



**OXFORDSHIRE  
COUNTY COUNCIL**

## ***Delegated Decisions by Cabinet Member for Children, Education & Young People's Services***

***Wednesday, 12 February 2025 at 3.00 pm  
Room 3 - County Hall, New Road, Oxford OX1 1ND***

If you wish to view proceedings, please click on this [Live Stream Link](#).  
However, that will not allow you to participate in the meeting.

### ***Items for Decision***

The items for decision under individual Cabinet Members' delegated powers are listed overleaf, with indicative timings, and the related reports are attached. Decisions taken will become effective at the end of the working day on 19 February unless called in by that date for review by the appropriate Scrutiny Committee.

Copies of the reports are circulated (by e-mail) to all members of the County Council.

**These proceedings are open to the public**

A handwritten signature in blue ink that reads "Reeves".

Martin Reeves  
Chief Executive

February 2025

Committee Officer: [committeesdemocraticservices@oxfordshire.gov.uk](mailto:committeesdemocraticservices@oxfordshire.gov.uk)

Note: Date of next meeting: 19 March 2025

**If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named on the front page, but please give as much notice as possible before the meeting.**

## Items for Decision

### 1. Declarations of Interest

See guidance below

### 2. Questions from County Councillors

Any county councillor may, by giving notice to the Proper Officer by 9 am two working days before the meeting, ask a question on any matter in respect of the Cabinet Member's delegated powers.

The number of questions which may be asked by any councillor at any one meeting is limited to two (or one question with notice and a supplementary question at the meeting) and the time for questions will be limited to 30 minutes in total. As with questions at Council, any questions which remain unanswered at the end of this item will receive a written response.

Questions submitted prior to the agenda being despatched are shown below and will be the subject of a response from the appropriate Cabinet Member or such other councillor or officer as is determined by the Cabinet Member, and shall not be the subject of further debate at this meeting. Questions received after the despatch of the agenda, but before the deadline, will be shown on the Schedule of Addenda circulated at the meeting, together with any written response which is available at that time.

### 3. Petitions and Public Address

Members of the public who wish to speak at this meeting can attend the meeting in person or 'virtually' through an online connection.

Requests to speak must be submitted by no later than 9am four working days before the meeting. Requests to speak should be sent to [committeesdemocraticservices@oxfordshire.gov.uk](mailto:committeesdemocraticservices@oxfordshire.gov.uk) .

If you are speaking 'virtually', you may submit a written statement of your presentation to ensure that if the technology fails, then your views can still be taken into account. A written copy of your statement can be provided no later than 9 am 2 working days before the meeting. Written submissions should be no longer than 1 A4 sheet.

### 4. Minutes of Previous Meetings (Pages 1 - 4)

To approve the minutes of the meetings held on 6 November 2024 and 21 January 2025.

### 5. Homes 2 Inspire - Contract Extension and Amendments (Pages 5 - 8)

*Cabinet Member:* Children, Education and Young People's Services

*Forward Plan Ref:* 2024/341

*Contact:* Caroline Kelly, Lead Commissioner – Start Well

([Caroline.Kelly@oxfordshire.gov.uk](mailto:Caroline.Kelly@oxfordshire.gov.uk))

Report by Director of Children's Services (**CMDCEYPS**).

The Cabinet Member for Children's Social Care is **RECOMMENDED** to:

- a) agree the extension of the Residential Children's Homes Contract with Homes to Inspire for a term of 2 years from 1 April 2025 to the value of £7.024m; and
- b) delegate authority to the Corporate Director for Children's Services, in consultation with the Head of Procurement and Contract Management, to finalise the required Contract documentation for that extension.

**6. Formal Approval of Early Years Funding Formula 2025/26** (Pages 9 - 14)

*Cabinet Member:* Children, Education and Young People's Services  
*Forward Plan Ref:* 2025/036

*Contact:* Jane Billington – Strategic Finance Business Partner  
(Jane.Billington@Oxfordshire.gov.uk)

Report by Director of Children's Services (**CMDCEYPS**).

The Cabinet Member is **RECOMMENDED** to

- a) Pass the funding increase received by Oxfordshire onto providers (after allowing for centrally retained funding per Department of education (DfE) criteria) and approve the 2025-26 Early Years funding formula for 3- and 4-year-old provision with an underlying hourly rate of £5.53 (excluding the supplements, SEN Inclusion Fund and Contingency).
- b) Pass the funding increase received by Oxfordshire onto providers and approve the 2025-26 Early Years funding formula for 2-year-old working parent provision at an hourly rate of £8.05.
- c) Pass the funding increase received by Oxfordshire onto providers and approve the 2025-26 Early Years funding formula for 2-year-olds of families receiving additional support at an hourly rate of £8.05.
- d) Pass the funding increase received by Oxfordshire onto providers and approve the 2025-26 Early Years funding formula for 9 Months to 2-year-old provision at an hourly rate of £11.05.
- e) Pass on the additional 15 hours for entitled "2yrs olds" & "9-months to 2 years old" (new entitlement from 1 September 2025).

**7. Joining the South East Regional Care Cooperative (RCC)** (Pages 15 - 22)

*Cabinet Member:* Children, Education and Young People's Services  
*Forward Plan Ref:* 2025/018

*Contact:* Caroline Kelly, Lead Commissioner – Start Well  
([Caroline.Kelly@oxfordshire.gov.uk](mailto:Caroline.Kelly@oxfordshire.gov.uk))

Report by Director of Children's Services (**CMDCEYPS**).

