

DELEGATED DECISIONS BY CABINET MEMBER FOR CHILDREN AND YOUNG PEOPLE

16 December 2025

Cross Regional Block Contract

Report by Director of Childrens Services Lisa Lyons

RECOMMENDATION

The Cabinet Member is **RECOMMENDED** to

- a) Approve the re-tendering of the Cross Regional Project partnership.
- b) Approve the council's plan to expand growth in Oxfordshire by raising the number of block placements from 17 by an additional 8, reaching a maximum total of 25 placements throughout the ten-year contract period (structured as 5+2+1+1+1 years).

Executive Summary

1. This partnership is formed by Oxfordshire County Council (the council), Buckinghamshire Council, Milton Keynes Council, Hertfordshire County Council, Bedford Borough Council, and Reading Council. Oxfordshire County Council will take the lead in commissioning and procurement activities. The re-tendering process is to be aligned with the conclusion of the current service, which is scheduled to end on 31 July 2027
2. This report summarises the council's plans to re-tender the Cross Regional Project (CRP), which delivers therapeutic residential care and educational services for children aged 11–17 with complex needs, operating across 11 homes in partner counties (refer to Annexe 1), offering 36 placements. It reviews the current contract, examines alignment with strategic priorities, highlights development opportunities, presents financial and risk considerations, and sets out the joint procurement approach to be led by Oxfordshire County Council. The initiative ensures an adequate provision of high-quality local and regional placements.
3. Services are delivered within each participating council's area, with placements arranged by local authorities ideally within 20 miles of the council centre or as near as possible to keep children close to their previous home. A registered special school, commissioned under a block contract, provides education for pupils aged 11–17—including those without EHCPs—across Key Stages 3 to 5. Off-site satellite

provision is offered for students living more than 45 minutes away, and all education is tailored to each child's Personal Education Plan (PEP).

4. The school in High Wycombe, Buckinghamshire, has capacity for 36 pupils and is fully utilised. A new site may be established if demand justifies expanding provision under the contract.

5. The contract commenced on August 1, 2019, with an initial term of five years and included an option to extend for an additional three years. It is currently in its second extension year and is scheduled to conclude on July 31, 2027. The contract in existence commenced with an initial 26 placements, with further capacity to increase up to a maximum of 36 (see Annex 2) placements across the four authorities and the ability to buy and sell beds between areas to meet increased/decreased demand.

6. As more placements are anticipated, facilities must be suitable for both current and future needs. If all Consortium partners agree, local authorities can provide buildings to the provider at the standard block rate, with lease agreements managed separately from the service contract.

7. The Cross Regional Contract offers the council and other partners compliant, cost-effective placements, helping to avoid expensive and non-compliant SPOT arrangements. By re-tendering the CRP contract, the council ensures continuity for the 36 current placements, thereby minimising disruption to young people's care and education.

8. The new contract will initiate with 36 placements and is expected to expand to incorporate up to 24 additional beds, as well as two new local authorities joining the partnership. Growth forecasts from other partners have received approval through their respective governance processes (refer to Annex 2).

Business Need

9. The council must ensure there is sufficient local accommodation for children in its care (Sufficiency Duty). Re-tendering the CRP contract will maintain a compliant process for purchasing residential, educational, and therapeutic placements. Regional commissioning has provided flexibility, value, and quality, which would be challenging to achieve through individual arrangements.

10. High occupancy rates are maintained by effectively matching children between authorities, optimising resource utilisation to minimise vacancies. This approach also allows for the buying and selling of beds among partner authorities to reduce risk. Current usage data (refer to Annex 4 & Annex 5) supports the decision to re-tender the service, with consideration given to future growth and potential expansion into neighbouring counties.

11. The recent usage rate for Oxfordshire has dropped because one of its vacant beds was sold to Hertfordshire, leading to an increase in Hertfordshire's usage. The bed was sold at the usual rate plus a 5% administration fee. In the future, partners plan to make sales directly with each other, which will remove the 5% administration fee and streamline the process.

