



Market Position Statement April 2025: Children's Homes

Where we are now

Stable numbers of children in care and more stable use of children's homes.

- **The number of children in care in Lancashire fell significantly** (from 2127 in March 2019 to 1699 in March 2025) **but has now plateaued.**
- **Between March 2021 and March 2024, the number of Lancashire children in care who were living in a children's home increased significantly** (from 180 to 260).
- **71 more Lancashire children were living in an agency children's home** in March 2024 than in March 2021, meaning that most of the increased use of children's homes was with private providers.
- **The number of children in care and the number of children living in children's homes has remained stable throughout 2024/25**, at around 1700 children in care and around 260 children living in children's homes.

There are more than enough children's homes in Lancashire to meet local demand, but we have not always been able to find suitable, good quality and good value local homes for all our children who need one.

- **Lancashire has the largest number of children's homes within its local authority area than any other local authority in England.** 8% of all children's homes in England are in Lancashire, with most operated by agency providers (330 out of 347 as of March 2025).
- **There is over four times as much children's home provision than is needed in Lancashire but despite this some of our children are having to live outside of Lancashire.** According to Ofsted's register of children's homes (March 2025) there was a total of 330 Ofsted registered children's homes run by private providers in Lancashire, able to care for up to 980 children. As of 31 March 2025, only 149 Lancashire children were living in an agency Ofsted registered children's home in Lancashire. Almost a quarter (23%) of Lancashire children who were living in an agency Ofsted registered children's home were living outside of Lancashire, with most living there not because it was part of their care plan to live at a distance from their community but because a suitable home could not be found in Lancashire (as they were full of children from other Local Authority areas).
- **Only 34% of agency Ofsted registered children's homes in Lancashire have Lancashire children living there** (113 out of 330 agency Ofsted registered homes - March 2025).
- **Only 15% of beds in agency children's homes in Lancashire are being used by children from Lancashire** (March 2025).
- **More and more agency children's homes continue to be opened in Lancashire**, despite already high numbers. The increase in Lancashire is higher than the increase nationally (54% increase between March 2023 to March 2025 in Lancashire, compared to a 31% increase nationally). More homes in our area further exacerbates the already challenging staff recruitment and retention issues being faced by children's home providers in Lancashire and risks impacting on quality across both new and existing homes.



Very high numbers of children in care living in Lancashire from other local authority areas significantly impacts on local services.

SCHOOLS

- As many children in care have special education needs or have a history of disrupted education, high numbers of children in care from out of area is placing a high demand on alternative educational provision (i.e. Pupil Referral Units or PRUs). Secondary PRUs and special schools in Lancashire are already over capacity and this additional demand is impacting on the local authority's ability to fulfil statutory duties for excluded pupils (which is the main purpose of a PRU).
- The high number of out of area children in care that are moving into children's homes is putting a strain on admissions in both secondary and primary schools. This is impacting on our ability to find school places for Lancashire's own children in care, as schools are routinely reporting that they cannot meet any further demand due to the high numbers of children in care they already have on roll.

HEALTH

- There are over 1000 children from other Local Authorities living in Lancashire for whom health have a responsibility to complete statutory health assessments and act as lead health professionals.
- These children tend to have a higher complexity of health needs and require various health services. This puts a high demand on already stretched services such as Child and Adolescent Mental Health Services (CAMHS) and Accident and Emergency Services.
- Increasingly out of area children move to Lancashire without any or very little prior planning, which can mean that children are moving into Lancashire without a robust plan for how their health needs will be met.
- An average of 4 young people per day (who have been admitted due to emotional and wellbeing needs) are unable to move out of hospitals in our area because there is not a suitable home for them to move to.

POLICE

- Evidence shows that 1 in 10 children in care will be reported missing. Children in care will be reported missing on an average of 5 occasions as opposed to 2 occasions for children not looked after by the local authority.
- The large number of homes in Lancashire is making meaningful, regular engagement between Missing Person Prevention Officers and children's homes difficult to achieve.
- In addition to police responding to children being missing, police also respond to crime related incidents linked to children living in children's homes.



We can still, at times, struggle to find suitable, good quality and good value local homes for some of our children, but things are improving.