**The Cabinet Member is RECOMMENDED to:**

- a) agree to Oxfordshire County Council joining the Department for Education (DfE) approved pathfinder for the South East Regional Care Cooperative (RCC) for a period of three years from 1 April 2025–31 March 2028; and**
- b) contribute financially to the RCC at a total cost of £625,000 for the three-year commitment.**

## **Councillors declaring interests**

### **General duty**

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed 'Declarations of Interest' or as soon as it becomes apparent to you.

### **What is a disclosable pecuniary interest?**

Disclosable pecuniary interests relate to your employment; sponsorship (i.e. payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licenses for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

### **Declaring an interest**

Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest. If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

### **Members' Code of Conduct and public perception**

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member 'must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself' and that 'you must not place yourself in situations where your honesty and integrity may be questioned'.

### **Members Code – Other registrable interests**

Where a matter arises at a meeting which directly relates to the financial interest or wellbeing of one of your other registerable interests then you must declare an interest. You must not participate in discussion or voting on the item and you must withdraw from the meeting whilst the matter is discussed.

Wellbeing can be described as a condition of contentedness, healthiness and happiness; anything that could be said to affect a person's quality of life, either positively or negatively, is likely to affect their wellbeing.

Other registrable interests include:

- a) Any unpaid directorships

- b) Any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority.
- c) Any body (i) exercising functions of a public nature (ii) directed to charitable purposes or (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a member or in a position of general control or management.

### **Members Code – Non-registrable interests**

Where a matter arises at a meeting which directly relates to your financial interest or wellbeing (and does not fall under disclosable pecuniary interests), or the financial interest or wellbeing of a relative or close associate, you must declare the interest.

Where a matter arises at a meeting which affects your own financial interest or wellbeing, a financial interest or wellbeing of a relative or close associate or a financial interest or wellbeing of a body included under other registrable interests, then you must declare the interest.

In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied:

Where a matter affects the financial interest or well-being:

- a) to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
- b) a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest.

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

# Agenda Item 4

## **DELEGATED DECISIONS BY CABINET MEMBER FOR CHILDREN, EDUCATION & YOUNG PEOPLE'S SERVICES**

**MINUTES** of the meeting held on Wednesday, 6 November 2024 commencing at 2.00 pm and finishing at 2.05 pm.

**Present:**

**Voting Members:** Councillor John Howson – in the Chair

**Officers:** Jack Nicholson, Democratic Services Officer

<b>Agenda Item</b>	<b>Officer Attending</b>
5	Janine Foulkes-Williams, Principal Officer – Early Years Organisation

6	Andrea Benneyworth, Programme Manager – Residential Edge of Care, Children, Education & Families
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*The Cabinet Member considered the matters, reports and recommendations contained or referred to in the agenda for the meeting and agreed as set out below. Copies of the agenda and reports are attached to the signed Minutes.*

### **24 DECLARATIONS OF INTEREST**

(Agenda No. 1)

There were none.

### **25 QUESTIONS FROM COUNTY COUNCILLORS**

(Agenda No. 2)

There were none.

### **26 PETITIONS AND PUBLIC ADDRESS**

(Agenda No. 3)

There were none.

### **27 MINUTES OF THE PREVIOUS MEETING**

(Agenda No. 4)

The minutes of the meeting held on 9 October 2024 were signed by the Chair as a correct record.

**28 AGE RANGE EXTENSION OF GRANDPONT MAINTAINED NURSERY SCHOOL**  
(Agenda No. 5)

At this point in the proceedings, the Chair resolved that the public be excluded during the consideration of the annex since it is likely that if they were present during that discussion there would be a disclosure of "exempt" information as described in Part I of Schedule 12A to the Local Government Act, 1972 and specified below the item in the Agenda.

The Chair agreed to the recommendations in the report.

**The Cabinet Member for Children, Education and Young People’s Services RESOLVED to approve the age range extension of Grandpont Maintained Nursery School down from 3-5 to 2-5, from 1 January 2025.**

**29 CHILDREN'S SERVICES RESIDENTIAL CAPITAL PROGRAMME FOR 6 GREAT MEAD, EAST HAGBOURNE, DIDCOT**  
(Agenda No. 6)

The Chair agreed to the recommendations in the report.

**The Cabinet Member for Children, Education & Young People's Services RESOLVED to:**

- a) approve entering the contract with E. W. Beards for them to carry out construction services on the refurbishment of 6 Great Mead, East Hagbourne, Didcot;**
- b) delegate authority to the Director of Property & Assets in consultation with the Head of Legal Services and Deputy Monitoring Officer to complete the work.**

..... in the Chair

Date of signing ..... 200



## **DELEGATED DECISIONS BY CABINET MEMBER FOR CHILDREN, EDUCATION & YOUNG PEOPLE'S SERVICES**

**MINUTES** of the meeting held on Tuesday, 21 January 2025 commencing at 4.15 pm and finishing at 4.23pm

**Present:**

**Voting Members:** Councillor John Howson – in the Chair

**Officers:** Jack Nicholson – Democratic Services  
Jane Billington – Strategic Finance Business Partner

*The Cabinet Member considered the matters, reports and recommendations contained or referred to in the agenda for the meeting and agreed as set out below. Copies of the agenda and reports are attached to the signed Minutes.*

### **30/25 DECLARATIONS OF INTEREST** (Agenda No. 1)

There were none.