12. Occupancy levels are tracked weekly; brokerage officers meet with the regional service manager from the current provider on a weekly basis to minimise the number of hours/days a placement remains vacant.

13. The intention is to decrease the current number of SPOT purchased residential placements to enable more children to remain closer to their communities. It should be noted that not all SPOT placements encompass care, accommodation, and education at a registered special school; the majority pertain to care and support with accommodation, while the young person attends a mainstream educational setting.

14. Of the 75 SPOT placements (Annex 6) we have procured, only four are within the current CRP boundary. The average cost per placement, per week is £7,641 versus the CRP placement rate of £5,520.

Financial Implications

15. The Cross Regional Project contract supports the DFE's aim for smarter regional purchasing and is set at £5,520.35 per week per placement (see Annex 7), covering care, education, and therapy. In comparison, the current provider charges £5,900 per week for SPOT placements with care only. Some placements may also qualify for health and education funding.

16. For comparison, the average weekly cost of an equivalent like for like SPOT placement made by Oxfordshire is £7,383.50 (see Annex 7).

17. The overall contract price is £26,668,257 to the end of Year 7 (see Annex 8), with year 8 costs yet to be determined. For year 8, there will be an annual uplift using the same price review method (see Annex 9) used for years 6-7, although the overhead uplift percentage may be adjusted.

18. Oxfordshire will retain responsibility for contract management, encompassing both fixed and variable expenditures related to oversight and quality improvement initiatives. These expenses will be distributed among the established partner authorities, while new partners—Bedford Borough Council and Reading Council—will incur a nominal charge until they elect to procure placements.

Comments checked by:

Jane Billington, Strategic Finance Business Partner,
jane.billington@oxfordshire.gov.uk

Legal Implications

19. The council's powers and duties to engage in these activities are set out at Part III of the National Assistance Act 1948, the Care Act 2014, the Children and Families Act 2017 and the Children Act 1989.

20. The new CRP contract will be procured via an above threshold competitive flexible procedure tender under the procurement act PA2023 to ensure full compliance, transparency and best value for money.

21. The council will continue to serve as the Lead Partner for the management of the Cross Regional Project contract. As a Platinum contract, strategic oversight is provided by the Hub's Strategic Contract Manager, while operational management responsibilities are undertaken by the Quality and Improvement Team.

22. A separate partnering agreement will need to be in place between the purchasing partners to regulate the management of the service contract permitting the transfer of placements between them so as to maximise occupancy and to ensure the service contract is running as efficiently as possible.

Comments checked by:

Jonathan Pool, Solicitor (contracts), Jonathan.pool@oxfordshire.gov.uk

Staff Implications

23. The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) will be applicable to this contract. Accordingly, formal notification has been provided to the incumbent service provider, and it has been requested that all relevant employee information and associated obligations under TUPE are disclosed and managed in accordance with statutory requirements. This ensures that employees affected by the transfer are afforded the necessary protections, and that the process is conducted transparently and in full compliance with employment legislation.

Equality & Inclusion Implications

24. The Cross Regional Project is dedicated to providing inclusive services that promote equality and diversity for all children and young people, regardless of protected characteristics. All partners foster respect and ensure services recognise individual strengths across diverse backgrounds. Children are supported to understand their rights and challenge discrimination, while carers and staff receive training on equality, diversity, and relevant legislation.

Sustainability Implications

25. The evaluation process will include mandatory disclosure from providers to answer questions regarding their environmental management, carbon emission reduction, circular economy and biodiversity. At present a Climate / Environmental Policy is not required by providers. All successful providers will need to self-certify that their organisation has had no prior convictions of breaching environmental legislation, or had any notice served upon it within the last 3 years by any environmental regulator or authority.

Commissioning and Procurement Requirements

26. To meet growing demand and lower the number of children placed more than 20 miles from home—a figure where OCC ranks as the UK's second highest—we plan to re-tender the CRP service while keeping the current 36-bed capacity. Our

objective is to increase placements for all partner organisations over the 10-year duration of the contract.

