



ADSS Cymru

Yn arwain Gwasanaethau
Cymdeithasol yng Nghymru

Leading Social Services in Wales

Memorandum of Co-operation Removal of Profit Policy

Children's Services leaders pledge to work cooperatively and transparently to manage the external placement market, promote fair and sustainable commissioning practices, and maintain collective discipline on placement costs.

This Memorandum of Cooperation forms part of a wider national programme supporting the delivery of the Welsh Government's policy to remove profit from the care of Children Looked After. It responds to the challenges of managing market change, safeguarding sufficiency, and delivering reform in a coordinated and sustainable way.

Introduction

This Memorandum of Cooperation is a commitment by Children's Services leaders across Wales to work cooperatively, transparently, and consistently to deliver the Welsh Government's policy to remove profit from the care of Children Looked After.

While this document sets out a practical, initial framework to guide joint working, more detailed guidance will follow as the policy is implemented. This Memorandum has deliberately been kept as a simple, workable starting point that can be built upon. It will be reviewed periodically to ensure it remains relevant as the programme develops and following significant sector events (for example, the 4Cs review).

We are clear that unless Welsh local authorities cooperate effectively, there is a high risk of system failure. The demands of this policy cannot be met in isolation, and the actions of one authority may have direct consequences for others. This Memorandum is the starting point for creating the practical mechanisms, relationships, and behaviours that will support a shared, sustainable response.

Scope

This MoC is an agreement by the Directors of Social Services of all 22 Welsh local authorities to work together in delivering the policy to remove profit from children's social care. It complements (and does not duplicate) Foster Wales and 4Cs, which have their own roles and governance.

This Memorandum applies to:

- The development of in-house residential and fostering services
- Shared learning and coordination around the transfer or closure of services
- Workforce planning and stability
- Data sharing, market oversight and system governance

It does not replace existing responsibilities, legal duties, or national frameworks, but aims to underpin and support them through a shared agreement on cooperative working.

The Development of In-House Residential Services

Directors will ensure that their services:

- Share early information on planned residential service developments, including openings, closures, and repurposing of provision.
- Explore opportunities for collaboration, including shared delivery models, co-investment, or jointly commissioned services.
- Align internal residential development with wider system needs and ensure that new provision contributes to overall capacity, flexibility, and quality.
- Engage in future work to develop a governance model for joint working and oversight of public provision.

The Development of In-House Fostering Services

Directors will ensure that their services:

- Share early information on planned fostering service developments, including recruitment campaigns, expansion, or changes to existing provision.
- Consider opportunities for collaboration, such as joint recruitment or regional fostering initiatives.

- Align fostering development with wider system needs and ensure it supports sufficiency, stability, and quality.
- Contribute to future work on fostering governance and shared approaches to supporting carers.

Shared Learning and Coordination Around the Transfer or Closure of Services

Directors will ensure that their services:

- Share learning from previous service transitions to improve future planning and minimise disruption for children.
- Coordinate closures or transfers to avoid creating unnecessary pressures on other authorities.
- Document lessons learned and circulate good practice through ADSS Cymru and the Removal of Profit project team.

Workforce Planning and Stability

Directors will ensure that their services:

- Share intelligence on workforce challenges, including vacancies, agency use and retention.
- Explore opportunities for joint training, recruitment campaigns and career development pathways.
- Contribute to national efforts to stabilise and strengthen the children's social care workforce.

Data Sharing, Market Oversight and System Governance

Proactive and transparent data sharing is a foundational principle of this MoC. Directors will ensure that their services:

- Regularly exchange relevant information to build a national understanding of need, capacity, costs and risks.
- Use shared data to inform collective planning, consistent exemptions practice and market management.
- Agree a simple reporting cadence and minimum information requirements (to be confirmed through implementation arrangements).
- Permit Foster Wales and 4Cs to share the high-level supply and demand data they already collect on behalf of local authorities. This relates to aggregated information about the availability and use of fostering and residential placements. It does not involve any personal or case-level data and therefore does not present data protection concerns.

Raising Concerns

If a Director believes that actions taken elsewhere are inconsistent with this Memorandum and may risk undermining system stability, concerns should be raised directly between Heads of Service in the first instance.

If resolution is not achieved, Directors should engage directly. If still unresolved, the issue may be escalated via the Removal of Profit team and through ADSS Cymru's existing leadership structures. Where issues relate to partner engagement (for example, health boards), the same process applies.

Core Commitments

By signing this Memorandum, Directors of Social Services confirm that they will ensure their services:

1. Work transparently and cooperatively with one another in all areas relevant to delivering the Removal of Profit policy.
2. Share strategic plans and engage in open discussion about risks, priorities and timelines.
3. Avoid unilateral actions that could undermine shared objectives or destabilise the system.
4. Maintain clear internal processes to support consistent, documented decision-making.
5. Share data and intelligence with the Removal of Profit team and each other to support collective understanding and planning.
6. Participate in agreed implementation and reporting arrangements.
7. Contribute to the development of shared tools, guidance, governance models and learning resources.

These commitments reflect actions Directors can oversee within their professional discretion and areas of operational control. They do not in themselves create new legal or financial obligations for councils.

Direction of Travel

In addition to these immediate commitments, Directors collectively endorse a set of ambitions which represent the desired direction of travel. These are areas where further progress will require decisions by full councils, leaders, Section 151 officers or Welsh Government. They are not mandated by this MoC but signal shared priorities for further development:

- National approaches to foster carer support, such as “no detriment” policies or council tax incentives.
- Exploring fair-share cost-sharing protocols for high-cost residential placements.
- Developing governance models for joint oversight of public provision.
- Securing consistent and full engagement from all 22 authorities and health partners.
- Informing future regulatory or market oversight reforms to stabilise provision and improve quality.


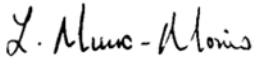


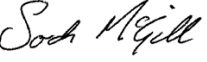

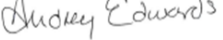
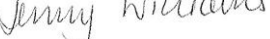




Governance



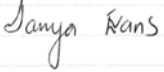




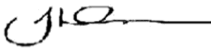

Directors of Social Services will be responsible for local implementation. Each Director will ensure that their Children’s Services leadership teams are briefed on the Memorandum and reflect its expectations in their work.

The national Removal of Profit project team will provide coordination support and work with ADSS Cymru and relevant networks to gather intelligence, identify risks, and facilitate alignment across local authorities.

An implementation forum with regional representation will meet on a regular basis to review progress, share learning, and surface barriers for resolution. Summary updates will be shared with all signatories.

We, the undersigned, support and commit to the terms of this Memorandum of Co-operation.

Name of Local Authority	Name of Signatory	Signature
Anglesey	Fon Roberts	
Blaenau Gwent	Luisa Munro Morris	
Bridgend	Claire Marchant	
Caerphilly	Robert Hartshorn	
Cardiff	Sarah McGill	
Carmarthenshire	Darren Mutter	
Ceredigion	Audrey Somerton Edwards	
Conwy	Jenny Williams	
Denbighshire	Nicola Stubbins	
Flintshire	Craig Macleod	
Gwynedd	Dylan Owen	
Merthyr	Lisa Curtis Jones	
Monmouthshire	Jane Rogers	

		
Neath Port Talbot	Andrew Jarrett	
Newport	Tanya Evans	
Pembrokeshire	Michael Gray	
Powys	Sharon Powell	
Rhondda Cynon Taff	Neil Elliott	
Swansea	David Howes	
Torfaen	Jason O'Brien	
Vale of Glamorgan	Lance Carver	
Wrexham	Rhian Thomas	