### **31/25 QUESTIONS FROM COUNTY COUNCILLORS** (Agenda No. 2)

There were none.

### **32/25 PETITIONS AND PUBLIC ADDRESS** (Agenda No. 3)

There were none.

### **33/25 FORMAL APPROVAL OF SCHOOLS FUNDING FORMULA 2025/26** (Agenda No. 4)

The Chair noted that there was a meeting of the School's Forum on 20 January to discuss this matter. He remarked that it was no longer the case that the national funding formula was sufficient to provide a surplus or even match required funding for Oxfordshire schools.

Jane Billington clarified

- The formula applied equally to both maintained schools and academies.
- This decision applied only to maintained primary and secondary schools.
- Funding would be made available separately for provision of special needs, high needs, and early years.

The Chair said he was seriously concerned that the Council, having adopted the prescribed formula earlier than necessary, found itself in a position by which funding received from the Department for Education was not sufficient to meet the formula.

He added that he did not want a trend to develop by which councils would be expected to fund schools in the future.

The Chair APPROVED the recommendations.

..... in the Chair

Date of signing ..... 2025

Divisions Affected – All

## **DELEGATED DECISION BY CABINET MEMBER FOR CHILDREN, EDUCATION & YOUNG PEOPLE'S SERVICES**

12 February 2025

### **Homes 2 Inspire - Contract Extension and Amendments**

Report by the Director of Children's Services

#### **RECOMMENDATION**

1. **The Cabinet Member for Children's Social Care is RECOMMENDED to:**
  - a) **agree the extension of the Residential Children's Homes Contract with Homes to Inspire for a term of 2 years from 1 April 2025 to the value of £7.024m; and**
  - b) **delegate authority to the Corporate Director for Children's Services, in consultation with the Head of Procurement and Contract Management, to finalise the required Contract documentation for that extension.**

#### **Executive Summary**

2. Oxfordshire County Council procured a block contract of originally 15 residential children's homes beds as a call-off contract from the South Central Residential Framework (led by Southampton City Council). The contract was awarded to Homes To Inspire (part of the Shaw Trust) and the contract went live on the 1<sup>st</sup> April 2020. The contract expires on 31<sup>st</sup> March 2025 and there is up to 5 years in aggregate options to extend the contract. During the life of the contract there have been variations to shape the services according to the varying needs of children accessing these provisions. The latest variation in November 2024 resulted in an overall decrease in numbers of placements for children from 15 to 11 to reduce the capacity in the 5 bedroom houses to support 3 children. This was due to the higher presenting needs of the children accessing residential provision and the difficulties in matching five children to live together within a household. The variation was mutually agreed between the Council and Homes to Inspire.

#### **Quality of services**

3. Current OFSTED inspection outcomes of all homes within the contract:
  - a) Magnolia House (3 Children): 6<sup>th</sup> September 2023 – Good
  - b) Parker House (3 Children): 3<sup>rd</sup> July 2023 – Good
  - c) Salmons House (3 Children): 7<sup>th</sup> November 2023 – Good
  - d) Harris House (2 Children): 12<sup>th</sup> August 2024 – Good

## Corporate Policies and Priorities

4. Priorities of the Start Well Commissioning Team
  - To increase number of children placed in county.
  - Improve access to services to reduce inequalities.
5. Priorities of the Corporate Plan.
  - *Priority 3 - Prioritise the health and wellbeing of residents.*
  - *Priority 7 - Create opportunities for children and young people to reach their full potential.*
  - *Priority 9 - Work with local businesses and partners for environmental, economic, and social benefits.*
6. To achieve the priorities set out above, the council are carrying out the following activities:

### Children's Needs & Placements

To achieve our strategic objectives for children to:

<p><b>Be Successful</b></p> <p>To ensure children have the best start in life; ensure they have access to high quality education, employment, and motivational training; go to school feeling inspired to stay and learn; and have good self-esteem and faith in themselves.</p>	<p><b>Be Happy and Healthy</b></p> <p>Services are available to promote good health and prevent ill health; learn the importance of healthy, secure relationships and having a support network; have access to services to improve overall wellbeing, and easy ways to get active.</p>
<p><b>Be Safe</b></p> <p>Ensure children are protected from all types of abuse and neglect; have a place to feel safe and a sense of belonging; access education and support about how to stay safe; and have access to appropriate housing.</p>	<p><b>Be Supported</b></p> <p>Children are empowered to know who to speak to when they need support and know that they will be listened to and believed; can access information in a way that suits them; have inspiring role models; and can talk to staff who are experienced and caring.</p>

7. In addition to the corporate and Start Well priorities this service supports the objective of increasing the number of in-county residential children's homes in the Sufficiency Strategy.

### Procurement and Contract Overview

8. Contract C6967, BLOCK CONTRACT CALLED-OFF pursuant to the Children's Residential Care Framework Agreement EC09/01/2457 allows for an extension of 5 years in aggregate see following clause:

*'The Purchaser may extend the period the Block Contract is in force on the same terms upon written notice to the Provider provided always that unless otherwise agreed with the Provider, no less than six (6) months' prior notice will be given on each occasion. The maximum period for which the Block Contract may be extended is five (5) years in aggregate.'*

9. The extension will enable Officers to undertake robust contract management against the recent contract variation and allows time to conduct a full strategic review to confirm future demand and commission services to meet identified need whilst allowing the children placed to continue to live in their homes.
10. If an extension is not awarded, it will not be possible to procure an alternative before the contract end 31<sup>st</sup> March 2025.