27. Accordingly, Oxfordshire will maintain the 17 block placements already procured and will have the option to acquire up to 8 further placements throughout the duration of the contract.

28. Some risks are expected (see Annex 10) given the market conditions and can be managed within the permitted timeframe for the implementation of re-tender and the mobilisation timeframe of 12 months.

Corporate Policies and Priorities

29. The re-tender of the Cross Regional Project contract will incorporate two of the key priorities set out by the Start Well Commissioning Team and aligns with seven of the priorities set out in the Oxfordshire's Children and Young People's Plan.

Priorities of the Start Well Commissioning Team:

- To increase number of children placed in county.
- Improve access to services to reduce inequalities.

Priorities of the Oxfordshire's Children and Young People's Plan:

Live Well: Young Lives:

- Keeping children and young people safe from harm
- Providing help and support across the system at the earliest opportunity
- Improving the experience of good mental health and emotional wellbeing of children and young people

Achieve well:

- Improve school experience.
- Improve school attendance.
- Narrow the disadvantage gap across all key stages, while continuing to support positive outcomes for all.
- Ensure preparedness and support for all young people on their journey to meaningful employment, education, and training.

30. To achieve these priorities and align with the Sufficiency Strategy 2020-2025, the council will work collaboratively with partner local authorities to ensure providers offer a diverse range of appropriate services for children from Oxfordshire and other participating areas. This includes maintaining access to services, educational continuity, and support networks.

Background papers: Nil

Lisa Lyons, Director of Childrens Services

Contact Officers:

Allison walker: Commissioning Officer Start Well

alison.walker@oxfordshire.gov.uk

December 2025

Annexes

- Annex 1: Homes, Counties, and Ofsted Ratings
- Annex 2: Number of Current Purchased Placements
- Annex 3: Growth of existing and prospective new LAs
- Annex 4: Occupancy Data for 2024-2025
- Annex 5: Occupancy Data for 2024-2025 (additional 2 beds purchased by Oxfordshire)
- Annex 6: Areas of SPOT placements
- Annex 7: A sample of SPOT residential placements with education for Oxfordshire young people (like for like)
- Annex 8: Placement costs for the contract term and two of the three extension years
- Annex 9: Method to apply for annual uplift.
- Annex 10: Risks

Annex 1: Homes, Counties, and Ofsted Ratings

Home	County	Ofsted Rating
Beckfield	Milton Keynes	Good
New Days	Hemel Hempstead, Herts	Good
Hythe House	Maidenhead, Berkshire	Good
Old Rectory	Aylesbury, Bucks	Good
Woodacre	Yarnton, Oxfordshire	Good
The Pines	St Albans, Herts	Good
Fairlands	Princes Risborough, Bucks	Good
Holly Hill House	High Wycombe, Bucks	Good
Austen House	St Albans, Herts	Good
Wren Cottage	Bedfordshire	Good
Beresford House	Chalfont St Peter, Bucks	Good

Annex 2: Number of Current Purchased Placements

Local Authority	No. of purchased placements per area
Oxfordshire	17
Buckinghamshire	6

Hertfordshire	11
Milton Keynes	2
Total	36

Annex 3: Growth of existing and prospective new LAs

Local Authority	No. of current purchased placements per area	No. of proposed placement growth per LA (lifetime of contract)
Oxfordshire	17	8
Buckinghamshire	6	2
Hertfordshire	11	4
Milton Keynes	2	6
Reading	0	2
Bedford	0	2
	36	24

Annex 4: Occupancy Data for 2024-2025

	Oxon	Bucks	Herts	MK	Total
Placements Allocated	15	6	11	2	34
Average of placements used	14.5	6	11	2	33.5
Percentage	96.67	100	100	100	99.17

Annex 5: Occupancy Data for 2024-2025 (additional 2 beds purchased by Oxfordshire)

	Oxon	Bucks	Herts	MK	Total
Placements Allocated	17	6	11	2	36
Average of placements used	14.7	6	12.17	2	34.33
Percentage	83.33	100	110.67	100	98.48

