

## Children's Social Care - UK - February 2016

Report Price: £995.00 | \$1611.35 | €1263.96

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



"Children's social care is among the public sector's most challenging issues. Councils have to make life-changing decisions based on what is best for each child in need of care, and the budget it can afford. Services are now scrutinised by the public, politicians, and regulatory boards more than ever, which requires immediate action when services are not provided to a high enough standard."

– Lewis Cone, B2B Analyst

### This report looks at the following areas:

- What are the key determinants driving the industry?
- Was the market affected by the recession and how has it recovered since? Have there been any structural changes as a consequence?
- How has the government influenced and shaped the development of the sector?
- What are the key issues the UK industry needs to address to improve efficiency and performance?
- What does the future hold for the UK children's social care industry?

Every local authority (LA) must protect and promote the welfare of children in need in its area. To do this, they must work with families to provide support services that will enable children to be raised in their own families. In Northern Ireland, Health and Social Care Trusts (HSCTs) have a duty to safeguard and promote the welfare of children in need in their area.

**BUY THIS  
REPORT NOW**

**VISIT:**  
[store.mintel.com](http://store.mintel.com)

**CALL:**  
EMEA  
+44 (0) 20 7606 4533

Brazil  
0800 095 9094

Americas  
+1 (312) 943 5250

China  
+86 (21) 6032 7300

APAC  
+61 (0) 2 8284 8100

**EMAIL:**  
[reports@mintel.com](mailto:reports@mintel.com)

### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

# Children's Social Care - UK - February 2016

Report Price: £995.00 | \$1611.35 | €1263.96

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## Table of Contents

### Executive Summary

#### Market size

- Figure 1: UK market for children's social care, 2011/12-2015/16, (£ million)
- Figure 2: Segmentation of UK market for children's social care, by country, 2011/12-2015/16, (£ million)
- Figure 3: Number of children looked after, by country, 2015/16, (% of UK total)
- Figure 4: Segmentation of the UK market for children's social care, by type of care, 2011/12 and 2015/16, (% of total market)

#### Market trends

- Figure 5: UK children's home placements, at 31 March of each year (England, Wales and Northern Ireland) and 31 July of each year (Scotland), 2011/12-2015/16, (Number of children and £000)
- Figure 6: Children's homes in England, at 31 March 2015, by region and type of provision, (% of homes)
- Figure 7: UK foster care placements and average annual cost, at 31 March of each year (England, Wales and Northern Ireland) and 31 July of each year (Scotland), 2011/12-2015/16, (Number of children and £000)
- Figure 8: Segmentation of the UK market for children's social care, by type of provider, 2011/12-2015/16, (% of total provision)

Growth in fostering care demand is currently unsustainable

Referrals to children's social care fell in 2015 following an increase in 2014, while completed initial assessments have risen

- Figure 9: Number of referrals and initial assessments from referrals to children's social care, England, 2010/11-2014/15, (Number)

High profile abuse scandals keeps public spotlight on the standards of children's social care services

#### Market factors

- Differing levels of need provides challenges to care commissioners and operators
- A number of barriers restrict the market from operating at full efficiency
- Accountability difficulty due to lack of suitable and complete data
- Government launches reform of market that will force poor-performing services to improve or face being taken over

#### Companies

- Figure 10: Analysis of profiled companies' turnover, 2010-2014, (£ million)

#### Forecast

Stable growth expected over the next five years, but reform outcomes may affect development rate

- Figure 11: UK market forecast for children's social care, 2016/17-2020/21, (£ million)

Special education expected to account for largest proportion of total market expenditure

- Figure 12: UK market segmentation forecast for children's social care, by type of care, 2016/17-2020/21, (£ million)

#### What we think

### Key Insights

- How has the industry reacted to the growing level of children in need of being looked after?
- Can fostering services continue to cope with being the most used service in the industry?
- What has been the impact of high profile abuse scandals being reported in the media?

### Introduction

- Definitions
- Methodology
- Abbreviations

BUY THIS  
REPORT NOW

VISIT: [store.mintel.com](http://store.mintel.com)  
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094  
Americas +1 (312) 943 5250 | China +86 (21) 6032 7300  
APAC +61 (0) 2 8284 8100 |  
EMAIL: [reports@mintel.com](mailto:reports@mintel.com)

# Children's Social Care - UK - February 2016

**Report Price:** £995.00 | \$1611.35 | €1263.96

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Market positioning  
Legislation

## UK Economy

Key points

Overview

Figure 13: UK GDP quarterly development, 2004-15, (£ billion)

Figure 14: Quarters after GDP peak, 1979, 1990 and 2008, (Number of quarters and GDP as % of pre-downturn peak)

Inflation

Interest rates

House prices

Consumer spending

Manufacturing

Figure 15: UK output, by industry, 2008-15, (Index: Q1 2008 = 100)

