



Briefing: Establishing a Children's Home

Initial Summary

Private & Confidential

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1. Executive Summary: Establishing a Children's Home within a Multi-Academy Trust

1.1 Introduction and Context

There is an increasing need for geographically accessible and financially sustainable children's homes in England. The March 2024 budget included the following:

Committing £45 million match funding to local authorities to build an additional 200 open children's home placements, and £120 million to fund the maintenance of the existing secure children's home estate and rebuild Atkinson Secure Children's Home and Swanwick Secure Children's Home. This extra capacity will reduce local government reliance on costly emergency provision and improve outcomes for children by providing them with more suitable placements. The government will also be developing proposals on what more can be done to combat profiteering, bring down costs and create a more sustainable market for residential placements which it will publish later this year. Furthermore, it will work with the Local Government Pension Scheme to consider the role they could play in unlocking investment in new children's homes.

This reflects the findings of a 2023 report on children's social care in England. The key findings from this report include:

- The number of children's homes in England increased by 9% to 2,880 as of 31 March 2023.
- The number of places in children's homes rose by 7% to 10,818 compared to the previous year.
- The growth rate of homes continues to outpace the increase in places.
- Despite increases in all regions, children's homes are unevenly distributed, with the North West hosting about a quarter of all homes and places.
- All Local Authorities (LAs) have completed at least one inspection under the ILACS framework.
- A higher proportion of LAs were graded good or outstanding in their first ILACS inspection than in their first SIF inspection.

- After the first round of ILACS inspections, 55% of LAs were judged good or outstanding for overall effectiveness, compared to 36% after SIF inspections.
- The proportion of LAs rated inadequate decreased from 22% after SIF inspections to 13% after ILACS inspections.
- The number and capacity of residential special schools registered as children's homes are declining, with a 36% drop in schools and a 37% drop in capacity since 2014.
- Residential family centres saw a 15% increase in settings and a 20% increase in potential capacity from the previous year.

This document provides a comprehensive overview of the process and requirements for establishing a children's home within the framework of a Multi-Academy Trust (MAT) in England. It draws upon the Care Standards Act 2000 and subsequent regulations to define the scope, registration process, documentation requirements, and additional considerations for setting up a children's home

1.1.1 What is a Children's Home?

Defined by the Care Standards Act 2000, a children's home in England is a regulated establishment providing care and accommodation to children under 18, with allowances for young people over 18 in minority circumstances. This definition encompasses secure children's homes, which require specific approval and operate in a locked environment. The diversity of children's homes includes facilities for children looked after by local authorities, secure homes, schools offering long-term accommodation, and other specialized services aimed at supporting children and young people's diverse needs.

1.1.2 Categories of Registration

When establishing a children's home, it is vital to understand the categories of registration available and their significance. These categories reflect the diverse needs of children and young people that homes are equipped to support. A children's home may register under multiple categories, although this is less common for secure children's homes. The categories include:

- Children with Emotional and/or Behavioural Difficulties (EBD): These homes specialise in supporting children who exhibit challenging behaviours due to emotional distress or behavioural issues, providing tailored care and behavioural interventions.
- Children with Physical Disabilities (PD): This category encompasses homes designed to cater to the needs of children with physical disabilities, ensuring access to necessary medical care and physical support, and promoting independence.

- Children with Learning Disabilities (LD): Homes registered under this category focus on children who have learning disabilities, offering an environment that supports their learning and developmental needs.
- Children with Mental Disorders, Excluding Learning Disability (MD): This category is for homes that care for children with mental health conditions, providing a supportive environment that addresses their psychological and emotional needs.
- Children with Present Drug Dependence (D) and Present Alcohol Dependence (A): These homes are equipped to support children struggling with substance dependence, offering specialised interventions and support to address their addiction and underlying issues.
- Children with Sensory Impairment (SI): Homes in this category are tailored to meet the needs of children with sensory impairments, including visual and hearing impairments, ensuring access to specialised support and services.

Note that when registering a Secure Children's Home, these categories are often not applied.

1.1.3 Caring for Adults

In specific circumstances, children's homes are permitted to care for young adults beyond the typical age range without the need for an alternative application. This provision is primarily to ensure continuity of care and support for individuals who are not yet ready to transition to adult services. Conditions under which young adults may be retained include:

- Failed Transition Arrangements: When a planned move to adult services or another placement falls through, allowing the individual time to secure alternative arrangements.
- Continuing Education: Young adults wishing to complete their educational courses can remain in the home to avoid disrupting their studies.
- Family and Sibling Connections: To allow young adults to stay with siblings also accommodated in the home, supporting family bonds.
- Not Ready for Transition: With a focused plan in place, some young adults may remain if it's agreed they are not yet ready to move on to adult services.

