

Report to Children's Services and Education Scrutiny Board

25 March 2024

Subject:	Residential Sufficiency and Audit of Planning Applications for Children's Homes
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1 Recommendations

- 1.1 That the Scrutiny Board considers and comments on the issue of residential sufficiency and reviews recent planning applications for children's homes in this context.

2 Reasons for Recommendations

- 2.1 Budget and Corporate Scrutiny Management Board requested that a report be presented to Children's Services and Education Scrutiny providing details on planning decisions in respect of children's homes.



3 How does this deliver objectives of the Corporate Plan?

	<p>Best start in life for children and young people</p> <p>Ensuring that children that children who are in the care of the Council have access to high quality residential care provision within Sandwell.</p>
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4 Context and Key Issues

- 4.1 There are currently 19 registered children's homes in Sandwell ranging in size from single occupancy to 4 bed homes. Nine of these homes opened over the last two years with three others closing over the same period.
- 4.2 One home is rated as outstanding, 12 are rated as good, three as requiring improvement, one as inadequate and two are yet to be inspected. Assuming an average home size of 3 beds it would suggest there are 57 residential placements available in Sandwell.
- 4.3 In 2022 the Competition and Markets Authority undertook a market study into children's social care provision. They found there is a shortage of appropriate places in children's homes. This shortage of places has driven up prices and the study found that private sector investors appear to be making higher profits in England and Wales than would expect in a well-functioning and competitive market.
- 4.4 There is in addition a national issue in respect of the availability of suitable placements for children who have more complex needs. In February 2024 the ADCS President released a statement that articulated this, commenting that 'Local authorities face many challenges when finding a home for a child, particularly as we are



seeing the emergence of more solo or low occupancy homes, meaning that need continues to outstrip supply. The uneven distribution of homes across the country is an added challenge with homes frequently opening up where housing is cheaper not where they're needed most. There can also be an unwillingness of some providers to take children with any level of complexity, or increasingly serving immediate or inappropriate notice periods, for fear of the impact on their Ofsted rating. Local authorities increasingly can pay tens of thousands of pounds per week for places, yet providers can choose which children to accept and at what cost.'

- 4.5 There has been a 67% increase in the number of children living in residential placements (secure, children's homes and semi-independent living) since 2016. With 14,580 living in residential settings in 2023.
- 4.6 While demand for placements has increased, the number of children's home placements has not increased at the same rate. Between 2016-2021 there was an increase of 4,110 children in residential settings while the number of places increased by 1,974. This has meant that where there was spare capacity previously, which allowed matching of children's needs, this is no longer the case.
- 4.7 Sandwell currently has 62 children placed in residential care of these 6 are placed in homes in Sandwell. The preference is for children who are in our care to be placed in Sandwell, so they are better able to access services and support networks, however for some children due to their specific needs this is not possible.



- 4.8 Over the last 12 months the average cost of a residential placement has risen by around £850 per week per child. Based on there currently being 62 children in residential care that equates to almost £2.75m of additional cost.
- 4.9 As of Dec 2023, approximately 7.5% of children in care in Sandwell were placed in residential care, this is significantly lower than the national average which sits at 11%. This equates to around 30 fewer children in residential care when compared to the national average rate.
- 4.10 Sandwell Council does not currently operate any children's homes, with the last Council operated home closing in 2014 following successive inadequate inspection judgements.
- 4.11 The Council, in partnership with Sandwell Children's Trust, is undertaking a feasibility study on opening 'internal' children's homes. This would be a home that is in Sandwell and solely available for the use of the Council/SCT.
- 4.12 When a provider wants to open a children's home in Sandwell they are required to apply for planning permission or seek a Lawful Development Certificate.
- 4.13 Not all cases of developing children's homes will necessitate planning permission. A provider can seek to obtain a Lawful Development Certificate (LDC) to confirm that the existing use of a building is lawful for planning purposes or that the proposal does not require planning permission.



