

AGENDA ITEM: 8 Pages 27 – 31

Meeting	Cabinet Resources Committee
Date	19 July 2010
Subject	Provision of residential and foster care placements for children in care
Report of	Deputy Leader of the Council/Cabinet Member for Education, Children and Families
Summary	To approve the use of London Care Placements framework agreements of approved providers for the provision of Independent Fostering Agency services and residential care services for children and young people who cannot be placed internally, for a period of three years with an option to extend for a further year.

Officer Contributors	Serena Hadi, Commissioning Team Manager, Children's Service Ola Yerokun, Contracts Officer, Children's Service
Status (public or exempt)	Public
Wards affected	All
Enclosures	None
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

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1. RECOMMENDATIONS

- 1.1 That the London Care Placements framework agreement of approved providers be used for residential fostering placements for children in care.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 None.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 Safeguarding and promotion of the welfare of children in need is supported by the Corporate Plan 2010-2013 priority “Sharing opportunities and sharing responsibilities” through the strategic objective “embed a safeguarding culture throughout Barnet to make sure our children, young people and adults remain safe”.
- 3.2 The Council has a general duty under the Children Act 1989 (revised 2004) to safeguard and promote the welfare of children in need living in the Borough. It has specific duties to individual children with respect to those children in need who require accommodation – either by virtue of a care order or pursuant to one of the conditions in section 23 of the Act.
- 3.3 The Children and Young People’s Act 2008 places responsibility on Local Authorities to ensure that there is sufficient accommodation within the local area for children who are looked after, which meets the needs of the children. Local Authorities need to give regard to the benefit of having a number of providers providing a range of accommodation to meet the differing needs.
- 3.4 Ensuring that children in care are supported to achieve their potential and have their needs met is a key aim of the Barnet Children and Young People Plan 2010/11-2012/13. In particular, the key objectives of:
- supporting children in care to have a happy childhood and successful transition into adulthood; and
 - achieving value for money.

4. RISK MANAGEMENT ISSUES

- 4.1 If the use of the London Care Placements Team’s framework agreement is not approved, the immediate option will be for the Social Care team to spot purchase placements to meet accommodation needs, pending the implementation of an alternative procurement route. This would prove significantly more time consuming and it would be difficult to carry out the same level of background checks and due diligence on providers as is carried out by London Care Placements given the available resources.
- 4.2 Without the agreed fees of the approved provider list, spot purchasing would place significant risks on the external placements budgets for both fostering and residential.
- 4.3 It is considered that the issues involved are unlikely to raise significant levels of public concern or give rise to policy considerations.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 The London Care Placement framework agreement is based on the Office of Government Commerce terms and conditions and ensures that providers will not unlawfully discriminate within the meaning and scope of any Legislation relating to discrimination upon race, gender, marital status, religion, disability, sexual orientation or otherwise in the employment or in the provision of the Service.
- 5.2 Children in care are some of the most vulnerable residents of the Borough, and the Council has a duty to provide good accommodation and support to meet their needs. Having access to the wide range of providers on the London Care Placements approved list will enable the differing needs of children in care to be better met, for example those with disabilities, emotional and behavioural difficulties, or from varied cultural backgrounds.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 The Children's Service budget for placements with private and voluntary Independent fostering agency and residential care services for 2009/10 was £6.5 million. In 2009/10, the Council spent £6million with providers on the London Care Placements approved list – a total of 37 Independent Fostering Agencies and 14 residential providers.
- 6.2 The framework agreement contracts do not commit the Council to making any placements with any provider; however it provides the advantages of securing value for money and a range of services being made available at short notice. Costs may still be negotiated such as cost and volume discounts, but a clear costing schedule is available.
- 6.3 The London Care Placement Team manages and negotiates the annual fee increases from service providers. In 2009/10 significant savings in excess of £4million were made due to negotiated increases of 0% compared to the RPI of 3% that year.
- 6.4 The Council's Placements Team, after the necessary checks are made, will then approach providers on the London Care Placement list. When a placement is found that meets the child's needs, then a pricing and individual child agreement would be completed for that placement.
- 6.5 The commissioning team budget will fund the annual fee of around £7,500 for the London Care Placements Team's services such as commissioning and contract monitoring services. The London Care Placements framework agreement and the approved provider list provides a co-ordinated approach to contracting across London and brings benefits in terms of service quality, price and quality assurance monitoring.