Acceptable circumstances for new placements of young adults include situations where a young person's initial placement post-leaving the children's home breaks down, or a children's home

registered as a school accepts a young adult up to 19 years old under specific conditions, such as short-term plans or educational completion.

1.2 Registering Secure Children's Homes

Secure children's homes, due to their unique nature and the specialised care they provide, require initial contact with the Department for Education (DfE) or the Ministry of Justice (MOJ) prior to application. These homes are subject to an initial inspection by specialist architectural advisors to ensure the premises meet specific security and safety standards. Following a satisfactory initial assessment, the organisation is then invited to apply to register, embarking on the formal registration process with Ofsted.

1.2.1 The Process for Registering a New Home

Registration is mandated by a combination of legislative frameworks, including the Care Standards Act 2000, its 2010 regulations, and the Children's Homes Regulations 2015. Prospective establishments, particularly those contemplating multi-building setups for up to six children, must engage with Ofsted inspectors early in the application process. The registration process entails appointing a manager, preparing a statement of purpose, and identifying an individual to represent the organisation to Ofsted. The application is conducted through the SC1 form, which gathers comprehensive details about the provider, management, and operational policies.

1.2.2 Pre-Application Process

Before formally applying to register a children's home with Ofsted, the Multi-Academy Trust (MAT) must undertake several preparatory steps. These steps are foundational to ensuring that the proposed home will meet the regulatory requirements and standards expected by Ofsted and provide a safe, supportive environment for the children it will serve.

- **Appoint a Manager:** A key requirement is the appointment of a manager for the children's home. This individual must possess the necessary qualifications, experience, and leadership skills to oversee the operation of the home, ensuring that it meets the needs of the children and complies with all regulatory standards. The manager's role is pivotal in shaping the culture, practices, and quality of care provided within the home.
- **Submit a Statement of Purpose:** The MAT must prepare and submit a statement of purpose for the children's home. This critical document outlines the aims and objectives of the home, the services it will provide, and the needs it aims to meet. It should clearly articulate the ethos of the home, the outcomes it seeks to achieve for its residents, and how it plans to operate to ensure the highest standards of care and safeguarding.

- Identify a Person to Represent the Organisation to Ofsted: A designated individual must be identified to act as the main point of contact with Ofsted. This person represents the organisation throughout the registration process and any subsequent interactions with the regulatory body. They will be responsible for ensuring that the application process is managed efficiently and that any queries or requirements from Ofsted are addressed promptly.

1.2.3 Location Assessment

A thorough location assessment is necessary to demonstrate that the proposed site for the children's home is appropriate, safe, and beneficial for its intended purpose. This assessment involves several key considerations:

- **Local Need and Safety:** The MAT must provide evidence that there is a local need for the children's home and that the chosen site offers a safe environment for the children. This includes demonstrating that the home will contribute positively to the local community and meet specific gaps in provision.
- **Consultation with Local Services:** Engaging with local services, including the police and local authority children's services, is essential to gather input and ensure that the home will be well-integrated within the local safeguarding and support network. This consultation can also provide valuable insights into local risks and resources.
- **Safeguarding Concerns:** The assessment must address potential safeguarding concerns, including the proximity to potential sources of risk to the children, such as criminal activity or environmental hazards. The plan should outline measures to mitigate these risks.
- **Accessibility and Services:** The location should offer accessibility to local and specialist services, including educational, healthcare, leisure, faith, and cultural services. Transport links are also important to ensure that children can maintain connections with their wider community and access services outside the immediate area.
- **Recruitment and Community Needs:** The MAT should consider the potential for recruiting skilled and dedicated staff in the area. Additionally, the assessment should reflect on how the home can contribute to and meet the needs of the local community.
- **Environmental and Neighbourhood Factors:** The suitability of the neighbourhood for a children's home is crucial. Factors such as the proximity to other children's homes, criminal 'hot spots', and environmental hazards need careful consideration. The ideal

location is one where children can thrive, with access to suitable educational, leisure, and healthcare services that support their development and well-being.

Inspectors will expect to see detailed evidence of the MAT's contact with the host local authority and how the findings from the location assessment have informed the plans for the proposed children's home. This evidence should demonstrate a thorough understanding of the local context and how the home will operate within it to provide safe, effective, and beneficial care for the children.

1.2.4 Documentation Needed

Key documentation for registration includes but is not limited to:

- Statement of Purpose and Children's Guide
- Policies on safeguarding, behaviour management, prevention of bullying, complaints procedures, and equality
- Financial viability evidence, including business plans and forecasts
- Local area risk assessment
- Registration forms (SC1 for the home, SC2 for individuals associated with the home)
- Evidence of planning permissions and safety compliance

1.2.5 Additional Information

Prospective children's homes must demonstrate local need and the site's safety and suitability. This involves consulting local services, including police and children's services, and assessing potential risks and accessibility to essential services. Directors of a MAT may need to submit individual SC2 forms, detailing their background and qualifications.