Annex 6: Areas of SPOT placements

LA area	Number of children
---------	--------------------

Cambridgeshire	2
Berkshire	4
Birmingham	3
Buckinghamshire	1
Cheshire	3
Cumbria	2
Derbyshire	5
Dumfriesshire	1
Essex	4
Gloucestershire	3
Greater Manchester	4
Hampshire	1
Herefordshire	1
Kent	1
Lancashire	3
Leicestershire	5
Lincolnshire	1
London	5
Merseyside	1
Middlesex	1
Milton Keynes	1
Northamptonshire	6
North-West Wales	1
Nottingham	1
Oxfordshire	2
Peterborough	1
Perthshire	1
Staffordshire	2
Warwickshire	2
West Midlands	2
West Sussex	1
West Yorkshire	1
Wiltshire	2
Wolverhampton	1
Grand Total	75

Annex 7: A sample of SPOT residential placements with education for Oxfordshire young people (like for like)

	Amount	Provider/Area
1	6,695.00	Witherslack Carnforth
2	7,269.00	Witherslack Rugby
3	7,637.00	SENAD Wales
4	7,933.00	Witherslack Oxfordshire

	7,383.50	Average
--	----------	---------

Annex 8: Placement costs for the contract term and two of the three extension years

OCC	1/8/19-31/7/20	1/08/20-31/07/21	01/8/21-31/07/22	01/08/22-31/07/23	01/08/23-31/07/24	01/08/24-29/03/25	30/03/25-31/07/25	01/08/25-31/07/26
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 6	Year 7
Weekly placement price	4,212.81	4,343.45	4,473.76	4,607.97	4,746.21	5,220.83	5,220.83	5,520.35
Number of placements	15.00	15.00	15.00	15.00	15.00	15.00	17.00	17.00
Total cost	3,294,839	3,397,012	3,498,928	3,603,893	3,712,011	2,693,948	1,574,498	4,893,128

Annex 9: Method to apply for annual uplift.

Contract Costs Breakdown	Percentage uplift to be applied proportionally to Contract price
Staff (Operational Staff and Management & Administration Staff) (71%)	National Living Wage increase, so long as this update does not exceed the pay increase figure recommended by Department of Health and Social Care (DHSC).
Training Costs, Transport, Equipment & Supplies, Premises, Resident Activities and Allowances, Therapy & Psychiatrist (22%)	Consumer Price Inflation including occupiers housing costs (CPIH) as per the latest ONS update on the review date
Overheads (7%)	3% uplift to be applied.

Annex 10 Risks

Risk	Impact	Probability	Mitigation
Increased SPOT Placements if the contract is not re-tendered.	4	5	If the contract is not re-tendered, there may be an increase in SPOT purchasing, which is non-compliant and incurs higher costs. We ensure that there is a re-tender to reduce the cost of SPOT purchases.

Incumbent does not apply or is not successful with their bid, which will require a mobilisation period for a new provider.	4	5	We have included a 12-month mobilisation period in the ITT process.
Lack of vacant properties ready for use for a new provider.	4	4	There is a 12-month mobilisation time that should enable the provider to work proactively to source the 36 placements at the beginning of the contract.
Lengthy Ofsted registration processes due to recently introduced priority matrix	4	4	There is a 12-month mobilisation period to offset some of the timeframe for registration to take place.
Recruiting staff in the current market for increased growth reflected within the contract.	4	4	There is a 12-month mobilisation period for a provider to manage the recruitment of staff/additional staff. TUPE will apply.
Meeting growth needs with up to 28 placements	2	2	The growth is indicative and can be phased in during the full contract term (10 years) to enable a provider to source additional accommodation and a suitable site for a second special school.

		Probability				
		Remote 1	Unlikely 2	Possible 3	Probable 4	Highly Probable 5
Impact	5 Catastrophic	5	10	15	20	25
	4 Major	4	8	12	16	20
	3 Moderate	3	6	9	12	15
	2 Minor	2	4	6	8	10
	1 Insignificant	1	2	3	4	5