- 4.14 In 2023, 11 planning applications to open children’s homes were received by the Council, of these 11 applications two were approved. In addition to these, eight applications for LDC’s were received of which, five were approved.
- 4.15 There can be stigma associated with children’s homes, much of it is based on a lack of understanding of how modern children’s homes operate, how they are regulated, and the avenues open to residents to complain if there are issues with a local home. As with all planning applications the Council is required to consult with neighbours, in some cases this can lead to local campaigns to oppose planning approval.
- 4.16 When assessing an application for a children’s homes the Council has to consider the impact on the amenity of nearby occupiers. Relevant factors will include the movements to and from the premises associated with such a use, including shift patterns, the need for visitors on a regular basis (including the emergency services).
- 4.17 If a planning application is submitted then generally, if the premises in question provides for sufficient parking, outdoor space and the amenity effects on neighbouring dwellings are capable of being mitigated, it is the case that these developments would normally be appropriate uses, in planning terms, in residential areas.
- 4.18 Where applications for children’s homes have been refused, they are generally refused on the basis of:
- i. The intensity of the use would be contrary to policy SAD H4 of Sandwell's Site Allocations and Delivery Development Plan Document; as the proposed use would be unsuited to the immediate area due to the impact of increased comings and goings and resultant disturbance to residential amenity.



- ii. The proposal would have a detrimental impact on highway safety and the convenience of other highway users due to the proposal having insufficient parking within the curtilage of the development; contrary to paragraph 130 of the National Planning Policy Framework which requires development to function well and add to the overall quality of the area.

- 4.19 When an application is refused the applicant is given clear reasons for the refusal and they can appeal the decision.
- 4.20 The planning team will routinely consult with both public health and highways when a planning application is received. Thought is currently being given as to who else should be routinely consulted so that any decision is made with due consideration of the local area and possible future residents who may be cared for e.g. children's services, police.
- 4.21 A leaflet is being produced, that will be shared with members, the gives an overview of what a children's home is and how they operate so, if residents do approach local Councillors when an application is received they are able to share this with them.
- 4.22 Sandwell Children's Trust has been working to build relationships with local providers to improve access to local beds for Sandwell Children. There is a residential provider forum, that brings together homes providers, registered managers and SCT staff. This forum is used to engage with providers, share relevant information with them about local services and give them an idea of upcoming placement demand.
- 4.23 Information on planning applications is publicly available on the Council's website, when an application to open a children's home is approved Sandwell Children's Trust will be notified and they can then



open discussions with providers to plan for when their home opens for the benefit of Sandwell children..

5 Alternative Options

- 5.1 Children in the care of the Council can be accommodated in a several ways e.g. foster care, at home under supervision and residential care. Accommodation should be based on their needs but is also reliant on the availability of the type of accommodation required. Where a child needs to be accommodated to safeguard them based on their needs the Council is required to do so, this function is discharged by Sandwell Children’s Trust under the Service Delivery Contract in place for the provision of social care.
- 5.2 There is a legal requirement to seek planning approval when a new building is to be erected, a major change is proposed that falls outside of permitted development or there is to be a change of use of the building that means it will change category e.g. move from being a Dwelling House (C3) to a residential institution (C2). There are no alternative options for consideration.

6 Implications

Resources:	The planning fees are set by Government and anyone wanting to submit an application must pay these. Applicants are also able to avail themselves of pre-application advice, at a cost, which will help them to consider the appropriateness of their application and things they may wish to consider. The Contract Sum amount that SCT receives is agreed annually in line with mechanisms set out in the Service
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	Delivery Contract included within this is the budget for residential placements.
Legal and Governance:	<p>Sandwell Children’s Trust delivers the Council’s statutory responsibilities for children’s social care, this includes the provision of care placements for children and young people based on their needs.</p> <p>There is a legal requirement to seek planning approval when a new building is to be erected, a major change is proposed that falls outside of permitted development or there is to be a change of use of the building that means it will change category e.g. move from being a Dwelling House (C3) to a residential institution (C2)</p>
Risk:	<p>There is a risk of challenge when the Council makes a determination in respect of a planning application. Applicants can appeal decisions and if successful a planning decision made by the Council can be overturned.</p> <p>Not having sufficient local provision means children and young people that require residential placements are placed at a distance from Sandwell. Placing children outside of Sandwell can lead to increased costs i.e. the cost of visiting, arranging contact and not being able to access services that are universally available to Sandwell residents.</p>
Equality:	An Equality Impact Assessment screening is not required for this report.
Health and Wellbeing:	There are no direct health and well-being impacts associated with this report.
Social Value	There are no direct social value impacts associated with this report.



Climate change	There is no direct climate change impact associated with this report.
Corporate Parenting	Ensuring that children, who are unable to live at home with family, have safe and nurturing home sits within collective responsibility of the council, elected members, employees, and partner agencies, as corporate parents.

7. Appendices

None

8. Background Papers

None