## Financial Implications

11. The proposed budget for the 2 year extension period is £7,024,549.07
12. The proposed annual budget for 2025/26 financial year is £3,426,609.30 per year – this takes into account an uplift of 3.4%. The contract states that the provider can receive an uplift of the average rate of CPIH inflation for the proceeding 12 months this has been calculated as 3.4% based on the UK CPIH Inflation Rate. The second year uplift has been calculated at 5%, although this is subject to change which is dependent on interest rates.
13. Breakdown of the 2025/26 and 2026/27 budget required:

	£'s	No Beds
Contract cost '2025/26	3,426,609.30	11
Contract cost '2026/27	3,597,939.77	11
<b>Cost for 2 year extension</b>	<b>7,024,549.07</b>	

Comments checked by:  
 Jane Billington, Strategic Finance Business Partner – Children's Services  
[jane.billington@oxfordshire.gov.uk](mailto:jane.billington@oxfordshire.gov.uk)

## Legal Implications

14. The Council's power to procure these services derives from its duties to care for looked after children under the Children Act 2004.
15. Although the Council has a unilateral right to extend the contract by giving 6 months' notice this unilateral right is subject to the terms and conditions remaining unchanged. Any extension to the contract on varied terms will require agreement

of both parties and so a deed of variation executed by both parties will need to be put in place.

16. This contract has been subject to a previous modification in 2023 which had negative effect on the overall contract value. The proposed variation also has a negative effect on the contract value and the cumulative value of both variations relative to the overall contract value estimated at the start of the contract is not substantial (less than 4%).

17. Regulation 72 paragraph (1) (e) of the Public Contracts Regulations 2015 permit contract modifications in certain circumstances. The proposed variation: does not make the contract materially different in character; would not have affected the outcome of the original procurement; does not change the economic balance in favour of the provider; and does not extend the scope of the contract considerably. The Council therefore has a very strong argument that the circumstances permitting the proposed modification are met and the modification is lawful under procurement law.

Jonathan Pool, Solicitor (contracts), [jonathan.pool@oxfordshire.gov.uk](mailto:jonathan.pool@oxfordshire.gov.uk) (Legal Services)

## **Equality & Inclusion Implications**

18. This is a current service therefore there are no changes that will affect Equality and Inclusion

## **Risk Management**

19. As this paper seeks to extend a service already in operation the risks are considered low. Should the Council not extend the risk would be that all 11 children would need to find alternative placements which would most likely be outside of Oxfordshire due to the availability of suitable placements for children we care for.

### **LISA LYONS**

Director of Children's Services

Annex: Nil

Background papers: Nil

Other Documents: Nil

Contact Officer: Caroline Kelly, Head of Commissioning – Start Well  
[caroline.kelly@oxfordshire.gov.uk](mailto:caroline.kelly@oxfordshire.gov.uk)

February 2025

## Divisions Affected – ALL

### DELEGATED DECISION BY CABINET MEMBER FOR CHILDREN, EDUCATION & YOUNG PEOPLE'S SERVICES

12 February 2025

#### Formal Approval of Early Years Funding Formula 2025/26

Report by the Director of Children's Services

### RECOMMENDATION

1. The Cabinet Member is **RECOMMENDED** to
  - a) Pass the funding increase received by Oxfordshire onto providers (after allowing for centrally retained funding per Department of education (DfE) criteria) and approve the 2025-26 Early Years funding formula for 3- and 4-year-old provision with an underlying hourly rate of £5.53 (excluding the supplements, SEN Inclusion Fund and Contingency).
  - b) Pass the funding increase received by Oxfordshire onto providers and approve the 2025-26 Early Years funding formula for 2-year-old working parent provision at an hourly rate of £8.05.
  - c) Pass the funding increase received by Oxfordshire onto providers and approve the 2025-26 Early Years funding formula for 2-year-olds of families receiving additional support at an hourly rate of £8.05.
  - d) Pass the funding increase received by Oxfordshire onto providers and approve the 2025-26 Early Years funding formula for 9 Months to 2-year-old provision at an hourly rate of £11.05.
  - e) Pass on the additional 15 hours for entitled "2yrs olds" & "9-months to 2 years old" (new entitlement from 1 September 2025).

### Executive Summary

2. The local authority is required to set the funding formula within DfE criteria for:
  - a) 9 Months to 2-year-old
  - b) 2-year-old provision
  - c) 3- and 4-year-old provision.
3. The 2025-26 formula proposed is in line with the DfE national formula introduced in 2017-18.
4. The local authority is responsible for making the final decisions on the formula.

5. Early Years Providers and Schools Forum were consulted on the Early Years Funding Formula and the overwhelming response was to pass on the increase in hourly rate in full to providers.

