



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

**8 January 2026**

### **Regional Care Co-operative and Children's Residential Care Services Update**

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#### **Summary**

This report outlines the current progress with the Regional Care Co-operative Southeast and development of Children's Residential Services in Medway.

#### **1. Recommendations**

- 1.1. The Committee is asked to note and support the continued engagement and membership of the Regional Care Co-operative (RCC)
- 1.2. The Committee is asked to note the progress and plans for development of Medway Residential Childrens homes

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

- 2.1 It was agreed in 2024 via Cabinet that Medway would join the SE Regional Care Co-operative (RCC)
- 2.2 This supports Medways sufficiency strategy and Medway's People Strategy which sets out an ambition for all those who live, work, and learn within its borders. This will make Medway the best place to grow up and grow old in where people age well with the best opportunities. This aligns closely with the overall corporate vision for the Council to make Medway a waterfront city, connecting innovation, people, and place, driving growth for all.

#### **3. Background**

- 3.1 Medway joined the RCC in 2024 has been working closely as part of the partnership since. Following the award of pathfinder status in April 2024 the

RCC has been engaging Local Authorities and setting up the organisation and business model. Following consultation with Local Authority partners, the RCC is being set up as a not-for-profit social enterprise called Home and Future (The South-East Regional Care Cooperative)

The formation of Home and Future has many benefits for example:

- The legal structure will provide much greater freedom and flexibility in the way we as a Local Authority can engage with the RCC as a representative entity. The formation of Home and Future now at the end of this process with the company set up, the board and governance arrangements in place, The chair is Matt Dunkley, and the Chief Executive is Lucy Butler both experienced Directors of Childrens Services.
- In addition to the practical arrangements for setting up the RCC, they have been putting in the foundations for the work required going forward (e.g. procuring the infrastructure required for regional sufficiency work, putting data sharing arrangements in place and recruiting key staff to the RCC).
- Being a member of the RCC means closer working with central government and the new Children's Minister Josh McCalister, who is committed to the model of RCCs. He is committed to working with the SE RCC to address some of strategic problems and barriers in the children's sufficiency and placement market. This is likely to include a national roll out of the RCC programme, work on addressing excessive profit in the sector and significant investment in supporting foster carers (local authority and kinship carers). Indications are that ministers view a full service RCC as central to addressing the challenges faced.

3.2 As it stands 16 Local Authorities are part of Home and Future and 3 LAs are not part of structure for varying reasons. These are Kent, Hampshire and Slough.

3.3 The RCC has eight key priorities for the next 2 years:

3.3.1 Build a Shared Regional Sufficiency Strategy (A draft is currently circulating for comment)

- Align around common goals – sufficiency, quality, and cost control – rather than competing for limited placements.
- Develop regional sufficiency plans using shared data on demand, supply, and outcomes to inform and improve joint commissioning.
- Adopt consistent performance measures, ensuring every authority contributes to and benefits from collective improvements.

- Provide individual local authorities with regional benchmarking data to highlight themes and issues and support individual LA budget setting processes.

### 3.3.2 Pool Expertise and Resources

- Joint commissioning of placements, training, and specialist services will reduce duplication and improve negotiating power.
- Shared specialist roles (e.g. data analysts, market managers, workforce trainers) deliver efficiencies and create regional capacity.
- Collaborative innovation – for example co-developing new therapeutic residential models and pathways to expand options for children with complex lives.

### 3.3.3 Strengthen and Professionalise the Workforce

- Develop a Regional Workforce Academy to attract, train, and retain high-quality residential staff.
- Share training programmes, recruitment campaigns, and qualification pathways across the region to address critical workforce shortages.
- Establish communities of practice for managers, residential workers, and carers to exchange learning and promote best practice.

### 3.3.4 Use Collective Market Influence

- Create regional commissioning frameworks with standardised contracts and quality standards to improve purchasing consistency.
- Develop preferred provider networks that reward quality, stability, and fair pricing.
- Share intelligence and pricing data to increase transparency and ensure fair costs for care and best use of public money.
- Develop a mature relationship with the market based on collaboration and shared goals.

### 3.3.5 Invest in Local and Family-Based Care

- Work with the Local Authority Fostering Southeast and the DfE to invest in and improve fostering across the region.
- Launch the foster carer home adaptation scheme and support tools to expand capacity within existing approved foster homes.

- Prioritise ‘keeping children local’ initiatives, sharing placements regionally before using distant or costly options.

### 3.3.6 Embed Data and Evidence in Decision-Making

- Develop the regional data platform to enable timely sufficiency analysis, forecasting, and benchmarking. • Use assessment tools (e.g. BERRI/CANS) to better match children to placements and design tailored support packages.
- Evaluate outcomes collectively to understand what delivers long-term stability and savings.

### 3.3.7 Co-Produce with Young People and Families

- Involve young people’s boards and care-experienced advisors in regional planning and service design.
- Ensure policies and commissioning decisions reflect lived experience and the principle of children’s voice and choice.

### 3.3.8 Advocate for Systemic Reform

- Work together through the RCC to influence national policy, funding, and regulation - particularly on profit controls, workforce investment, and foster care reform.

