

Report of White Rose Strategic Commissioning Group

Report to Director of Children's Services

Date: 9th March 2017



Subject: White Rose Independent Fostering Agency Framework Contract Award Report

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary of main issue

1. The White Rose Strategic Commissioning Group consists of 14 Local Authorities, 13 of which collectively commission foster care from Independent Fostering Agencies (IFAs). In order to be assured that those IFAs are suitable to provide care for our children looked after and offer value for money, Leeds City Council invited IFAs to tender for a framework contract.
2. This report details how the framework has been commissioned and details of the successful bidders.

Recommendations

1. The Director of Children's Services is recommended to award the White Rose Independent Fostering Framework Contract for a period of six months plus six months to the providers as detailed in appendix 1 of this report.

1. Purpose of this report

- 1.1 This report details the reasons for commissioning a fostering framework and how this has been commissioned.
- 1.2 It also outlines who the successful and unsuccessful bidders are and their place within the tiering system.

2. Background information

- 2.1 In order to meet the statutory duty to look after children who cannot be cared for by their parents or kinship (Children Act 1989, 2004, 2014), each Local Authority provides foster care as a place of safety to nurture each child looked after. The majority of the foster care provided, is through in-house Local Authority fostering services. However, where the needs of the child cannot be met within the in-house services, foster care is sourced from the independent sector through Independent Fostering Agencies (IFAs).
- 2.2 In order to comply with the Public Contracts Regulations 2015, a framework contract for foster care has been tendered, from which individual placements will be purchased.
- 2.3 The first White Rose Fostering Framework commenced in December 2012, followed by a short interim framework from December 2016 until end of March 2017. This new fostering framework is due to commence on 1st April 2017 for six months plus six months.
- 2.4 The contract is established ensuring that all relevant and current law is embedded into the framework agreement.
- 2.5 The contract is established as a regional framework contract.
- 2.6 The participating authorities share resources across the region to ensure that the contract continues to meet need and providers are managed in a transparent and consistent manner to help deliver quality outcomes for the children and young people placed with the providers on the framework. Strategic issues are also managed through the White Rose Strategic Commissioning Group that has representation from the participating authorities.
- 2.7 The contract is established with the support of the region's Chief executives and the region's Directors of Childrens Services.
- 2.8 The current participating authorities are:
 - Leeds
 - Bradford
 - Kirklees
 - Calderdale
 - Wakefield
 - Sheffield
 - Doncaster

- Barnsley
- Hull
- North East Lincs
- York
- North Lincolnshire
- East Riding of Yorkshire

2.9 The decision to enter into a new contract is taken by Leeds after due discussion with other authorities it should be noted however that the individual contract established within the framework will continue to be the responsibility of the individual authority at the time of the placement.

2.9.1 The council also maintains its own internal Fostering Service. The contracted provision engaged against this contract will have no bearing on the internal list and any policies in respect of this internal list can be undertaken without placing the council in breach of contract.

3. Main issues

3.1 As a collective of Local Authorities, it is necessary to purchase foster care from Independent Fostering Agencies through a contract, in order to meet our legal obligations. This framework contract offers the IFAs no guarantee of placements.

3.2 An event was held for providers to understand their needs in relation to the framework. Likewise, other stakeholders such as Children's Services colleagues and young people have been consulted and their requirements included in the specification.

3.3 A refresh of the needs assessment of the children looked after was undertaken, along with an Equality Impact Screening.

3.4 The tender was advertised using the open procedure on Yortender in January 2017 and 27 providers put in bids. The pre-qualifying questionnaire and the method statements have been evaluated and the successful bidders are detailed in appendix 1.

3.5 For the invitation to tender stage, there were seven questions that bidders were required to provide written answers for. The eighth question was answered by the bidders presenting to a panel of evaluators, supported by young people who are children looked after.

3.6 During the evaluation process, five bidders have been eliminated for not reaching the minimum quality threshold on either an individual question, where the minimum requirement was to score at least four out of ten, or overall quality score, where the bidder was required to score at least 60% of the available marks.

3.7 The contract includes within its key documentation a framework mechanism which states how the providers will be ranked within the contract.

