

KENT COUNTY COUNCIL – RECORD OF DECISION

DECISION TAKEN BY:

Sue Chandler

Cabinet Member for Integrated Children's Services

DECISION NO:

23/00065

For publication [Do not include information which is exempt from publication under schedule 12a of the Local Government Act 1972]

Key decision: YES

Key decision criteria. The decision will:

- a) *result in savings or expenditure which is significant having regard to the budget for the service or function (currently defined by the Council as in excess of £1,000,000); or*
- b) *be significant in terms of its effects on a significant proportion of the community living or working within two or more electoral divisions – which will include those decisions that involve:*
 - *the adoption or significant amendment of major strategies or frameworks;*
 - *significant service developments, significant service reductions, or significant changes in the way that services are delivered, whether County-wide or in a particular locality.*

Subject Matter / Title of Decision

Regional Care Co-operatives - Pathfinder

Decision:

As Cabinet Member for Integrated Children's Services, I agree to:

- A) Agree to become a Regional Care Co-operatives Pathfinder authority (if selected)
- B) Enter into relevant agreements with the DfE to join/lead a Pathfinder Region for the delivery of a Regional Care Co-operative (Agreement to include the acceptances of relevant Memorandums of Understandings and associated funding and partnership agreements)
- C) Delegate authority to the Corporate Director of Children, Young People and Education, in consultation with the Cabinet Member for Integrated Children's Services, to take other relevant actions, including but not limited to, finalising the terms and entering into required contracts or other legal agreements, as necessary to implement the decision.

Reason(s) for decision:

Background

1.1 The Department for Education (DfE), published Stable Homes, Built on Love – an Implementation strategy and consultation on 2 February 2023, the consultation was backed by £200m additional investment. DfE have engaged with each of the Regions and are seeking Local Authorities (LAs) to be engaged in designing and piloting the Regional Care Co-operatives (RCCs)

1.2 The Stable Homes, Built on Love Strategy sets out a vision to re-balance children's social care away from costly crisis intervention to more meaningful and effective early support. It sets out actions that seek to:

- Address urgent issues facing children and families now
- Lay the foundations for whole system reform
- Set national direction for change

1.3 DfE state it will reform in phases, investing £200m over the next two years. After two years they will refresh the Strategy, scaling up new approaches that have been tested, and bring forward legislation (subject to parliamentary time).

1.4 DfE are looking to run two regional Pathfinders to test Regional Care Cooperatives. The regions taking part will play a key role in shaping future delivery. DfE want the region to be big enough to start seeing savings through economies of scale and anticipate an appropriate size would be eight to 12 LAs, although LAs with large Children in Care populations, the number of LAs might be smaller.

1.5 DfE believe it would be helpful to have synergy with other regional structures such as Integrated Care Systems, however will consider best fit for areas and want the Pathfinders to test the regional delivery of range of services outlined; fostering, children's homes, secure homes.

1.6 Pathfinders are voluntary and confirmation of interest is required. Financial support will be provided to support Pathfinder regions to get started.

Financial Implications

1.7 Regional Care Co-operatives are viewed as a radical shift in the care system and are part of a broader package of measures the DfE is beginning to deliver to transform the care placement market. Further measures include investing £259 million to support areas maintain capacity and expand provision in both secure and open children's homes, and £27m to recruit and retain more foster parents. In line with the Competition and Market Authority report recommendations, it is intended there will be national forecasting, procurement, and market shaping support; introducing a financial oversight regime; and reforming care standards. DfE are also considering changes to ensure that planning requirements, or local interpretation of them, are not a barrier to the creation of more homes for children.

1.8 Regional Care Co-operatives will:

- Establish specialist data capabilities – the RCCs would analyse the LAs' data to improve the forecasting of demand across the region.
- Develop a regional sufficiency strategy – using their improved forecasts, the RCCs would develop robust plans for ensuring sufficiency across the region.
- Gain greater negotiating power with providers and, with greater confidence in its forecasts, be able to better shape the local market.
- Plan, commission and deliver children's care places in foster care, children's homes and secure children's homes. As new care places are required, the LA social workers will provide the RCC with their matching requirements. The RCC will conduct the placement search and provide the social worker with the available options.
- Invest in new public provision – by pooling placement budgets and securing better value for money, the RCCs will have greater financial confidence to invest in more public provision to meet local needs.
- Recruit, train and support foster carers across the region – LA fostering services would transfer to the RCC which would harness its larger scale to provide specialist marketing, recruitment, training and support for foster carers across the region.

Financial implications

2.1 DfE will support Pathfinder regions to get started as follows:

Up to £5m per RCC to set up the new arrangements:

- Funding is to cover legal due diligence, HR, finance and project management costs plus evaluation of the pathfinders.
- Funding will depend on the size of the RCC (number of LAs/size of staff teams involved); DfE will discuss this with selected regions accordingly.

- DfE will procure a delivery partner to work with RCC regions (similar to children’s services trusts and Regional Adoption Agencies) and procure evaluation.

Up to £5m capital funding per RCC to develop new provision:

- Will be for the region to decide what their priorities are, DfE want to discuss with the region what they intend/how they plan to deliver.
- Tight deadline to spend the money: funding only available until March 2025 (SR period).
- DfE are not asking regions to match-fund the money although if any region is able to, the money will be able to go further.

2.2 It is unlikely that KCC will receive significant amounts of funding, however, the ability to quickly respond and enter into agreements, should we be successful in our allocations, would be required.

Equalities implications

3.1 An Equalities Impact Assessment (EQIA) screening has been completed and no high negative impacts have been identified. The EQIA will continue to be developed and reviewed as this project progresses.

Legal Implications

4.1 Partnership Agreements will be required in establishing an RCC. It is assumed a lead Local Authority will be required to manage the funding and employ staff to deliver the programme.

4.2 Legal advice will be sought in relation to any subsequent contractual activity in developing the pilot projects.

Cabinet Committee recommendations and other consultation:

The Children’s and Young People Cabinet Committee considered the decision on 12 September 2023.

Any alternatives considered and rejected:

An alternative option is not to consider participating as a Pathfinder for the RCC, Fostering or both – KCC has significant pressures and challenges finding affordable placements for Children in Care and have attempted a number of initiatives to develop access to affordable placements. The Regional Residential Project involved three Local Authorities tendering for placements for Children with Complex Lives and no providers bid for any of the contracts. The reasons for this are being explored. This market is extremely difficult to engage with, and the reports of the collapse of a framework in the North-East is further evidence that something different is required urgently.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer: None



15/9/2023

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signed

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date