

## **Children and Young People Overview and Scrutiny Committee**

**1 August 2024**

### **Regional Care Co-Operative(RCC) and Aut Even Development Update**

Report from: Kelly Cogger & Raj Bharkhada – Assistant Directors Children’s Social Care

Author: James Harman – Head of Children’s Services Commissioning

#### **Summary**

This report seeks to inform the Committee of and outline Medway’s involvement in the Regional Care Co-operative (RCC) pilot (Southeast region) and subsequent successful DFE Capital Grant awarded to Medway Council (subject to Cabinet approval on 30 July 2024).

This involvement is a significant next step to developing Medway’s Sufficiency Strategy 2023-25 ‘A Place called home’ to develop a suite of in-house Children’s Homes for Medway Council (subject to Cabinet approval on 30 July 2024).

#### **1. Recommendations**

- 1.1. The Children and Young People Overview and Scrutiny Committee is asked to note the involvement, implications and aims of being part of the SE RCC pathfinder project.
- 1.2. The Children and Young People Overview and Scrutiny Committee is asked to note the external investment into the Aut Even project which is to develop a specialist 5-bedroom home for young people with Learning Disabilities and Autism and neurodiversity

#### **2. Budget and policy framework**

- 2.1. The involvement would support a number of strategies including ‘A Place Called Home’ Medway Sufficiency Strategy 2023-2025. Child Friendly Medway, People Strategy 2021-25 and numerous other parts of the One Medway Council Plan 2024.

2.2. The DfE Regional Care Co-Operative Grant offered to Medway Council was £912,872, this would mean completely funding the refurbishment and rebuild of Aut Even a virement of £200,000 from the Children's Assessment Unit scheme in the existing capital programme, with the balance of £950,336 (funded from borrowing) removed from the capital programme and significantly less the council's capital borrowing.

### 3. Background

3.1. Regional Care Cooperative (RCC) Pathfinder is a Department for Education (DfE) funded project to encourage local authorities (LAs) to work together more closely on the commissioning and procurement of placements for looked after children. The Southeast has been approved as one of two areas to be funded as a national pathfinder.

3.2. RCCs 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 £259m to support areas to 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. The 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.

RCCs aims include the following areas:

- 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.
- Invest in new public provision – by 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.

3.3. Developing Eden House and Aut Even is in line with the Medway Sufficiency Strategy and our ambition to develop a suite of internal residential provisions. This was for a number of reasons:

- To counter the crisis in the children in care market (residential and foster care)
- To keep the cost of provision down and to minimise the use of commercial providers.

- To create economies of scale by running several provisions and sharing functions like Responsible Individuals, admin, staff training and other centralised costs.
- To bring more young people back to Medway.

#### 4. Advice and analysis

- 4.1. The RCC is at its very early stage and LA's can withdraw at any time. Whilst there is a clear scope and remit what we have seen from the pathfinder in the North East is that some of the initial aims developed into wider ideas and development that suit the needs of the local area.
- 4.2. There is no obligation to provide funding/resource into the RCC unless the Local Authority feels that it would benefit from a pooled budget or shared projects. There will be engagement of NHS through Integrated Care Boards, the Youth Justice sector and others involved in providing placements and supporting looked after children and young people.
- 4.3. Joining the RCC means that we gain the same opportunities that all the other SE authorities get moving forward and can have our voice heard. It also means like the successful bid for Aut Even that we can improve our sufficiency with external funding with the right planning.
- 4.4. Aut Even will be the first specialist LDA Home in Medway (independent or Council run) and will provide much needed specialist accommodation for our complex young people and ensuring their needs are met locally and relationships can be maintained with family and friends.
- 4.5. The renovation of Aut Even will provide specialist residential provisions for Medway, ensuring much needed high quality local capacity and allowing children to either remain in Medway or move back from other areas. Funding these works from grant will enable the removal of borrowing agreed to fund the previous plans from the capital programme.

#### 5. Consultation

- 5.1. No consultation has taken place for RCC or Aut Even as the development and offer of funding has happened very suddenly. That said a similar programme of consultation with stakeholders including Children's Social Care and SEND colleagues, the ICB parents and carers and young people themselves, to have input into the building design and the purpose of the home.

#### 6. Climate change implications

- 6.1. [The Council declared a climate change emergency in April 2019](#) - item 1038D refers and has set a target for Medway to become carbon neutral by 2050.
- 6.2. Many complex young people are placed outside of Medway, many at considerable distances away to find appropriate residential provision and or education. This means a significant journey on a regular basis for a number of

professionals as well as parents and carers. Bringing young people back to Medway will significantly reduce the carbon footprint created by travel.

- 6.3. The initial designs for Aut Even include a range of additions Supporting Medway's Carbon neutral ambitions, Aut Even will look to reduce its carbon footprint by installing Air Sourced Heat Pumps, as well as proving 2 EV charging ports for staff and EV vehicles for the service.

## 7. Financial implications

- 7.1. The currently capital programme includes £1,530,336 for the development of a Children's Assessment Unit at Eden House. Aut Even will cost (subject to cost engineering around £950,000 to renovate and make a state-of-the-art facility. Its running costs are to be confirmed but will be below market value and costed in line with Parklands and Eden House.
- 7.2. The inclusion of a new scheme in the capital programme to Redevelop Eden House, funded from the DfE capital grant of £912,872 and a virement of £200,000 from the existing Children's Assessment Unit scheme, would enable the removal of £950,336 of previously agreed borrowing from the Council's capital programme, reducing revenue borrowing costs.
- 7.3. No funding for participation in the RCC is required although the opportunity to joint commission is possible if it meets local needs. In addition, the DfE have also procured a delivery partner to work with RCC regions to support their successful implementation. This will include intensive support and access to a wide range of skills and knowledge to help set up the RCC there will be no charge for this support.

## 8. Legal implications

- 8.1. Partnership Agreements will be required in establishing an RCC. It is assumed a lead LA will be required to manage the funding and employ staff to deliver the RCC Project. It is likely that when developed the RCC will operate as a hosted service in one of the Southeast local authorities.
- 8.2. A further report will be presented to O&S in Spring 2024 when the full design of the RCC has been agreed. This will provide further detail of the agreements reached and the legal and financial implications.

### Lead officer contact

James Harman – Head of Children's Commissioning and Placements  
[james.harman@medway.gov.uk](mailto:james.harman@medway.gov.uk)

### Appendices

None

Background papers

[Sufficiency report](#)