## 4. Medway Residential Development Programme

### 4.1 In 2022 Medway recognised the challenges and availability in the sector and decided to grow a suite of Children’s Homes to:

- To bring Medway children close to home.
- To help meet local needs
- To provide value for money
- To ensure that provision is of a high quality

The initial plan was to develop 2 new homes to join the existing Parklands Short Breaks home and create 10 new beds to bring some of our most complex children closer to home. One Emotional and Behavioural Difficulties Home (EBD) and one Learning Disabilities, Neurodiversity and Autism home (LDA).

## 5. Eden House

### 5.1 Eden House was registered in October 2024 by Ofsted and was inspected in April 2025 as Good in all areas (Appendix1) The home has provided a home to six young people since October 2024 with four currently resident as of December 2025.

- 5.2 Some young people moved from unregulated some from out of area and most had had multiple placement breakdowns. Of the two that have moved on one is in a foster placement and one in an alternative residential provision. The ages have ranged from 14 to 17 so far which is in line with the ages locally and regionally where we have the most challenges finding suitable placements.
- 5.3 The home is now fully staffed and is embedded in the local community with the local church and business but also well-known across all Medway Services.
- 5.4 The home is financially beneficial for the council against most external provisions and therefore meeting all of the markers pre identified for the project.
- 5.5 Careful planning and matching take place to make sure the children are appropriately placed and that there are robust transitions. Young people will always visit the home prior to moving and will be visited multiple times by their new key worker. The rooms in the home are tailored in conjunction with the children themselves and detailed information about likes and favourite food etc to ensure that they are comfortable as possible.

## 6. Aut Evan (LDA Home)

- 6.1 In 2024 Medway Council were successful with their bid to the RCC and DFE for capital funding to redevelop an existing site of the old Council Short Breaks home and transform it into a modern state of the art, high-quality long-term home for children with complex learning needs and disabilities. This will include extensive redevelopment and extensions including outdoor play, therapeutic playrooms and a hydrotherapy room.
- 6.2 The grant of around £900k was issued in April 2025 and following agreement of architects plans and structural surveys a building provider was awarded in the summer and work commenced on the rebuilding in October 2025. The external and core internal renovations are due to be complete by April 2025. Significant work has already been completed on the site since the builders (Wallers) have taken over.
- 6.3 Staff will be recruited over the summer, and all of the internal fixtures and fittings will be in place alongside all of the policies and procedures ready to submit for Ofsted registration. We hope that registration is successful with Ofsted and that young people can become resident from early 2027.
- 6.4 The name will be changed from Aut Evan in consultation with children's young people and professionals to reflect the ethos a look of the new provision.
- 6.5 The provision will provide 5 large specialist accessible bedrooms for our young people which will allow for a wide variety of physical and learning needs to be met have specialist therapy and playrooms and a state-of-the-art hydro pool and adapted bathrooms.

## 7 Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
Medways needs and voice is not heard within Regional Care Co-Operative	Being a small local authority and with Kent not being part of the RCC there is a risk that Medways voice isn't heard and that shared developments are based in the more southern side of the RCC	Ensure Senior Leaders and officers are present and showcase the good work and ideas of Medway to ensure we make the RCC work for us	C3
Grant deadline for Aut Evan	The grant for Aut Evan needs to be spent by the end of March 2026. If not, it may need to be returned in part to the DFE	Close project management and regular project management meetings will help mitigate the chances of this happening	C2

For risk rating, please refer to the following table:

Likelihood	Impact:
A Very likely B Likely C Unlikely D Rare	I Catastrophic II Major III Moderate IV Minor

## 8. Consultation

8.1 Partners and young people were and still are engaged in the oversight and design of Eden House and the voices of the young people are regularly captured by the team, Ofsted and reg44 visitors. They are involved in many of the appointments of staff. This will continue with Aut Evan adding MPCF as a key consultee with engagement with young people and families planned in Q1 2026 to consult on fixtures and fittings, staff and the name of the provision.

## 9. Climate change implications

9.1 Bring children closer to home is a key part of the climate change agenda it reduces travel of young people professionals and families significantly by not having to travel sometimes hundreds of miles to visit our children and young people. Aut Evan development has included a number of climate friendly and sustainable elements in its planning and build such as electric vehicles and solar panels further reducing footprint.

## 10. Financial implications

- 10.1 The refurbishment and building adjustments made to Aut Evan will be covered by the DFE/RCC capital grant award of c£900,000.
- 10.2 There will be an ongoing revenue commitment for the Council to pay for soft furnishing, staffing and other associated costs with running a children's home. However, the cost to place a child in a cost-effective high-quality inhouse provision is approximately £4,852 per week compared to an external residential provision of £7,412 per week, whilst improving outcomes for our young people.
- 10.3 Medway Council year one contribution to the RCC agreement was £75,000 and is within budget. Each of the 15 partners contributes between £25,000 to £125,000 to the partnership.

## 11. Legal implications

- 11.1 Council and legal agreed our membership of the RCC and associated commitments in the summer of 2024. Legal advice and advice on the governance arrangements should be sought throughout this project.

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### Appendices

Appendix 1 Eden House Ofsted Report 2025

Background papers

None