

Regional Care Cooperatives – pre-requisites for success

After being introduced in the [Independent review of Children's Social Care \(2022\)](#), the concept of Regional Care Cooperatives (RCCs) has been taken forward in [Stable Homes Built on Love: Implementation Strategy and Consultation \(2023\)](#). ADCS members have concerns around the feasibility of piloting the model in its current form, particularly regarding what can be achieved outside of legislation and about the possible unintended consequences of the model as originally described.

DfE is working to identify groups of LAs to plan, commission and deliver care places as two regional pathfinders. While ADCS members acknowledge that regional collaboration could offer some opportunities, including regional sufficiency audits, workforce gap analysis, and opportunity for joint commissioning in areas of greatest need, a number of concerns about the model which has been described by DfE remain. ADCS has developed an [alternative vision of RCCs](#), outlining how a model of RCCs could work, underpinned by national action to provide the conditions needed to secure success. This alternative vision is also explored in the [ADCS response](#) to the Stable Homes Built on Love consultation.

Across regions, there are varying degrees of interest in taking up a RCC pathfinder opportunity but, at present, no region seems to be interested in adopting the approach as outlined by DfE. ADCS has developed some 'pre-requisites for success' which all regions will adopt as they continue to discuss the concept of RCCs with DfE. These are listed below.

System pre-requisites for success of the RCC pathfinder

1. DfE must lay the national conditions for success, as described in the [ADCS alternative vision for RCCs](#). Without the necessary changes to the wider context being made, a simple commissioning solution cannot hope to solve this complex system.
2. There must be a regulatory review and reform as a result. The Children's Home Regulations are out of date and no longer fit for purpose, they hinder delivery of flexible, suitable provision.
3. DfE must address profiteering and mitigate the risk of market withdrawal with a particular focus on private equity driven financial structures of major providers.
4. DfE, with input from DHSC, must undertake a residential care workforce analysis leading to a workforce development strategy focused on high quality training, recruitment, and retention to ensure the sector has the workforce needed to deliver for children.
5. DfE must action the introduction of price caps and/or bands and tariffs, similar to the approach in the SEND & AP Implementation Plan.
6. DHSC must undertake a review of mental health services so children in care have access to the right support which meets their needs and supports their stability and mental wellbeing.
7. DHSC must undertake a review of Continuing Care guidance and how it is applied to children and young people with a view to establishing fair and equitable access to this funding.

RCC pathfinder pre-requisites for success

1. LAs must retain their statutory responsibilities for meeting the needs of children and young people.

2. LAs must continue to be responsible for all relevant placement decisions for their children and deliver the services they deem necessary. The link between corporate parenting accountability and a LAs sufficiency duty for children should not be broken.
3. Children must, wherever possible and appropriate, live locally to maintain relationships and links with their own community, friends and families.
4. RCCs should act as a commissioning hub; they should not have a delivery function. Decisions on where children live must continue to be made by LAs to avoid creating a gulf between children and their corporate parent.
5. The constituent LA members of the RCC pathfinders should be responsible for deciding which activities should be undertaken by the RCC. This will ensure that decisions are made based on what works for children and taking into consideration the relevant context, e.g. shared characteristics across LAs and communities, and ICS or combined authority footprint.
6. Pathfinders should be targeted on the areas of greatest need which have to date proved unsolvable for single LAs, specifically high cost and low incident placements e.g. secure welfare and mental health provision.
7. Learning from the RCC pathfinders should be embedded in RIAs; insights on what has worked well and what has not been successful will help all LAs to review and form their own approaches to collaborative commissioning.
8. There will be no pooling of budgets, with funds and accountability remaining with each local authority, unless determined locally between local authorities.
9. There must be local democratic oversight and political engagement across all LAs in the RCC.