



Briefing: Ending illegal accommodation for children in care

This briefing is submitted by Together Trust with the support of BASW, NYAS, Become, Article 39, TACT, and Settle, reflecting shared concerns across the children's social care about the continued use of illegal accommodation for children in care.

Every child deserves a safe, stable, and supportive home. Yet across England, hundreds of children in care continue to be placed in accommodation that is not registered with Ofsted and cannot guarantee even the most basic standards of care.

The [Public Accounts Committee \(PAC\)](#) reported that in September 2024, nearly 800 children in care - around one in ten in residential settings - were living in accommodation not registered with Ofsted.

It is illegal for councils to place any child in unregistered accommodation, and since 2021 it has been illegal for any child under 16 to live in supported accommodation. [Yet our findings show](#) that in 2023, two-thirds of children living in unregistered accommodation were under 16, and some even younger than 10.

A few councils told us they would never place a child in unregistered accommodation; others reported *"significant challenges in meeting the demand for children's homes locally, regionally and nationally."* These pressures reflect a system under severe strain, with some large private providers continuing to report significant profits despite clear safeguarding concerns for children.

The [Children's Commissioner](#) has recently highlighted that most children in illegal homes have mental health needs or SEND, with more than half holding an Education, Health and Care Plan. Alarmingly, unregistered placements appear to be becoming normalised. The [Children's Commissioner](#) reports that the average stay now exceeds six months, with one child spending **nine months in a holiday camp**, another - subject

to a Deprivation of Liberty order - living in a **caravan for four months**, and several children remaining in illegal accommodation for **more than three years**.

Evidence from our FOI Analysis

[In collaboration with *The Observer*](#), our FOI requests submitted in 2023 to all local authorities in England highlighted:

- A **277% increase** in unregistered placements between 2020-23.
- Over **700 children** placed in illegal settings between 2020-23.
- **£105 million** spent in 2023 alone - around **£150,000 per child**.
- More than **£100 million per year** spent on illegal placements - funding that could support long-term reform.

The Children's Wellbeing and Schools Bill

The evidence shared highlights the scale of the challenge and why legislative action is essential within the current Bill. The Bill proposes new enforcement powers for Ofsted, including the ability to fine illegal providers. While welcome, fines alone will not address the systemic drivers of unregistered placements. It is unclear whether financial penalties will deter well-resourced providers who may simply absorb the cost and continue operating illegally.

Without a clear, time-bound national strategy to phase out illegal placements and secure sufficiency, children will remain at risk regardless of enforcement changes. This Bill offers a crucial opportunity to strengthen protections and improve children's life chances.

Our recommendations

- Set out how the Department for Education, Ofsted, and the Ministry of Justice will work together to end the use of unregistered settings;
- Publish a national sufficiency and workforce plan to increase the availability of regulated, therapeutic care;
- Guarantee regulated care for all children in care up to at least the age of 18, in line with the recommendations of the Independent Review of Children's Social Care.

Asks for members of the House of Lords

We respectfully invite Peers to **raise the above evidence** and **ask following questions** and points during **Report Stage and Third Reading** of the Children's Wellbeing and Schools Bill.

- Can the Minister set out how the Department for Education, Ofsted and the Ministry of Justice will coordinate planning to end the use of illegal accommodation for children in care and secure sufficient regulated care nationally?
- What immediate steps will the Government take over the next 12 months to reduce the number of children placed in illegal settings and safeguard children already living in them?
- How will the Government expand regulated, specialist care for disabled children and those with complex needs or EHCPs, who are currently the most likely to be placed in illegal accommodation?
- How will the Government ensure that the wellbeing, stability and therapeutic needs of children - many of whom have experienced trauma and multiple placement breakdowns - are prioritised when emergency placements are made?
- How will the Minister ensure that civil penalties genuinely deter providers who operate illegally, particularly those with substantial resources who may otherwise absorb fines without changing their behaviour?
- Will the Minister commit to publishing regular national data on the number of children placed in illegal settings, their ages, needs and duration of stay, so Parliament and the public can monitor progress in reducing, and ultimately ending illegal placements?

For further information

If any Peer intends to contribute during the remaining stages of Report Stage, or at Third Reading, or wishes to explore potential amendments, I would be pleased to provide additional briefings, suggested debate lines, or any further support.

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About Together Trust Charity

We are a specialist education, care and support charity, working with neurodiverse people, disabled people, people with a learning disability and people in care. We champion change and create opportunities for people to live with choice and dignity through person-centred specialised education, care, therapy and support.

Charity number 209782