7. LEGAL ISSUES

- 7.1 Under section 9 Children and Young Persons Act 2008 the local authority has a general duty to secure sufficient accommodation is made available for children they are looking after.

8. CONSTITUTIONAL POWERS

- 8.1 The Council's constitution in Part 3, Responsibilities for Functions, paragraph 3.6 states the terms of reference of Cabinet Resources Committee including monitoring the trading position of appropriate Council services and agreeing externalisation contracts.

9. BACKGROUND INFORMATION

- 9.1 The London Care Placements Team (LCPT) (formerly known as the Pan-London Contracts Team) has been in operation since April 1999. The team is funded by the 33 London Boroughs and acts as a contracts agency on behalf of the London Boroughs in procuring services with private and voluntary sector providers for children and young people's services, including independent fostering agencies and residential care services for children in care. Harrow Council lead the procurement on behalf of all participating boroughs and Barnet Council will be a contracting authority as the other boroughs.
- 9.2 All 33 London boroughs are members of the consortium, as are an additional 10 'partner authorities (Buckinghamshire, Oxfordshire, Slough, Windsor & Maidenhead, Cambridgeshire, Essex, Hertfordshire, Norfolk, Peterborough, Southend on Sea). No other frameworks on a similar scale exist in London. Other consortia of local authorities have similar frameworks in place in other areas of the country, although these would not be suitable for Barnet to join as the providers registered with them would not be in the London area. It is important that children are placed in or near Barnet therefore a large range of London-based providers is essential.
- 9.3 The LCPT selects and maintains a list of approved providers, which participating boroughs can use to procure placements for children in care. There is also a suite of London Contract Standard documents (Pre Qualification Questionnaire, Specification, Terms and Conditions and customised versions of the Individual Placement Agreement). The use of this framework significantly reduces the cost, time and risk associated with spot purchasing of fostering and residential care placements for children and young people.
- 9.4 The LCPT is governed by the London Special Education Needs and Children in Care Commissioning Board and the London Directors of Children's Services (ALDCS) and by 2 Steering Groups, one for fostering and one for residential care. The Steering Group is comprised of appropriate representatives from the participating London Boroughs (including Barnet).
- 9.5 A new contract has been developed for residential children's homes and independent fostering services on the LCPT list, for the period 1 April 2010 – 31 March 2013. The contracts include a standardised cost structure and transparency in the procurement process. The service specification covers all services required in fostering and residential placements and contains up to date relevant legislation and regulations focusing on outcomes for children and young people in line with the 5 Every Child Matters outcomes. The specification has been through consultation with all the Boroughs and agreed. The Terms and Conditions have been reviewed and approved by Barnet's Legal Services.
- 9.6 The opportunity for providers to be approved and join the London Contracts Team list is advertised on the London Care Placements website. Any service provider wishing to be considered for inclusion on the List will apply to the London Contracts Team and agree to the Terms and Conditions.
- 9.7 Service providers complete a Pre Qualification Questionnaire (PQQ), which gives the opportunity to demonstrate quality and standards of service, and establishes each provider's legal, financial and technical capability to provide the services. The provider will need to submit, for example, registration information, insurance information, cost details, OFSTED reports and other qualitative documentation.

The London Care Placements Team chairs a Steering Group which evaluates the information given and decides if the provider can be added to the list of approved providers. This list is reviewed regularly and the Steering Group decides if the providers should remain on the list. This ensures that quality standards are met and continuous improvement achieved. A customised version of the documents collectively known as the London Contract is sent out by the London Contracts Team to those providers that each Council wishes to use. Upon receipt of the documentation signed by the provider (via the London Care Placements Team) to the Council, the Council then arranges for the agreement to be executed.

- 9.8 The London Care Placements Team chairs the request for annual fee uplifts from service providers' negotiation meetings with input from Council Officers.
- 9.9 The approved provider list is available on a secured website (www.londoncareplacements.gov.uk) with information on all the approved providers and assists us in seeking residential and foster placements from one source.

10. LIST OF BACKGROUND PAPERS

- 10.1 None.

Legal – PJ
CFO – LP