3.8 For the period of the contract, it will be utilised on the basis of the establishment of a tiering system of providers. Providers will be allocated to one of three tiers, allocated to each area of activity with the providers who provided the best

responses in terms of the price and quality of their bid being placed in tier 1. Those providers in tier 1 would be offered the opportunity of the placement in the first instance with bidders in tiers 2 and 3 subsequently being contacted in the instances where the tier 1 providers are unable to provide a place that matches the needs of the child or young person. This model has been utilised in other consortiums establishing frameworks for the provisions of the same services with an average of 80% of placements being made to providers residing in the first tier.

3.9 Once the contract is operational, providers will continue to be monitored according to their performance against the contract and restorative support and challenge delivered to ensure the highest standards are achieved.

3.10 Consequences if the proposed action is not approved

3.10.1 Purchases of foster care provision would continue across the region in an uncoordinated fashion with the market place seen to lead on the nature and quality of the provision as future requirements would be outside of the scope of the contract.

3.10.2 Any ongoing efficiency savings that are anticipated would not be realised.

3.10.3 The qualitative benefits as currently established within the framework would not be realised.

3.10.4 The contract may not be fit for purpose and reflect the desire to improve and consolidate best practice.

3.10.5 Contracting authorities may potentially be in breach of the Public Contracts Regulations 2015 in the absence of an agreed framework contract.

4. Corporate considerations

4.1 Consultation and engagement

4.1.1 Chief Executives and DCSs have been updated during the progress of the placements programme since its commencement in 2012.

4.1.2 The strategic commissioners across the region have been involved in the contract to date and any changes to future direction.

4.1.3 Young people were actively engaged in the development of the specification for the 2012 fostering contract, which is closely related to this one.

4.1.4 Young people were engaged in the evaluation of the submissions for this contract. The bidders gave presentations to a panel supported by children looked after.

4.1.5 The provider market were consulted and engaged with during the development of the project.

4.2 Equality and diversity / cohesion and integration

4.2.1 The Equality Impact Assessment (EIA) screening exercise has been undertaken and indicated no adverse equality impact to the service users, staff and the wider community. Any amendments to the specification will need to be subjected to a further EIA.

4.3 Council policies and best council plan

- 4.3.1 One of the key obsessions within Children's Services Directorate is in respect of looked after children and this obsession was reflected in the documentation and the quality evaluation model used within the process for this contract. It also continues to be reflected in the ongoing quality assessment of provision.
- 4.3.2 The council policies and priorities will continue to be reflected in this contract, as they have been in all the previous fostering contracts.

4.4 Resources and value for money

- 4.4.1 This contract has no guarantee of business for the providers. The tender process was evaluated on a 50:50 price/quality split and those providers with the highest ranking collective scores will be placed in tier one per age category and lot. The call-off mechanism dictates that tier one providers will receive referrals prior to any lower tier.

4.5 Legal implications, access to information, and call-in

- 4.5.1 The decision to enter into this contract is classified as a key decision.
- 4.5.2 To comply with the obligations of the Public Contracts Regulations a Voluntary Transparency Notice will be published prior to the contracts being awarded.

4.6 Risk management

- 4.6.1 The utilisation of the tiering system should ensure that value for money continues to be a key assessment during the operational phase of the framework.
- 4.6.2 The prices are fixed for 12 months and it is anticipated that a new longer term framework will be tendered to replace this contract after that.
- 4.6.3 The Quality Assurance Framework that will continue to be utilised within the contract should ensure that providers are continually monitored in respect of the quality of provision and that placements are only made with those providers demonstrating excellent quality of services.
- 4.6.4 Participating Local Authorities have the option to only refer to IFAs with an Ofsted judgement of 'outstanding' or 'good', should they choose to do so. Any IFA that is judged by Ofsted to be 'inadequate' during the lifetime of the contract will be suspended from the contract until the judgement is improved to at least 'requires improvement'.

5. Conclusions

- 5.1 The commissioning process has taken account of the needs of children and young people who are placed in foster care, and other key stakeholders. The tender process has been conducted using the open procedure and in accordance with Public Contracts Regulations 2015. The commissioning process has been robust and there will be on-going quality assurance assessments of providers throughout the lifetime of the contract.

5.2 The proposal is to award the White Rose Independent Fostering Agency Framework Contract for a period of six months plus six months to the providers as detailed in appendix 1 of this report.

6. Recommendations

6.1 The Director of Children's Services is recommended to award the White Rose Independent Fostering Agency Framework Contract for a period of six months plus six months to the providers as detailed in appendix 1 of this report.

7. Background documents¹

7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.