Business investment

Figure 16: UK GFCF 2003-15, (£ million)

Imports

Exports

## Market Factors

Key points

Differing levels of need provide challenges to care commissioners and operators

Growing presence of private and independent companies in the industry

Industry's existing barriers to market entry still restricting development

Accountability difficulty due to lack of suitable and complete data

Shock closure and restructuring of the leading foster care association has forced the market to adapt

The first Ofsted inspections conducted under new framework met with mixed response

Government launches market reform that will force poor-performing services to improve or face being taken over

## Market Size and Trends

Key points

Figure 17: UK market for children's social care, 2011/12-2015/16, (£ million)

Figure 18: UK market for children's social care, 2011/12-2015/16, (£ million)

Regional analysis

Figure 19: Segmentation of UK market for children's social care, by country, 2011/12-2015/16, (£ million)

Figure 20: Segmentation of UK market for children's social care, by country, 2011/12-2015/16, (£ million)

Figure 21: Number of children looked after, by country, 2011-15, (Number of children)

Figure 22: Number of children looked after, by country, 2015/16, (% of UK total)

Figure 23: Number of children looked after in England, by age and gender, as of 31 March, 2011-15, (Number of children)

Figure 24: Number of children looked after in Scotland, by age and gender, as of 31 July, 2011-15, (Number of children)

Figure 25: Number of children looked after in Wales, by age and gender, as of 31 March, 2011-15, (Number of children)

**BUY THIS  
REPORT NOW**

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)

# Children's Social Care - UK - February 2016

Report Price: £995.00 | \$1611.35 | €1263.96

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 26: Number of children looked after in the UK, by age and country, as of 31 March (Rest of UK) and 31 July (Scotland), 2015, (% of children looked after)

## Market Segmentation

### Key points

#### Introduction

#### Residential care

#### Foster care

#### Special education

Figure 27: Segmentation of the UK market for children's social care, by type of care, 2011/12-2015/16, (£ million)

Figure 28: Segmentation of the UK market for children's social care, by type of care, 2011/12 and 2015/16, (% of total market)

Figure 29: Number of children looked after, at 31 March and 31 July, by placement type, UK, 2011-15, (Number of children)

### Independent vs public supply

Figure 30: Segmentation of the UK market for children's social care, by type of provider, 2011/12-2015/16, (% and £ million)

Figure 31: Segmentation of the UK market for children's social care, by type of provider, 2011/12-2015/16, (% of total provision)

Figure 32: Segmentation of the UK market for children's social Care, by sector and type of provider, 2011/12-2015/16, (% and £ million)

Figure 33: Segmentation of the UK market for children's social care, by sector and type of provider, 2011/12 and 2015/16, (% of total sector value)

### Children's homes

Figure 34: UK children's home placements and average annual cost, at 31 March of each year (England, Wales and Northern Ireland) and 31 July of each year (Scotland), 2011/12-2015/16, (Number of children and £ 000)

Figure 35: UK children's home placements and average annual cost, at 31 March of each year (England, Wales and Northern Ireland) and 31 July of each year (Scotland), 2011/12-2015/16, (Number of children and £ 000)

Figure 36: Number of children in children's homes in Scotland, 2011-15, (Number of children)

Figure 37: Children's homes in England, at 31 March 2015, by region, (Number)

Figure 38: Children's homes in England, at 31 March 2015, by region and type of provision, (% of homes)

### Fostering services

Figure 39: UK foster care placements and average annual cost, at 31 March of each year (England, Wales and Northern Ireland) and 31 July of each year (Scotland), 2011/12-2015/16, (Number of children and £ 000)

Figure 40: UK foster care placements and average annual cost, at 31 March of each year (England, Wales and Northern Ireland) and 31 July of each year (Scotland), 2011/12-2015/16, (Number of children and £000)

Figure 41: Foster placements, at 31 March of each year, by placement type and location, England, 2011/12-2015/16, (Number of children)

Figure 42: UK fostering rates, 2014/15 and 2015/16, (£ per week)

### Special education

Figure 43: UK market for SEN care, 2011/12-2015/16, (£ million)

Figure 44: UK market for SEN care, 2011/12-2015/16, (£ million)

Figure 45: Students with special educational needs, by school type, England, 2011/12-2015/16, (Number of children and % of pupils in each school type)

Figure 46: Students with special educational needs, by academy type, England, 2014 and 2015, (Number of children and % of pupils in each academy type)

## Market Trends

### Key points

Growth in fostering care demand is currently unsustainable

Referrals to children's social care fell in 2015 following an increase in 2014, while completed initial assessments have risen

Figure 47: Referrals and initial assessments to children's social care, England, 2010/11-2014/15, (Number and rate per 10,000 children under 18 years)

