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Planning

Diversification of Children's Social Care Market -Preliminary Market Engagement (PME) Notice (updated 20 October 2025)

Department for Education

UK2: Preliminary market engagement notice - Procurement Act 2023 - <u>view information</u> <u>about notice types</u>

Notice identifier: 2025/S 000-066873

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Published 20 October 2025, 5:07pm

Changes to notice

This notice has been edited. The <u>previous version</u> is still available.

Scope and Participation details updated

Scope

Description

Please note:

This PME amendment does not signify the commencement of any procurement process and does not constitute any commitment by the Department for Education (DfE). If DfE decides to commence any procurement process subject to the Procurement Act 2023 as contemplated by this notice, a separate notice(s) will be published at the relevant time. This Notice has also been appended to Find a Grant.

The Purpose

A Preliminary Market Engagement event has been undertaken to refine DfE's requirements and better understand the capacity and capability of potential partners to deliver a Social Investment Vehicle (SIV) to facilitate the entry of new providers into the children's social care placements market, particularly to increase the number of foster care placements. We refer to any future potential partner as a "Social Investment Facilitator" (SIF).

The Department's initial thinking was that the purpose of the SIV would be to blend public and social finance to enable capital investment in new or re-entering regulated providers. We are sending this clarification document to ensure that the market is clear that the Department is interested in exploring how a SIF could be used to support the reform of the children's social care placements market, and as part of that how a SIF could support the recruitment and retention of foster carers. Thank you to those who have participated in the first event, the presentation and Q&A is available for any entrants who wish to join the ongoing market engagement at this time.

The DfE is exploring options as to how it can make best use of public funding to reform the children's social care market to ensure that children's needs are being met at a sustainable cost. A route DfE is considering is a proposed new model of investment which would enable us to work alongside social investors. This would enable us to diversify the market by investing in new local authority, charity or other third sector provision where it is most needed, allowing government investment to leverage a greater overall budget.

Funding model options and eligibility

Organisations interested in acting as SIF should note that the DfE is still exploring options for the contractual funding model (whether under a grant or public contract), should the DfE decide to proceed with the project. It is therefore not yet clear whether this pre-market engagement will require further notices on the central digital platform or not, but PME is voluntarily being conducted in accordance with the Procurement Act 2023 in the event that it should later be deemed to apply.

Within the last year, DfE has undertaken a range of desk-based research into potential

funding models which would help us achieve our goals, as well as engaging with the DfE's Market Interventions Advisory Group. As a result of a range of informal conversations with several operators in the social investment sector, the Department is considering a model involving the creation of a Children's Social Care Social Investment Vehicle (CSC SIV) and would like to share the considerations to date with a wider market.

Under this model, DfE would engage a SIF to administer the CSC SIV which would then contribute funding on their own account and secure additional funding from social investors. Our ambition is that by working with social investors, we will be able to increase the funding available by a minimum multiplier of 2-4.

Eligible organisations, which may include charities and local authorities, could then bid for funding from the CSC SIV to implement policy interventions agreed to likely increase the number of fostering placements in England. This model could be either national or regional, and will appeal to SIF who can bring in investment to build capacity in the fostering sector and connected spaces.

Contract dates (estimated)

- 1 April 2026 to 31 March 2029
- 3 years

Main procurement category

Services

CPV classifications

- 66100000 Banking and investment services
- 66120000 Investment banking services and related services
- 85311300 Welfare services for children and young people
- 66171000 Financial consultancy services

- 79412000 Financial management consultancy services
- 85000000 Health and social work services
- 85322000 Community action programme
- 98000000 Other community, social and personal services

Contract locations

- UKC North East (England)
- UKD North West (England)
- UKF East Midlands (England)
- UKG West Midlands (England)
- UKH East of England
- UKJ South East (England)
- UKK South West (England)
- UKI London
- UKE Yorkshire and the Humber

Engagement

Engagement deadline

14 November 2025

Engagement process description

How to engage

The Department for Education held a market engagement webinar via Microsoft Teams on Wednesday 1st October 2025, which ran for approximately 1 hour, 11am - 12pm. We can provide the presentation and Q&A log (details of how to contact us are below).

Following the webinar, a Microsoft Forms questionnaire for organisations was sent out sent out via Jaggaer (the department's e-sourcing system). This questionnaire closed on Thursday 9th October.

The Department's next steps- One to one sessions

Following a review of the questionnaire, we are planning to hold one to one virtual meetings with organisations interested in fulfilling the SIF role for further discussions. We aim to conclude all meetings by the end of November/December 2025. These discussions will be formally structured with notes taken to ensure transparency and fair treatment of all interested participants.

For organisations who already indicated their interest in engaging with us in a one to one session, you do not need to do anything further at this stage aside from noting the changes in this updated Notice (pertaining to how the SIF remit may expand to supporting the recruitment and retention of foster carers).

For organisations who have not engaged with us to date, should this potential opportunity be of interest and you self-assess as potentially able to act as an SIF on behalf of the Department, please contact us using the email below or through the Jaggaer portal following the instructions below, by no later than Thursday 23rd October to gain access to the questionnaire. The questionnaire will be reopened for a short period and closed on Friday 24th October, 23.45.

There are several ways to participate in this opportunity and register your organisation's interest in ongoing participation:

If your organisation is already registered on Jaggaer:

- 1. Please link through to project_10032/ssq_625. You will find a copy of the Q&A log and Webinar presentation in the Data Room. We recommend you read this first before contacting us.
- 2. If you are interested in participating in a one-to-one session to talk to us about your SIF capability and experience, please message us via the Jaggaer portal, ensuring you provide full names, job titles and email addresses. We will then provide you access to access the questionnaire.

If your organisation is not registered on Jaggaer:

1. Please contact us at <u>Families.COMMERCIALDELIVERY@education.gov.uk</u>, stating your organisation name, full names, job titles and email addresses of representatives and request the presentation, Q&A log and access to the questionnaire.

Where your organisation is not registered on Jaggaer, you can set up an account for future engagement sessions in relation to this project by viewing the "Current Opportunities" page at Jaggaer https://education.app.jaggaer.com and searching for: project_10032.

All future communications with DfE in respect of additional market engagement will be held via Jaggaer.

Once you have located project_10032, please confirm your interest by selecting "Intend to Respond" and "Submit" to receive full access to the opportunity. All relevant documentation will be made available in the Data Room.

All organisations who have expressed an interest in this opportunity, including those who were unaware of, or unable to attend the webinar, will have access to relevant information and any supporting notes which will be made available via the Data Room within project_10032 at https://education.app.jaggaer.com/. This will include any questions or clarifications sent via the email address that would benefit all interested in the future communications.

Participation

Particular suitability

- Small and medium-sized enterprises (SME)
- Voluntary, community and social enterprises (VCSE)

Contracting authority

Department for Education

• Public Procurement Organisation Number: PDZG-3487-DPVD

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Region: UKI32 - Westminster

Organisation type: Public authority - central government