## Introduction

6. In 2017-18, the Department for Education (DfE) introduced the Early Years National Funding Formula (EYNFF). This sets out the hourly funding rates that each Local Authority (LA) is paid to deliver the universal and additional entitlements for 3- and 4-year-olds. There is a separate formula which sets out the hourly funding rates for 2-year-olds and the more recent 9 Months to 2-year-olds. The DfE published the Early Years Entitlements: local authority funding for providers (the Operational Guide) on 10 December 2024 and this sets out the overall framework and expectations on Local Authorities regarding the EYNFF for 2025-26.
7. The hourly rate which Oxfordshire's receives from the DfE to deliver all elements of the formula for 3- and 4-year-olds has increased by 20p from £5.80 to £6.00 (3.4%). This is inclusive of amounts for central services, supplements (mandatory deprivation supplement and the new quality supplement relating to the Early Years Budget Grant), the Contingency and the SEN Inclusion Fund delegated funding.

## The Early Years Funding Formula

8. The DfE published the updated [EYNFF Operational Guide](#) (December 2024), which sets the overall framework and expectations on local authorities regarding the EYNFF.
9. The proposed 2025-26 formula follows principles that were established when the EYNFF was first introduced in 2017-18.
10. The key elements of the formula, meeting DfE requirements, are:
  - a) The formula relates to both the universal 15-hour entitlement for all 3 and 4-year-olds and the additional 15 hours for 3 and 4-year-olds of eligible working parents (the 30-hour childcare policy).
  - b) A minimum amount of funding to be passed through to providers –The pass-through requirement is intended to ensure the maximum amount of funding allocated to local authorities by the DfE reaches providers. The pass-through funding level is an official DfE benchmark of 96% however Oxfordshire are proposing a passthrough rate of 97% with a centrally held fund of 3% (£3.08m) which shall be outlined in section 8.3 below.
  - c) A local universal base rate for all types of providers – Local Authorities are required to set a universal base rate in their local single funding formulae, meaning there must be a base rate the same for all types of providers. This



underlying base rate excludes Supplements, the SEN Inclusion Fund allocations, and any agreed upon Contingency fund(s).

- d) A mandatory supplement for Deprivation. LAs have the freedom to choose the appropriate metric for allocating deprivation funding. LAs are free to choose the metric used however funding rates are set by the DFE. Following earlier consultation, the method for allocating deprivation funding was agreed as an enhancement on top of the Early Years Pupil Premium (EYPP). The EYPP rate has increased from 68p in the current year to £1 in FY 2025-26. The deprivation supplement was set at 47p per hour in FY 2024-25, There is no change to that rate in FY 2025-26. (The 47p supplement also applies to additional hours, although EYPP can only be paid on universal 15 hours).
- e) A quality supplement to distribute the additional funding LAs receive because of the mainstreaming of the teachers' pay and pensions grants. As from the Financial Year 2023-2024, the separate teachers' pay grant and teachers' pensions employer contribution grant are no longer being paid directly to school-based nurseries. (The maintained nursery school portion of the teachers' pay, and pensions grant funding has been rolled in to MNS supplementary funding).
- f) In 2024-25 Councils received additional funding through the Early Years Budget Grant to cover increases in pay awards. This grant has been rolled into the base funding for 2025-26.
- g) A special educational needs (SEN) inclusion fund. LAs are required to have SEN Inclusion Funds for all 3- and 4-year-olds with SEN who are taking up free entitlements. This is to target funding at children with lower level or emerging SEN.
- h) A contingency fund of £262k has been proposed to manage any unexpected increase in the take up of Early Year hours.

11. Additional funding streams for eligible 3- and 4-year-olds are as follows:

- a) The disability access fund (DAF) – The DAF was introduced in April 2017 to support disabled children's access to the entitlements for 3- and 4-year-olds. 3- and 4-year-olds are eligible for the DAF if they are in receipt of child disability living allowance (DLA) and receive free early education. This funding has now been made available to 2- year-olds and 9 months to 2-year-olds. LAs must fund all types of settings providing a place for DAF-eligible children at an annual rate of £938 in FY 2025-26
- b) Early Years Pupil Premium (EYPP) – The EYPP gives providers additional funding to support 3 and 4-year-olds, 2-year-olds and under 2s, where their family meets specified criteria, they are being looked after by a LA or have left care through specified orders. The national rate is £1 per hour per eligible pupil up to a maximum of 570 hours per year in FY 2025-26. The Operational Guide indicates that "Where a child is also eligible for the additional 15 hours entitlement for working parents, EYPP is paid on the universal 15 hours only, up to a total of 570 hours in the year".

- c) Supplementary funding for maintained nursery schools (MNS). The stated aim of the DfE was to enable local authorities to protect their 2016-17 funding rates for MNS (that is, the rates that existed before the EYNFF). Further details, and changes for 2025-26, are outlined below. It is to be noted that this funding does not cover the whole operational costs that nurseries are currently incurring due to funding still falling short of actual costs.

## Financial Implications

12. The report deals with the funding formula for Early Years for 2025-26 and recommends a formula in line with statutory guidance.
13. The proposed formula for 3- and 4-year-olds, 2- year-olds and 9 months to 2-year-olds has been modelled in line with the initial allocation published by the DfE. The key risk remains the level of take-up of hours. Final DSG funding allocations will be based on data from two census dates – 5/12ths in January 2025 and 7/12ths on January 2026 censuses. The funding will not be confirmed until July 2025. There is a risk that actual participation varies from these snapshot funding dates.
14. Each year, there is uncertainty around the take-up of the number of hours. While there is no contingency to cater for this there is provision for any overspend on the Early Years DSG in 2025-26 to be carried forward and funded from 2026-27 Early Years DSG.