1.3 Recommendations for Initial Actions for MATs considering establishing a Children's Home

Based on the information above, the following actions are recommended for the initial phase of service:

1. Strategic Planning: Conduct a feasibility study focusing on local needs, potential sites, and regulatory compliance.
2. Engagement with Regulatory Bodies: Initiate early dialogue with Ofsted and local authorities to understand expectations and requirements fully.
3. Partnerships and Collaboration: Explore partnerships with local services and other educational institutions to bolster support and resource sharing.
4. Location Scoping: Begin to investigate potential locations and capital, including both recommended and statutory building analyses.
5. Implementation Plan: Develop a detailed implementation timeline, including milestones for registration, property readiness, staff recruitment, and policy development.

For further details on standards and regulations, refer to the comprehensive guides and legal documents provided by government and regulatory bodies, including the Department for Education and Ofsted.

1.4 Relevant Resources:

1.4.1 Guide to Children's Home Standards

https://assets.publishing.service.gov.uk/media/5a7f1b54ed915d74e33f45f0/Guide_to_Children_s_Home_Standards_inc_quality_standards_Version__1.17_FINAL.pdf

1.4.2 Healthcare Standards for Children in Secure Settings:

<https://www.rcpch.ac.uk/resources/healthcare-standards-children-young-people-secure-settings>

1.4.3 Children's Homes Regulations 2015

<https://www.legislation.gov.uk/uksi/2015/541/contents/made>

1.4.4 Registering a Multi-Building Children's Home

<https://www.gov.uk/government/publications/registering-a-multi-building-childrens-home/registering-a-multi-building-childrens-home>

2. How can PAG and Umbrella help?

PAG and Umbrella can provide a wide range of services to assist a Multi-Academy Trust (MAT) in setting up a children's home. In-house expertise can streamline the process, ensuring compliance with regulatory standards, and implementing best practices. Below is an outline of how PAG and their partners could assist:

2.1 PAG: Feasibility Studies and Strategic Planning

- **Market Analysis:** Conduct thorough market and needs assessments to determine the feasibility and demand for a new children's home within specific regions.
- **Strategic Advice:** Offer strategic planning assistance, including the development of a business model that aligns with the MAT's objectives and the identified needs of children.

2.2 PAG and HY: Regulatory Compliance and Registration Assistance

- **Guidance on Regulations:** Provide up-to-date information on regulatory requirements and guidance through the complex registration process with Ofsted.
- **Documentation Preparation:** Assist in preparing and compiling the necessary documentation, including the SC1 and SC2 forms, Statement of Purpose, policies, and procedures.

2.3 PAG and AMR: Design and Development

- **Property Assessment:** Support in assessing and selecting suitable properties, including advising on any necessary modifications to meet Ofsted standards and the specific needs of the children.
- **Operational Design:** Help design operational structures, including staffing models, care pathways, and child-focused programmes.

2.4 PAG and HY: Policy Development and Implementation

- **Policy Creation:** Assist in developing comprehensive policies and procedures, including safeguarding, health and safety, complaints procedures, and equality and diversity policies.
- **Implementation Strategy:** Provide strategies for the effective implementation of policies and practices, ensuring they are embedded within the home's culture.

2.5 MyNewTerm: Staff Recruitment and Training

- Recruitment Strategies: Advise on recruitment strategies to attract qualified and experienced staff.
- Training Programmes: Design and deliver bespoke training programmes for staff, ensuring they are equipped with the knowledge and skills to provide high-quality care.

2.6 PAG and MLG: Financial Planning and Sustainability

- Financial Modelling: Offer financial planning services, including budgeting, financial forecasting, and advice on funding opportunities.
- Sustainability Advice: Provide strategies for long-term sustainability, ensuring the children's home can continue to provide high levels of care into the future.

2.7 PAG: Community Engagement and Integration

- Stakeholder Engagement: Advise on engaging with stakeholders, including local authorities, schools, health services, and the local community, to ensure the home is well-integrated into the local support network.
- Partnership Development: Help develop partnerships with local organisations to support the holistic needs of the children, including education, health, and leisure activities.

2.8 PAG and Umbrella: Risk Management

- Risk Assessment: Conduct comprehensive risk assessments to identify potential challenges and develop mitigation strategies.
- Crisis Management Plans: Assist in creating crisis management plans to ensure the home is prepared for any unforeseen events.

