

Please see below the response to the CMA market study consultation from Suffolk County Council.

In responding to each of the questions below please make it clear:

- whether your response relates to children's homes, fostering services, or both; and

Both

- which nation or nations your response relates to.

England

Please provide explanations, evidence and examples to support your responses wherever possible.

Our analysis of market outcomes

1. Do you agree with our analysis of market outcomes, as set out in [Section 3](#) of this interim report? Our emerging conclusions on the potential drivers of market outcomes
 - We broadly agree with the analysis of market outcomes.
2. Do you agree with our emerging conclusions on the potential drivers of the market outcomes, as set out in [Section 4](#) of the interim report?
 - We agree that there are issues with strategic suppliers. The funding by eg venture capitalists is seeing turbulence in the market – we have investors in the market for short term gain – there is a perceived high risk in the market for short term contracts. In Suffolk we are looking for permanence and committing to the child.
 - We would challenge the fact that the external market provides care for children with the most complex needs – in Suffolk we are successful at caring for our children inhouse whether residential/fostering. The support to our own homes and carers ensures that placements are successful, and we have low turnover of placements in inhouse provision. Our stability for children in Suffolk is high.
 - We believe some of our success can be attributed to investment in working with the market and contract market – we invest time in knowing our providers well, developing the local market place and being involved in an Eastern Region group, so we can discuss regional sufficiency, pricing, strategy and sharing provider concerns. This is informal, but we believe that our informal arrangements work well.

- We have invested in our sufficiency strategy and forecasting. This is a multi-agency document that the Corporate Parenting Board owns.
- Regulation – if 16/17 accommodation is regulated, this will increase costs to the authority. We have a contract for our accommodation, and this has served us well – this has built the relationships with the providers, and we have used our procurement opportunities to flex.
- Regulation for children’s homes is not being fast tracked in our opinion. We welcome the ability to be able to register multiple sites. What is the standard/KPI for registration for Ofsted? A clear process with timelines and maximum timescale would be helpful – this gives us opportunity to plan and put in place interim arrangements. This is currently taking too long given the current market, especially when we are seeking to avoid unregulated/unregistered placements. This needs to be a collaborative partnership with Ofsted, with some local flexibility.
- Inconsistent length of time to register a new home. We have observed experienced providers struggle to get registration, and new providers whom we have concerns about obtain registration relatively easily.
- We agree that getting the necessary planning permissions for children’s homes and finding suitable accommodation is very challenging – this is particular so in the east of England. We have strategically worked with our s106 officers and strategic housing to start to plan this into new developments. At the end of next year we have 2 new children’s homes in the pipeline as social housing on a development in West Suffolk. We are working with our District & Boroughs to do the same. We think a stronger focus on corporate parenting responsibilities of D&Bs and perhaps housing targets set for development would be useful – any guidance would be helpful.
- We have noted that recruitment and retention of children’s homes is difficult. In Suffolk we did a review of our children’s home sector, and for our inhouse provision, we have instigated a recruitment and retention plan, plus a pay award – this has supported our turnover of staff, although covid and long covid is a perennial issue.
- We have a recruitment and retention strategy for foster carers, and have been successful in recruitment. Our use of inhouse provision is 76% v IFA 24% We have added more detail in the [LAs RFI England Regulation and Barriers to Investment](#) response.
- Risk is omitted as a risk factor in terms of suppl. Impact of LADO’s, safeguarding on workforces.

- All LA's should use a template Sufficiency Strategy, with universal approach to gap analysis, projections, and forecasting, building on the work of the LGA
- Provoke whether average costs have risen due to lower occupancy levels.
- Timeliness is a key factor in Suffolk's Sufficiency Strategy. From evidencing need (thus having a period of unmet need) to establishing a business case, to go out to tender and then mobilising a service. Placements are always in deficit in terms of the here and now.
- Supporting more complex children needs to be incentivised in some way, choice will forever support 'cherry picking' this could be by way of additional multi agency support, Therapeutic interventions, planned breaks, specialist training etc.
- Dispelling some of the cautious hesitations to surplus accommodation and the associated costs.

