

Report of Strategic Commissioning Group

Report to Director of Children and Families

Date: 15 August 2017



Subject: Request to invoke contracts procedure rule 2.1 in order to extend the Framework Contract for the Independent Fostering Agencies for a period of 6 months.

Are specific electoral Wards affected? If relevant, 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 issues

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 (6-months from 01/04/2017 to 30/09/2017 plus the option to extend for a further period of 6-months from 01/10/2017 to 31/03/2018).
2. This report seeks approval to extend the framework agreement contract to the providers listed at appendix 1 to this report for the provision of foster care services for children.
3. The extension to the contract is for a period of 6 months from 1 October 2017 to 31 March 2018.

Recommendations

The Director of Children and Families is recommended to invoke contracts procedure rule 2.1 in order to extend the White Rose Independent Fostering Framework Contract for a period of 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 extending this fostering framework agreement.

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 commenced on 1 April 2017 for six months plus the option to extend for 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 Children's Services.

2.8 The current participating authorities are:

- Barnsley
- Bradford
- Calderdale
- Doncaster
- East Riding
- Hull
- Kirklees
- Leeds
- North East Lines.
- North Lincs.
- Sheffield

- Wakefield
- York

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

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.

3.2 The placement of children and young people with the providers of Independent Fostering Agencies continues to exert significant pressure on budgets within children and families services. This framework agreement had a robust procurement exercise at the beginning of 2017 and this enabled the best quality and price to be obtained for new placements. The 6-month extension period will enable a new commission to be procured.

3.3 A continuation of robust contract management will ensure quality service delivery, improved outcomes for children and focussed discussions to ensure value for money is being achieved.

3.4 The framework agreement enables local authorities to make placements as required but there is no commitment to any expenditure and offers the IFAs no guarantee of placements.

The provision is divided into 3 lots:

- Lot 1: Standard placement
- Lot 2: Solo placement
- Lot 3: Parent and child placement

Each Lot is divided into 3 age bands:

- Band 1: 0-4 years
- Band 2: 5-10 years
- Band 3: 11-18 years

In addition to this, each Lot has discount opportunities:

- 2 sibling discount
- 3 sibling discount
- 4 siblings or more discount
- Long term placement discount

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

- 3.6 The contract includes within its key documentation a framework mechanism which states how the providers will be ranked within the contract.
- 3.7 Providers are monitored according to their performance against the contract and restorative support and challenge delivered to ensure the highest standards are achieved.

3.5 Consequences if the proposed action is not approved

- 3.5.1 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.
- 3.5.2 Any ongoing efficiency savings that are anticipated would not be realised.
- 3.5.3 The qualitative benefits as currently established within the framework would not be realised.
- 3.5.4 The contract may not be fit for purpose and reflect the desire to improve and consolidate best practice.
- 3.5.5 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 as the contract will be extended on the same terms and conditions as currently enjoyed (screening form attached). Any amendments to the specification and future provision will need to be subjected to a further EIA assessment.

4.3 Council policies and Best Council Plan

- 4.3.1 The council policies and priorities will continue to be reflected in the contract as the extension will be on the same terms as currently enjoyed.
- 4.3.2 One of the key obsessions within Children and Families 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. It also continues to be reflected in the ongoing quality assessment of provision.

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 extend this contract is classified as a key decision.

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 were fixed for 12 months (including the extension) 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

- 5.1.1 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.
- 5.1.2 The proposal is to extend the White Rose Independent Fostering Agency Framework Contract for the extension period of six months to the providers as detailed in appendix 1 of this report.

6 Recommendations

- 6.1.1 The Director of Children and Families is recommended to extend the White Rose Independent Fostering Agency Framework Contract for the extension period of six months to the providers as detailed in appendix 1 of this report.

7 Background documents¹

- 7.1.1. 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.