Comments checked by:

Leslie Oosthuizen, Interim Finance Business Partner  
[Leslie.Oosthuizen@oxfordshire.gov.uk](mailto:Leslie.Oosthuizen@oxfordshire.gov.uk)

## Legal Implications

15. The School and Early Years Finance (England) Regulations 2024 (updated annually) provide the legal basis for DfE to formulate the EYNFF, which must be followed by the Council.

This report sets out how the EYNFF is implemented by the Council.

Paul Grant, Head of Legal and Deputy Monitoring Officer  
[paul.grant@oxfordshire.gov.uk](mailto:paul.grant@oxfordshire.gov.uk)

## Staff Implications

16. There are no new staffing implications.

## **Equality & Inclusion Implications**

17. The County Council is passing on the Early Years Funding in line with DfE guidance. The Council therefore relies on the DfE review of Equality & Inclusion implications.

## **Sustainability Implications**

18. There are no sustainability implications.

## **Risk Management**

19. There are significant risks in setting the EYNFF for 2025-26 due to the final funding being set on census data as of January 2025 and January 2026 data. There is therefore a risk that DSG funding and payments will not match. Final funding allocations will not be known until July 2025. This risk is managed via the ability to carry forward any overspend to offset against 2026-27 allocations.

Lisa Lyons  
Director for Children's Services

Background papers:           None

Contact Officer:               Jane Billington, Strategic Finance Business Partner  
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February 2025

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## **DELEGATED DECISION BY CABINET MEMBER FOR CHILDREN, EDUCATION & YOUNG PEOPLE'S SERVICES**

**12 February 2025**

### **Joining the South East Regional Care Cooperative (RCC)**

**Report by the Director of Children's Services**

#### **RECOMMENDATION**

1. **The Cabinet Member is RECOMMENDED to:**
  - a) **agree to Oxfordshire County Council joining the Department for Education (DfE) approved pathfinder for the South East Regional Care Cooperative (RCC) for a period of three years from 1 April 2025–31 March 2028; and**
  - b) **contribute financially to the RCC at a total cost of £625,000 for the three-year commitment.**

#### **Executive Summary**

2. The South East region of Local Authorities was awarded pathfinder status by the DfE in the summer of 2024 to establish a Regional Care Cooperative under the legislation and policy of 'Stable Homes Built on Love' 2023, Keeping Children Safe, Helping Families Thrive 2024 and the Children's Wellbeing Bill 2024.
3. The South East Regional Care Cooperative (RCC) is seeking a contribution of £625,000 from Oxfordshire County Council over a three year period. This money will be invested in the operation of the RCC to save money and improve outcomes for all Local Authorities participating in the RCC. The RCC will be formed of 18 local authorities. The overarching purpose of the RCC is to increase the number and quality of placements available for children in the region, develop a regional view of sufficiency through data sharing and shape the market to provide more appropriate placements locally, thus improving children's outcomes and experiences of care.

#### **Background and context**

4. In early 2024, the South East's bid was selected as one of the two pathfinder areas for the Department for Education's (DfE) Regional Care Cooperative (RCC) programme. Oxfordshire County Council supported this bid at the time and continues to support the initiative. Oxfordshire County Council is able to continue to influence the development of the RCC through the Director of Children's Services role on the project board.

5. The current system for delivering children's social care is not functioning effectively, with many Local Authorities experiencing heavy year-on-year increases in the cost of delivering services.  
These pressures have been seen within Oxfordshire County Council particularly with the increased cost of children's homes providers that now average at a cost of £6500 per week. It remains particularly challenging to source placements within or close to Oxfordshire for children with complex needs who may require a secure placement or a high needs residential placement. These placements are usually sourced far away from Oxfordshire at extremely high cost.
6. The RCC represents an opportunity to work together to bring down these escalating costs while delivering better outcomes for children and young people. The DfE has provided funding of £1.95m for the setup of the South East RCC (running from April 2024 to June 2025) and £5m for the creation of new regional residential/foster provision through a capital grant (to be used by 31 March 2025).

7. Proposal details

The RCC's strategic priorities are:

- Carry out regional data analysis and future sufficiency forecasting.
- Improve Local Authorities' ability to access care places for children and young people across the region at better value for money.
- Influence the market to ensure South East provision is available and better meets the needs of South East children and young people.
- Commission care places for those with the most complex lives.
- Develop a high-quality workforce to care for children and young people.

The RCC will start delivering benefits from June 2025, operating as a start-up where activity and impact grow year on year. The RCC will focus on two key objectives: improving outcomes for children and young people and reducing costs for Local Authorities.

8. The benefits of the RCC are as follows:

At go live:

- 40+ new beds for the region, enabled via the capital grant fund.
- Stronger relationships with providers.
- Stronger relationships with the VCSE.
- Stronger relationships with ICBs and youth justice.
- Opportunities for the workforce to develop through discrete training courses.
- Improved ability for Local Authorities to jointly commission and trade care places.
- Improved understanding of the landscape and challenges within the South East through targeted data analysis.
- A strong relationship developed with the South East foster hub.

9. Years 1 – 2:

- A reduction in the number of unregistered care places used.