Our thinking on possible remedies

1. Do you agree with our thinking about possible remedies as set out in Section 5 of the interim report?
 - We are not convinced the best way forward is regionalisation. We need local innovation, encouragement of partnership, and investment as appropriate. We need to take the heat out of competition and work collaboratively.
2. Can you provide any best practice examples of initiatives to improve outcomes, including collaborative initiatives, that we should consider?
 - We take a collaborative approach to all our commissioning, particularly market engagement and with service users. We work with national T&Cs.
 - We have an Eastern Region partnership meeting of corporate parenting commissioning leads. We have built trust and the willingness to share intelligence and jointly commission is already there – this does not mean that we want to do this all the time, but eg secure we would put in a regional bid
 - Suffolk has strong, regular, well attended market engagement events sharing our sufficiency needs – we have successful market shaping and flexible procurement

- Local provision supports sufficiency, flexibility, social value, innovation, local negotiation and the local economy – we wouldn't support stifling this. We need choice and a diverse marketplace.
 - What works well for us is working with smaller businesses and building strong professional local relationships. We have built trust and built social value. Eg interim sufficiency arrangements during covid where we used procurement flexibly to create solo placements and an isolation unit for YP. We have developed a plan to avoid use of unregistered provision, working with our local market and developing a “restore and prevent” intervention to prevent placement breakdown
 - We have been having informal discussions re sufficiency with our eastern region partners, but we would be open to look at investment in regional sufficiency. If there were to be a regional hub the expertise has to be there across the piece – not just hosted in one authority.
 - We feel that eastern region sufficiency planning could be advantageous, and we are doing this informally – we benchmark costs and share specs/innovations etc. We could build on this.
 - Consideration is needed to better meet the needs of sibling groups.
 - We absolutely promote the necessity of a mixed economy of inhouse and purchased to meet our statutory duty.
 - Recent positive example of commissioning for individuals – particularly those with additional needs.
 - Staying Close has supported positive transitions and the freeing up of care placements.
 - The market has advised us that they cross subsidise their charges due to working with their preferred LA's. 'Preferred LA's' being those they have positive relationships with. Therefore consideration to not only providers recruitment, retention and capacity but also that of LA's commissioning and contracts team.
3. Do you have any examples of collaborative (or other) initiatives to improve outcomes that have been less successful – please explain why you think this was the case. We have learning from our regional IFA contracts, but ultimately we took the decision to recommission this as one authority as we felt that we would get the most benefit for resources – there was no effective resource sharing agreements. The market has a proliferation of frameworks that are difficult to enter, and not flexible as they need to be.
- A similar model in adoption is a funding formulae and payment is made on on top. Adoption regional collaboration eg regional sharing

of information eg waiting to be adopted has been useful, but this could be done informally. Funding has gone into co-ordination and staffing costs of central team, which have been borne by authorities.

- Our experience of a regional commissioning framework for IFAs was that it was too bureaucratic and didn't particularly reduce our spend or create local sufficiency. We have since moved to a solo arrangement again, and this has worked well for us. The shared contract management arrangements did not work for us, and we lost vital relationships.
- Tenders that have over specified have had a limited response.
- Suffolk were unable to award a block purchased contract due to the required timescales we had.
- We learnt from Eastern region colleagues that frameworks do not work for the residential sector. With soft blocks being preferred as a mutually beneficial approach. This allows for a level of commitment to an individual LA, fixed costs, but freedom around matching.

4. Do you see potential for unintended consequences with any of the potential measures set out in [Section 5](#)?

- There is a danger in regional arrangements that smaller providers lose out and by default you only work with the larger companies, who make the most profit.
- From a Suffolk perspective, we are making good progress on sufficiency, and we would be wary of national/regional arrangements – our s.251 shows that we have a low unit cost, and therefore the advantage to us may not be afforded in the same way as it would be for authorities who have high commissioning unit costs. It may increase our costs.
- What would be the cost of setting up these arrangements and how would they be funded by each authority? Would inhouse capital investment from DfE be an alternative?
- Could money be spent further supporting regional sufficiency planning and strategic supplier work so we have more expertise to really understand larger providers.
- There is a danger in regional arrangements that smaller providers lose out and by default you only work with the larger companies, who make the most profit.
- Lack of autonomy/responsibility.

- We understand some LA's are under JR for failing to meet their duty. Would this confuse things if the solution is supposedly a regional one?
5. Are there any other measures we should be thinking about? If so, please explain how they would work and what would their impact be.
- We would like to see strategic suppliers' relationship from LGA enhanced – eg we would like expertise to look at accounts, and this work supported by the LGA and not providers.
 - We would like further support regarding regional sufficiency and embedding the template and further guidance. We need to recognise that the experience of a unitary and a two-tier authority is very different and this needs to be reflected.
 - We would like to see a greater commitment from D&Bs and RSLs as corporate parents, in terms of allocation of land/buildings for children in care.
 - We would like to see more capacity for CiC in local strategic housing planning, as a priority group. We feel this would increase local sufficiency.
 - There needs to be an approach to promoting the workforce and sector.
 - Relax procurement where needs have gone unmet – e.g. if in 3 months of searching for a placement nothing suitable has been offered, direct approaches can be made to providers without the need for full procurement activity.
 - A tangible offer for foster carers in social housing to assist with their housing status, allocations, and the potential to create 'spaces' for foster children including extensions, conversions and pods.
 - Provider's responsibility to support move on.