

Yorkshire and Humber Regional Commissioning Board – Response to CMA Interim Report

This response to the invitation for comment on the CMA Interim Report on Children’s Social Care Market Study is provided on behalf of the Yorkshire and Humber Children’s Services Commissioning Board. Our response is informed by our experience as local authorities commissioning children’s social care placements.

The White Rose Partnership is a group of fourteen Local Authorities and one Children’s Trust in the Yorkshire and Humber Region who work together in a consortium to commissioning Independent Fostering, Independent Children’s Homes and Independent Schools and Colleges for Children and Young People with Special Educational Needs and Disabilities. As well as collaborating on formal contracts we work together to monitor, and improve, performance and quality and to increase our commissioning influence.

As a partnership our aspiration is to achieve suitable placements within a young person’s community, for good quality placements that meet identified need, for sufficiency and affordability in our commissioning activity.

Firstly, we would acknowledge that the overall assessment of the current market position outlined in the *Concerns about the Market* section of the report reflects our experience as commissioning authorities. Namely that ‘the placements market overall is not providing sufficient appropriate places’ and ‘second, there is evidence that some prices and profits in the sector are above the levels we would expect in a well-functioning market.’

We note the report states that local authorities can strengthen their position as buyers by working together utilising block agreements or procurement frameworks however suggests they are limited by the small scale on which they are operating. As a group of local authorities we have procured frameworks together that have been developed, refined, and re-commissioned over many years. Between the fifteen organisations as of 2020 we had over 500 commissioned external residential placements and over 1600 commissioned external fostering placements spending in excess of £128m per annum. We believe this should be sufficient scale to influence the market.

Many local authorities are now part of a commissioning consortia working together at a regional level, as we do, but still find that the market overall does not provide the number or quality of placements needed. We, in common with most other consortia, are continually looking at ways to further enhance our understanding of our sufficiency needs and to work with providers to improve our market management activity however whilst the market continues to operate as it does currently, and there is an under supply of appropriate placements, then there is limited incentive for providers to develop provision which better meets the needs of local authorities, to improve quality or increase value for money.

Change is clearly needed to both improve outcomes for children and young people and to ensure local authorities can achieve value for money in their use of public funds. We therefore understand it is appropriate to consider a range of *possible remedies* however we feel there are significant risks in the suggestion that a separate regional or national body could be created. Whilst we find collaboration between authorities at a regional level more effective and efficient than commissioning placements individually our ability to understand the local context at an individual local authority level is essential. As a group of local authorities working together, we are able to

understand the factors driving placement demand at a local and regional level and co-ordinate our response accordingly in a way that a separate regional or national body could not.

Although many local authorities are already working at a regional level clearly significant challenges remain, however we believe these challenges will not be overcome by the creation of a separate body as you consider in the interim report. A more appropriate response to these challenges would be to focus on changing the way the market is operating whilst providing the support and resource local authorities need to both develop new internally delivered provision as way of increasing locally available capacity and to work together to effectively manage and influence provider markets. Whilst in addition addressing barriers to new good quality provision being developed in the areas where local authorities need it.

We hope you find this response useful and would be happy to engage in further discussions as you develop your final report and recommendations. The interim report highlights important and significant challenges, and it is imperative that we find the right response to improve outcomes for the most vulnerable children and young people.