- A regional data analysis capability providing evidence-based insight into where provision should be commissioned which is available to all stakeholders in the region.
- A reduction in the cost of care places as risk to providers reduces.
- Improvements in the quality of the workforce.
- More children and young people placed locally, enabled through placement trading and joint commissioning.
- Aligning foster parent recruitment and retention with sufficiency by bringing the foster hub under the umbrella of the RCC.

10. Year 3 onwards:

- Continuing reduction of unregistered care placements.
- Strong provider relationships, meaning that the RCC can work hand in hand with providers to create a stable placement landscape which is beneficial to all parties.
- Potential for in-region secure accommodation that meets the needs of our young people
- A further reduction in the cost of care placements.
- New entrants to the market who do not rely on a venture capital backed business model.
- A high quality and continuously improving workforce.
- Sufficient care places available so that South East children and young people stay in the region unless there is a good reason not to.

These benefits will be achieved by working with providers to ensure provision better meets children's needs, improving the quality and size of the workforce, and collating, analysing and sharing regional data to ensure that decisions are evidence-based.

Costs will be reduced by commissioning placements regionally for those with the most complex lives, using data to improve transparency over provider pricing, improving relationships with providers, and enabling Local Authorities to commission collaboratively where appropriate. High-cost, complex placements are a particular focus.

Beyond the setup costs covered by the DfE, the RCC can only function if funded by annual contribution from all 18 Local Authority members. The proposal is for a 50% contribution in year 1, moving to a 100% contribution in years 2 and 3.

11. Delivery vehicle options:

A decision on the delivery vehicle for the RCC is yet to be formalised.

Currently, the three options under review are:

- a shared service hosted by one of the 18 Local Authorities
- a Local Authority Trading Company
- an independent entity, likely in the form of a Public Sector Mutual.

The RCC scope will focus exclusively on the availability of placements for looked after children (residential, supportive lodging and fostering, and will provide the South East with new tools and insights to shape the market based

on the needs of children. The project team has begun exploring the possibility of the RCC becoming a provider of placements in the future, in addition to a commissioner.

12. Other options considered (and reasons for not proposing)

Alternative option: do nothing

Without the RCC, Local Authorities will continue to face rising costs and insufficient placements, leading to poorer outcomes for children and young people. Between 2015/16 and 2021/22, the amount spent on children’s residential care increased by 66.2% in real terms nationally. There is currently no centrally coordinated data collection which describes the situation. Without this, efforts to address the lack of sufficiency will not be fully informed and cannot succeed. Working on our own individual authorities have very limited ability to influence and change the way the placement market operate, working with 17 other authorities will give the scale and volume to make significant changes.

The RCC offers a coordinated, data-driven approach to address these challenges and ensure sustainable, high-quality care for the region's children. The programme has the support of the Department for Education and, as a pathfinder, the South East has benefited from enhanced delivery partner support to accelerate our progress.

**Corporate Policies and Priorities**

13. Priorities of the Start Well Commissioning Team

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

14. Priorities of the Corporate Plan.

- *Priority 3 - Prioritise the health and wellbeing of residents.*
- *Priority 7 - Create opportunities for children and young people to reach their full potential.*
- *Priority 9 - Work with local businesses and partners for environmental, economic, and social benefits.*

15. To achieve the priorities set out above, the Council are carrying out the following activities:

**Children’s Needs & Placements**

- To achieve our strategic objectives for children to:

<p><b>Be Successful</b> To ensure children have the best start in life; ensure they have access to high quality education, employment, and motivational training; go to school feeling inspired to stay and learn; and</p>	<p><b>Be Happy and Healthy</b> Services are available to promote good health and prevent ill health; learn the importance of healthy, secure relationships and having a support network; have access to services to improve overall</p>
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have good self-esteem and faith in themselves.	wellbeing, and easy ways to get active.
<p><b>Be Safe</b>          Ensure children are protected from all types of abuse and neglect; have a place to feel safe and a sense of belonging; access education and support about how to stay safe; and have access to appropriate housing.</p>	<p><b>Be Supported</b>          Children are empowered to know who to speak to when they need support and know that they will be listened to and believed; can access information in a way that suits them; have inspiring role models; and can talk to staff who are experienced and caring.</p>

16. In addition to the corporate and Start Well priorities this proposal supports the objective of increasing the number of in-county placements in the Sufficiency Strategy.

## Financial Implications

17. The proposal is that the RCC is funded by annual contributions from all 18 member Local Authorities. Funding will commence from April 2025. The initial funding period will be a three-year commitment based on a total annual budget of £2.5m by year 3. This will allow the RCC to establish itself and build benefits over time.

18. The organisation will be in 'start-up' mode for the first two to three years of operation. During this phase, it will explore other potential synergies and income generation strategies. An entrepreneurial spirit will be nurtured in the culture and ways of working to ensure that staff aren't limited by today's service design in the future.

19. The plan is for the RCC to become a permanent fixture in the South East, with annual reviews of progress during the first three years. The longer term sustainability will be entirely determined by the RCC's ability to deliver better outcomes and value for money for its local authority funders.

20. Local Authority contributions are based on using the **3-year average of their total number of looked after children.** This was deemed the best option for the following reasons:

- a) the RCC will improve outcomes and value for money for looked after children and young people and so Local Authorities with larger numbers of looked after children should realise bigger benefits. This specific population felt more relevant than the total child population;
- b) a 5 year average felt too long a timeframe, particularly considering the Covid-19 pandemic fell during that timeframe. Some Local Authorities may have seen a shift in the number of looked after children from 5 years ago and so the most recent data felt most relevant; and

c) removing the UASC population did not have a major impact on the suggested contributions.

