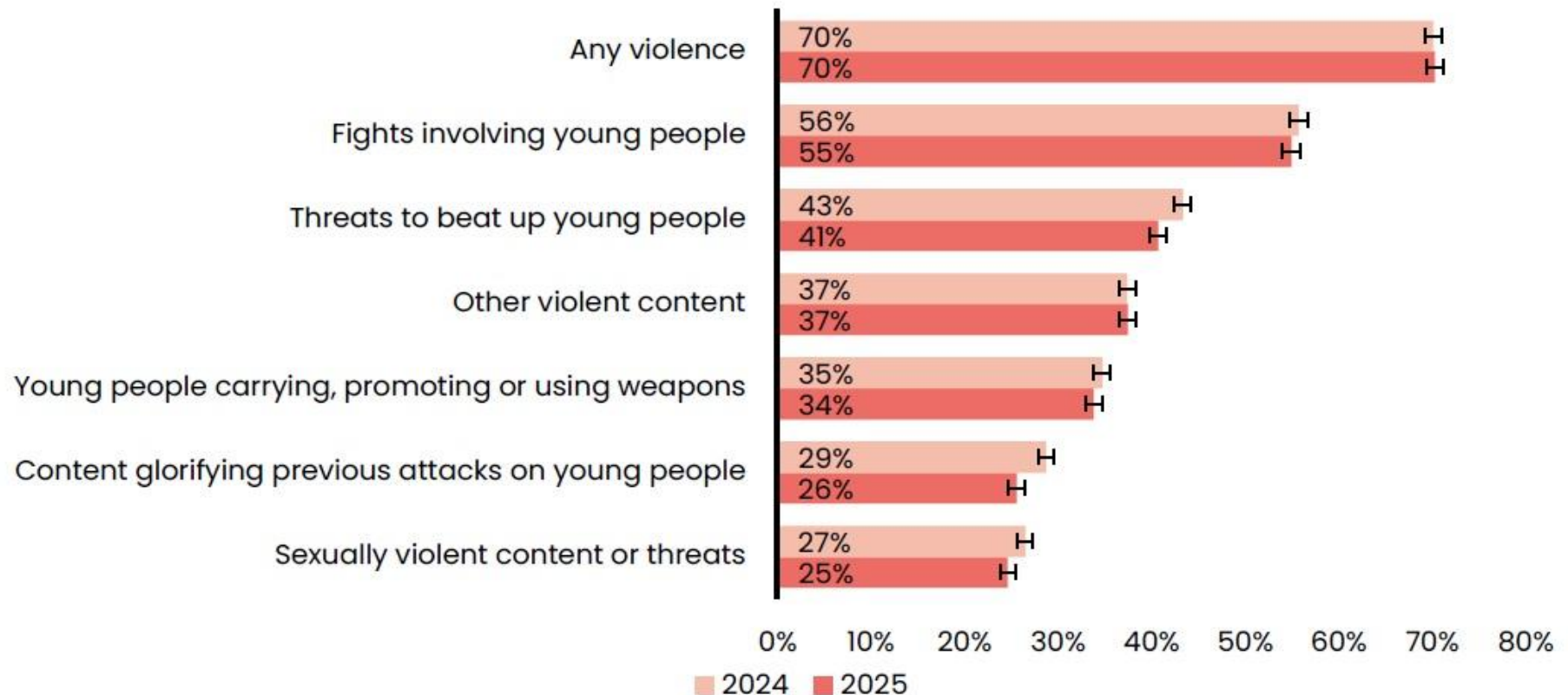
- Violence prevention charity Youth Endowment Fund surveyed 10,807 children across England and Wales for the [Children, Violence and Vulnerability 2025](#) report
- [The scale of violence affecting children | Youth Endowment Fund](#)



Youth Endowment Fund report

Most teens continue to see real-world acts of violence on social media.

PROPORTION OF 13-17-YEAR-OLDS SEEING DIFFERENT TYPES OF VIOLENCE ON SOCIAL MEDIA



Notes. Error bars represent 95% confidence intervals – this reflects the range we expect the true value to fall within. Figures for 2024 have been updated from those published last year to reflect the revisions in the weighting methodology – for more details, see the technical report on our website.

focus

- Gangs
- Online violence
- Mixed ideology
- Weapons
- Think Prosper and Rudakubana



Sector updates

- Any thoughts or queries?

Thank you- Chris