3. Appendices: SC1 and SC2

3.1 SC1 Application for Registering a Children's Home with Ofsted

The SC1 form is a critical component of the application process for registering a children's home with Ofsted. This section outlines the key information and documentation required to complete the SC1 form effectively, ensuring that applicants provide comprehensive evidence of their readiness and capability to operate a children's home within the regulatory framework established by Ofsted.

3.1.1 Unique Reference Number (URN) Requirements

If the applicant has previously applied to register with Ofsted, the unique reference number (URN) from that application is required. This helps Ofsted to quickly access and review past applications and any associated inspections or evaluations.

The URNs of any holding companies registered with Ofsted, as well as any registered services in which the applicant has financial interests, must be provided. This information is essential for Ofsted to assess potential conflicts of interest and the financial stability of the applicant.

3.1.2 Evidence of Financial Viability

Applicants must demonstrate their financial viability and capacity to sustainably operate a children's home. This involves submitting:

- **Financial Reference:** A reference from the applicant's bank attesting to their financial reliability and stability.
- **Business Plan:** A detailed business plan outlining the objectives, operational strategy, and financial projections of the children's home.
- **Cashflow Forecast:** A cashflow forecast demonstrating the applicant's ability to manage finances effectively, ensuring the home's ongoing viability.
- **Annual Reports and Accounts:** For applicants registering as a company, the last two annual reports and accounts provide insight into the financial history and health of the business.

3.1.3 Operational Details

Comprehensive information about how the children's home will be run is essential:

- Key Individuals: Details of all individuals linked to the registration, including the manager, responsible individual, partners, or directors, to assess their suitability and qualifications.
- Operational Policies: Submission of policies on safeguarding, prevention of bullying, complaints procedure, and location assessment, evidencing the home's commitment to child welfare and safety.
- Fees and Premises: Information on the range of fees charged, details of the premises, any travel arrangements between premises, and evidence of planning permission ensures the home's facilities and services are appropriately priced and well-structured.
- Service Opening Date: The proposed date for commencing service delivery must be specified.

3.1.4 Policy Documents

A suite of policy documents must accompany the application to demonstrate compliance with regulatory standards:

- Statement of Purpose: Articulates the home's aims, services, and operational ethos.
- Equalities Policy: Ensures commitment to equality and inclusion for all children and staff.
- Insurance: A copy of the certificate of insurance or written confirmation that insurance will be provided, ensuring financial protection against potential liabilities.
- Guidance for Children and Key Policies: Specific policies related to missing children, behaviour management, safeguarding, and prevention of bullying detail the home's approaches to critical aspects of care.
- Complaints Procedure: Outlines how complaints from children, staff, or other stakeholders will be managed.

3.1.5 Additional Requirements for Children's Homes

- Capacity: The maximum number of children the home intends to care for.
- Registration Numbers: If applicable, the CQC registration number and the DfE school number.
- Location Risk Assessment: An evaluation of the home's local area to identify and mitigate potential risks to children's safety and well-being.

3.2 SC2 Application for Individuals Associated with a Children's Home

The SC2 form is an essential component of the application process for individuals who are taking on significant roles within a children's home, including managers, responsible individuals, and partners. This form collects detailed personal information and background checks to ensure that all personnel involved in the operation of a children's home meet the stringent requirements set forth by Ofsted. Here's a breakdown of the information and documents required for the SC2 application:

3.2.1 Criminal Records (DBS) Check

All individuals associated with the children's home, except for directors, must undergo a Disclosure and Barring Service (DBS) check. This check is critical for identifying any past behaviours or criminal records that might disqualify someone from working with vulnerable children. Guidance on DBS checks can be found on the official DBS website or through Ofsted's resources.

3.2.2 Health Declaration Form

Applicants must complete a health declaration form, which must then be validated by their General Practitioner (GP). This form assesses the individual's physical and mental health to ensure they are fit to work with children.

3.2.3 Address Details

The form must include the address details of the proposed children's home. This information is used to link the individual's application to the specific service being registered.

3.2.4 Unique Reference Number (URN)

If the service or the individual has been registered with Ofsted before, the unique reference number (URN) associated with that registration must be provided.

3.2.5 Business and Financial Interests

Details of any previous businesses run by the applicant should be included, providing context on their experience and operational history. Information on any financial interests the applicant has in other organisations is required to assess potential conflicts of interest.

3.2.6 Professional Referees

Applicants must provide details of at least two professional referees, with at least one being from their last employer. These references offer insight into the applicant's professional conduct, capabilities, and suitability for working in a children's home environment.

3.2.7 Qualifications and Experience

Information about the applicant's qualifications and relevant experience is crucial. This includes educational background, training certificates, and a detailed account of any previous work in care settings or with children and young people. It is essential for assessing the applicant's ability to contribute positively to the care and management of the children's home.