21. Six contribution tiers have been identified ranging from a £50,000 contribution as a floor to a £300,000 contribution as a ceiling. Local Authorities have been allocated a tier based on their total number of looked after children as a proportion of the total number across the 18 Local Authorities. The tiers work as follows:

% of total Looked After Children	Contribution amount
Over 9%	£250,000
Over 6%	£200,000
Over 4.5%	£150,000
Over 2.5%	£100,000
Under 2.5%	£50,000

Based on this funding formula, Local Authority contributions would be as follows:

LA name	% total SE LAC	Tier	25/26 funding (50%)	26/27 funding (100)	27/28 funding (100%)	Three-year contribution
Kent County	19.68 %	1	£125,000	£250,000	£250,000	£625,000
Surrey	11.18 %	1	£125,000	£250,000	£250,000	£625,000
West Sussex	9.65%	1	£125,000	£250,000	£250,000	£625,000
<b>Oxfordshire</b>	<b>9.21%</b>	<b>1</b>	<b>£125,000</b>	<b>£250,000</b>	<b>£250,000</b>	<b>£625,000</b>
East Sussex	6.94%	2	£100,000	£200,000	£200,000	£500,000
Southampton City	5.84%	3	£75,000	£150,000	£150,000	£375,000
Buckinghamshire	5.51%	3	£75,000	£150,000	£150,000	£375,000
Medway	4.93%	3	£75,000	£150,000	£150,000	£375,000
Portsmouth City	4.22%	4	£50,000	£100,000	£100,000	£250,000
Milton Keynes	4.06%	4	£50,000	£100,000	£100,000	£250,000
Brighton and Hove	4.06%	4	£50,000	£100,000	£100,000	£250,000
Isle of Wight	3.03%	4	£50,000	£100,000	£100,000	£250,000
Reading	2.77%	4	£50,000	£100,000	£100,000	£250,000
Slough	2.59%	4	£50,000	£100,000	£100,000	£250,000
West Berkshire	1.86%	5	£25,000	£50,000	£50,000	£125,000
Bracknell Forest	1.61%	5	£25,000	£50,000	£50,000	£125,000
Windsor and Maidenhead	1.49%	5	£25,000	£50,000	£50,000	£125,000
Wokingham Borough	1.37%	5	£25,000	£50,000	£50,000	£125,000
<b>Total</b>			<b>£1,225,000</b>	<b>£2,450,000</b>	<b>£2,450,000</b>	<b>£6,125,000</b>

Comments checked by:

## Legal Implications

### **The legal implications section should be completed by a member of the legal service**

22. At present it isn't clear how the Regional Care Co-operative (RCC) would be established and run. It appears that it would be led by one of the local authority partners. Regulation 12 (7) of the Public Contracts Regulations 2015, set out below, permits for this partnering between local authorities without the need to procure.

12 (7) A contract concluded exclusively between two or more contracting authorities falls outside the scope of this Part where all of the following conditions are fulfilled:—

(a) the contract establishes or implements a co-operation between the participating contracting authorities with the aim of ensuring that public services they have to perform are provided with a view to achieving objectives they have in common;

(b) the implementation of that co-operation is governed solely by considerations relating to the public interest; and

(c) the participating contracting authorities perform on the open market less than 20% of the activities concerned by the co-operation.

23. It is likely that this would occur after the implementation of the Procurement Act 2023 (24<sup>th</sup> February 2025) and regulation 12 (7) above would then be dealt with under Paragraph 3 of Schedule 2 of the Procurement Act 2023, which is essentially the same, as set out below.

#### *24. Horizontal arrangements*

3(1) A contract between contracting authorities only that relates to a horizontal arrangement between those authorities.

(2) A "horizontal arrangement" means an arrangement—

(a) entered into—

(i) with the aim of achieving objectives the authorities have in common in connection with the exercise of their public functions;

(ii) solely in the public interest;

(b) in which no more than 20 per cent of the activities contemplated by the arrangement are intended to be carried out other than for the purposes of the authorities' public functions.

(3) An appropriate authority may by regulations make provision about how a calculation as to the percentage of activities carried out by a person is to be made for the purposes of sub-paragraph [\(2\)\(b\)](#).

(4)In this paragraph, references to a contracting authority do not include references to a public undertaking or a private utility.

25. There is some potential risk to the Council around the joint working arrangements or the partnering agreement in relation to the RCC which at present have not been fully formed and further legal support should be sought in relation to the drafting and negotiation of those documents in order to mitigate future risks to the Council in terms of the liability of the partners to this project (including procurement of the placements providers), any potential early termination clauses as well as associated financial consequences for exiting the project including potential TUPE costs. It is likely that those costs would be shared equally between the participating authorities, or proportionally based on their percentage of the costs of the project as set out in the table above.

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## **Equality & Inclusion Implications**

26. This is a current service therefore there are no changes that will affect Equality and Inclusion

## **Risk Management**

27. There is a risk that the RCC will not be able to deliver on the benefits listed in the proposal, contribution to the RCC will be reviewed annually and the DCS will be a member of the RCC Project Board.

### **LISA LYONS**

Director of Children's Services

Annex: Nil

Background papers: Nil

Other Documents: Nil

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