Figure 48: Number of referrals and initial assessments from referrals to children's social care, England, 2010/11-2014/15, (Number)

Figure 49: Referrals to children's social care, England, by most common source of referral, 2014/15, (%)

Figure 50: Initial assessments to children's social care, England, by most common primary need, 2014/15, (%)

BUY THIS  
REPORT NOW

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)

# Children's Social Care - UK - February 2016

**Report Price:** £995.00 | \$1611.35 | €1263.96

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Placement stability still has room for improvement

High profile abuse scandals keep the public spotlight on the standards of children's social care services

Increasing presence of independent providers as local authorities continue to face spending challenges

## Industry Structure

### Key points

#### Industry development

Figure 51: Number of secure children's homes in the UK, by country, 2011-15, (Number)

Figure 52: Proportion of all children's homes run by state or independent organisations, by region, as of 30 September 2015, (%)

Figure 53: Children's homes in England, by company, as of 31 March in 2013 and 2014, (Number)

Figure 54: Children's homes in England, by company, as of 31 March in 2014, (Number)

Figure 55: Analysis of the changes in the structure of other residential care activities, 2011-15, (Number of outlets and businesses)

Figure 56: Analysis of changes in the structure of 'Other residential care activities', 2011-15, (Number of outlets and businesses)

Figure 57: Analysis of the changes in the structure of 'Other social work activities without accommodation n.e.c.', 2011-2015, (Number of outlets and businesses)

Figure 58: Analysis of the changes in the structure of 'Other social work activities without accommodation n.e.c.', 2011-15, (Number of outlets and businesses)

#### Structure by employment

Figure 59: Analysis of the employment structure of 'Other residential care activities', 2014 and 2015, (Number of employees and outlets)

Figure 60: Analysis of the employment structure of 'Other social work activities without accommodation n.e.c.', 2014 and 2015, (Number of employees and outlets)

#### Structure by turnover

Figure 61: Analysis of the financial structure of 'Other residential care activities', 2014 and 2015, (£000 and number of businesses)

Figure 62: Analysis of the financial structure of 'Other social Work activities without accommodation n.e.c.', 2014 and 2015, (£000 and number of businesses)

## Company Profiles

### Acorn Care and Education

Figure 63: Financial analysis of Acorn Care and Education, 2010-14, (£ 000)

Figure 64: Financial analysis of Fostering Solutions, 2010-14, (£ 000)

#### Company strategy

### Cambian Childcare (formerly Advanced Childcare)

Figure 65: Financial analysis of Cambian Childcare Limited, 2010-14, (£ 000)

#### Company strategy

### Foster Care Associates (formerly Core Assets)

Figure 66: Financial analysis of Foster Care Associates (formerly traded under Core Assets Group), 2010-14, (£ 000)

#### Company strategy

### Kedleston Education

Figure 67: Financial analysis of Kedleston Education, 2010-14, (£ 000)

#### Company strategy

### Keys Group

Figure 68: Financial analysis of Keys Group, 2011-15, (£ 000)

#### Company strategy

**BUY THIS  
REPORT NOW**

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)

# Children's Social Care - UK - February 2016

**Report Price:** £995.00 | \$1611.35 | €1263.96

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## The National Autistic Society

Figure 69: Financial analysis of the National Autistic Society, 2011-15, (£ 000)

Company strategy

## National Fostering Agency

Figure 70: Financial analysis of the National Fostering Agency, 2011-15, (£ 000)

Company strategy

## Priory Group

Figure 71: Financial analysis of the Priory Group, 2010-14, (£ million)

Figure 72: Financial analysis of the Priory Education Services, 2010-14, (£ 000)

Group strategy

Figure 73: Profiled companies' combined turnover, 2010-2014, (£ Million)

## Forecast

Key points

Market size

Stable growth expected over the next five years but reform may affect development rate

Figure 74: UK market forecast for children's social care, 2016/17-2020/21, (£ million)

Figure 75: UK market forecast for children's social care, 2016/17-2020/21, (£ million)

Market segmentation

Fostering demand may lead to greater IFA involvement

The children's homes market remains under pressure

Special education expected to account for largest proportion of total market expenditure

Figure 76: UK market segmentation forecast for children's social care, by type of care, 2016/17-2020/21, (£ million)

Figure 77: UK market segmentation forecast for children's social care, by type of care, 2016/17-2020/21, (£ million)

Industry

Recruitment issues acted upon to build a more adaptable and experienced workforce

Increasing presence of independent providers raises concerns of profit over already inadequate service provision

Greater communication between commissioners and care providers is key to improving market stability

From May 2016, Ofsted will begin a new form of inspection jointly with the Care Quality

Other factors

## Further Sources and Contacts

Trade associations

Trade magazines

Trade exhibitions

**BUY THIS  
REPORT NOW**

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)