- **We can sometimes struggle to find suitable, good quality and good value local homes for children who have a higher complexity of need/ behaviours.** These children tend to require smaller children's homes (caring for 3 children or less) that have a higher staffing ratio (of at least 1:1).
- **However, finding children's homes for our children in care is becoming less challenging.** 25% of our searches for children's homes were classed as 'hard-to-find' in 2024/25, compared to 32% in 2023/24 and 43% in 2022/23.
- **More Lancashire children, who have needed to move into an agency children's home, have remained in Lancashire.** In 2023/24, 69% of children who moved into an agency children's home remained in Lancashire. This increased to 90% in the last half of 2024/25.
- **Competition from the market to provide homes for children with a lower complexity of need/ behaviours is high and we often receive lots of offers of homes for these types of children.** Offers are considered in ascending order of cost, and less cost-effective homes are less likely to be considered for these types of children.
- **Competition from the market to care for children in a 2-bed children's home is also high.** This is due to a sharp growth in Lancashire of this type of provision over the last 2 years (from 57 homes in 2023 to 125 homes in 2025). Almost 40% of children's homes in Lancashire are now 2-bed children's homes. As a result, we are finding that we are regularly receiving multiple offers for these types of homes from agency providers. Offers are considered in ascending order of cost, and less cost-effective homes are less likely to be considered. We are also finding that some providers are offering their 2-bed homes for children that we do not consider require such a home.
- Simply allowing more agency children's homes in Lancashire to open is not the solution to addressing identified gaps in local provision, as their use for Lancashire children is not guaranteed. There are already too many agency children's homes in Lancashire that are not caring for Lancashire children, and we do not need any more homes that do this.
- Lancashire Children's Services is a consultee for most district councils in Lancashire. **Any provider who is considering opening a new home in Lancashire is encouraged to speak to Lancashire's Access to Resources Team (ART) so plans can be fully understood. Failure to do this is likely to result in Lancashire Children's Services not supporting a planning application.**
- Children's Homes run by Lancashire County Council guarantee exclusive use for Lancashire children. **To help address identified local gaps in provision, Lancashire County Council's Cabinet has agreed to expand the existing number of in-house children's homes from 15, to a maximum of 30** (an increase from caring for 52 children up to a maximum of 100 children).

There are particularly high numbers of Ofsted registered children's home in Fylde and Wyre districts.

- As of March 2025, Fylde had 52 Ofsted registered children's homes in its area (compared to 24 in March 2023) and Wyre had 44 children's homes (compared to 23 in March 2023).
- 41% of new homes opened in Lancashire in the last 2 years (and are still operational) are in Fylde and Wyre.
- **The proximity to other Ofsted registered children's homes will be an important consideration in Lancashire Children's Services response to planning applications** (not just in Fylde and Wyre but in all areas of Lancashire).

There are enough solo children's homes in Lancashire to meet local need.

- **Solo children's homes will only be used by Lancashire in very specific circumstances and would not usually be a child's long-term plan.** Solo homes will only be considered for a very small cohort of our children, whose needs have been assessed as very high risk at that time, with the impact being such that other children could not safely live alongside them, or because this would further increase the risk to the child.
- Children who need a solo home tend to be in a period of crisis, with frequent incidents of concern and daily worries for the child's safety and well-being. However, children do not tend to remain with such level of need in the longer term, and with the right care and intervention, we expect to see levels of risk reduce and for children to make progress. Solo homes are considered periods of intervention whilst children receive the necessary support to reduce risk and to move on to their longer-term home.
- To reduce the need for a child to experience an additional move, our preference would be to place a child who requires to live on their own into a home that could in the future support another child to move in (i.e. the first child into a 2-bed children's home).
- As of March 2025, there were 37 solo agency children's homes in Lancashire. Most of these homes were not caring for Lancashire children.
- **We do not consider solo children's homes to be a local gap in provision and therefore Lancashire Children's Services is very unlikely to support a planning application for such a home.**

Where we want to be

- **More Lancashire children (who are living in children's homes) living in homes in Lancashire**, in line with best practice of children living in homes close to their local community/school/ friends.
- **A higher proportion of children living in children's homes that are delivered by the Local Authority** (increase from 20% to 25% initially; then 33%; and an aspiration of 50% longer term).
- **New homes that open prioritise and care for Lancashire children.**



- **Homes that can effectively care for the following needs/ behaviours and will care for Lancashire children:**
- Complex mental health needs
 - Criminal behaviours, including high risk of exploitation, damage to property, possession of knives/ weapons, and arson
 - Aggression/ violence
 - Harmful sexualised behaviours
 - Complex Autism
 - Children with profound physical and/ or learning disabilities

What we don't need

- **Any more agency children's homes opened by providers who do not prioritise providing a home for a Lancashire child:** Further children's homes opening that take children from outside of Lancashire will put further pressure on health services, schools and police. They will also further exacerbate the current staff recruitment and retention challenges.
- **Any more children's home for one child only.**
- **Any further residential family assessment units:** We have enough locally to meet demand and do not struggle to secure this type of provision.
- **Larger children's homes or those aimed exclusively at younger children (i.e. under 11),** as we do not tend to struggle to secure these types of homes or place children as young as 11 in a children's home.

Who we need

Good quality and good value providers who are willing to work collaboratively with Lancashire County Council to address local gaps in provision and deliver local homes for Lancashire's children in care.

Please contact artenquiries@lancashire.gov.uk for any further discussions

