



## Residential Care: Policy Brief

*Please note that this brief aims to outline the policy objectives the Department for Education is looking for projects to respond to in their applications. Whilst it is specific in terms of what the Department for Education is looking for, we are open to different, innovative approaches to how you achieve this.*

We are specifically interested to hear from organisations that are looking to develop, implement and test new approaches to the commissioning of residential care to ensure quality and stable placements and positive experiences and outcomes for looked after children. Residential care in this document refers to the 1,972 registered children's homes in England.

### **What do we mean when referring to new approaches to the commissioning of residential care, in the context of this Targeted Funding Opportunity?**

The Government is implementing the recommendations from Sir Martin Narey's review of residential care. Through the Targeted Funding Opportunity, we are committed to using the Innovation Programme to explore ways in which:

- Local authorities and other partners could come together to develop new and better commissioning arrangements for residential care placements to test Sir Martin Narey's view that this could lead to significant savings, wider placement choice and better experiences and outcomes for children; and
- Residential care could be used in a more dynamic and creative way to better support children and link seamlessly with other care placements and services.

### **Regional commissioning**

Our aim is to ensure that value for money placements of the right type and quality are available in the right locations for the children who need them. In his report, Sir Martin states that residential children's homes have an important place in the care system. However, he found that commissioning by local authorities can be inefficient, conducted on too small a scale and failing to deliver the cost and quality benefits and the outcomes for children that it could. Sir Martin recommends that DfE facilitates the improvement of commissioning skills and requires local authorities to come together into larger-scale commissioning consortia.

Sir Martin Narey identified some of the challenges that are preventing effective commissioning:

- Where consortia exist, they rarely function in a way that maximizes their purchasing power to make efficiency savings and secure a range of provision by acting upon predictions;
- There is an absence of the good analysis of data and trend data over time that is required to understand and forecast demand;
- Spot purchasing by single local authorities is very common but results in authorities paying high prices and still not placing children in the most suitable provision;
- Providers experience uncertainty over how many beds they will fill; and



- There is a lack of communication between commissioners and providers over what services are needed and where. Providers are not opening homes in the areas that need them and may not be offering the services that commissioners want them to have.

We are interested in proposals that test the following features:

- Regional commissioning models which operate at sufficient size to provide economies of scale and a varied range of placement options. This may include larger, regional consortia. Proposals should set out how they will use better contracting models such as cost and volume or block contracts to maximise the benefits of the proposed arrangements; and
- Better collection and use of data to enable authorities to accurately forecast demand based on the needs of looked after children, and develop a strategic approach to sufficiency planning to ensure longer-term supply. Commissioners and providers will work together to use available data to plan, deliver and evaluate services which match the predicted needs of looked after children in the right locations. This may involve local authorities incentivising new providers and new types of provision where it is needed most.

### **Dynamic models of care and collaboration across service boundaries**

Sir Martin Narey also found that residential care could be linked better to other services and models of care. Other challenges in the residential care sector are listed below:

- Children in care will access a wide range of services, including health, education and justice and the choice of placement will determine how children access these. However, these services are not always involved in the commissioning process. The increasing use of out of area placements only compounds this issue;
- Pockets of good practice and innovation exist across the country, for example **No Wrong Door**, **Mockingbird** and the **House Project**, but good practice and lessons learned, including what doesn't work, are not widely shared.

We are interested in proposals that test the following features:

- Different types of care model which provide care and services in an innovative way. This may include a model that blurs the lines between foster care and residential care;
- Involving the services accessed by children in residential care such as health, mental health, education and justice in the child's care plan from the earliest opportunity to provide placements with additional support; and
- Better collaboration among providers, which may involve the creation of provider consortia.

We will look favourably on proposals which build on the learning gained from previous projects already tested through the Innovation Programme.

The strongest proposals will include all of the features outlined above.



### **Which areas are out of scope for residential care proposals?**

- Commissioning of secure children's homes
- 'Staying Close' and care leavers
- Children and young people on the edge of care
- Practice within residential children's homes
- Commissioning of fostering (except as an element of care which blends residential and fostering)
- Commissioning of residential special school placements

### **What outcomes would we like new residential care proposals to deliver?**

Examples of the outcomes that we would hope to see delivered include:

- Increased placement stability so that children are able to develop and maintain lasting relationships and networks;
- Children are matched to the right placements to meet their needs, including their health, education and wellbeing needs; and
- Value for money for local authorities.

We would expect projects to be able to evidence that placements are in the longer-term interests of the child, demonstrated by goal-based outcomes.

### **Submission requirements**

Applicants should use the detail provided in this brief when completing their EOI to ensure they are addressing the problems and challenges outlined and that their EOI meets the policy objectives for this targeted funding opportunity. In addition, applicants should refer to the Innovation Programme's assessment criteria when completing their EOI which can be found in the '[How to get involved](#)' document.

All applications must be submitted by 3pm, 31<sup>st</sup> January 2017 to [CS.INNOVATIONPROGRAMME@education.gsi.gov.uk](mailto:CS.INNOVATIONPROGRAMME@education.gsi.gov.uk) using the [EOI form](#) provided alongside this brief.

Please hold in your diary the 22<sup>nd</sup> February 2017 in Manchester for a workshop to develop your solution should your EOI be successful.