

DELEGATED POWERS REPORT NO.

1851

SUBJECT: Children's Social Care Providers – Contract Award

Control sheet

All of the following actions MUST be completed at each stage of the process and the signed and dated report MUST be passed to the Governance Service for publishing

All reports		
1. Governance Service receive draft report	Name of GSO Date	<u>DPR</u> 13/11/2012
2. Governance Service cleared draft report as being constitutionally appropriate	Name of GSO Date	Andrew Charlwood 13/11/2012
3. Finance clearance obtained (<i>report author to complete</i>)	Name of Fin. officer Date	Anisa Darr 14/11/12
4. Staff and other resources issues clearance obtained (<i>report author to complete</i>)	Name of Res. officer Date	N/A
5. Strategic Procurement clearance obtained (<i>report author to complete</i>)	Name of SPO Date	Lesley Meeks 20/11/12
6. Legal clearance obtained from (<i>report author to complete</i>)	Name of Legal officer Date	Steven Strange 22/11/2012
7. Policy & Partnerships clearance obtained (<i>report author to complete</i>)	Name of P&P officer Date 13/11/12	Andrew Nathan 13/11/12
8. Equalities & Diversity clearance obtained (<i>report author to complete</i>)	Name of officer Date 13/11/12	Andrew Nathan 13/11/12
9. The above process has been checked and verified by Director, Head of Service or Deputy	Name Date	Ann Graham 23/11/12
10. Signed & dated report, scanned or hard copy received by Governance Service for publishing	Name of GSO Date	Anita Vukomanovic 27/11/12
11. Report published by Governance Service to website	Name of GSO Date	Anita Vukomanovic 27/11/12
12. Head of Service informed report is published	Name of GSO Date	Anita Vukomanovic 27/11/12
13. Expiry of call-in period	Date	N/A
14. Report circulated for call-in purposes to Business Management OSC members & copied to Cabinet Members & Head of Service	Name of GSO Date	

**ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER
(EXECUTIVE FUNCTION)**

Subject	Children's Social Care Providers – Contract Award
Officer taking decision	Assistant Director of Children's Service
Date of decision	23 November 2012

Summary	This report seeks approval to enter into contracts for the provision of fostering, children's homes and semi-independent placements services for children.
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Officer Contributors	Serena Hadi, Placements Team Manager Karina Umeh, Commissioner Children's Service
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Status (public or exempt)	Public
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Wards affected	All
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Enclosures	None
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Reason for exemption from call-in (if appropriate)	N/A
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Key decision	No
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Contact for further information: Serena Hadi 0208 359 4344

Serial No. 1851

1. RELEVANT PREVIOUS DECISIONS

- 1.1 Cabinet Resources Committee, 19 July 2010, (Decision item 9) - Resolved that the London Care Placements framework agreement of approved providers be used for residential fostering care placements for children in care.
- 1.2 Cabinet Resources Committee, 7 November 2011, (Decision item 10) – Resolved to waive certain of the Contract Procedure Rules in respect of Adults’ and Children’s services and authorised the regularisation of contractual arrangements with social care and Special Educational Needs (“SEN”) Providers.
- 1.3 Cabinet Resources Committee, 28th February 2012, (Decision item 22) – Resolved to waive certain of the Contract Procedure Rules in respect of Children’s services and authorised the council to regularise certain contractual relationships with current providers.

2. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 2.1 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, key objectives are: i) supporting children in care to have a happy childhood and successful transition into adulthood and; ii) achieving value for money.
- 2.2 The handling of placements, supports two of the Council’s Corporate Plan priorities. It will support the priority ‘Better services with less money’ through enabling efficient procurement and contract management. By providing a range of quality services which enhance the council’s reputation with local communities and schools, it will contribute towards the priority ‘A successful London suburb’.

3. RISK MANAGEMENT ISSUES

- 3.1 Providers may not accept young people the Council seeks to place due to delays in setting up vendor information or give notice on existing placements. Council officers will work with Providers to ensure all contractual documentation is in place and swift payment is made.

4. EQUALITIES AND DIVERSITY ISSUES

- 4.1 Pursuant to The Equalities Act 2010, public sector organisations have a responsibility to take into account equalities as part of every procurement/tendering exercise.
- 4.2 The Council is also under an obligation to have due regard to eliminating unlawful discrimination, advancing equality and fostering good relations in the contexts of age, disability, gender reassignment, pregnancy, and maternity, religion or belief and sexual orientation

- 4.3 This duty, also, applies to a person, who is not a public authority but who exercises public functions and therefore must, in the exercise of those functions, have due regard to the general equality duty. This includes any organisation contracted by a local authority to provide services on its behalf.
- 4.4 It is a contractual obligation that providers adhere to the Equality Act 2010 and have an equalities policy. This is checked by the Council through evaluation and monitoring of the provider and contract.
- 4.5 It is anticipated that awarding contracts with a variety of providers will ensure that children's cultural and diversity issues will be able to be met.

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

Finance

- 5.1 The projected contractual value of each of these contracts is less than £499,000 over four financial years (April 2012 – March 2016). These figures include actual committed costs, and a forecast of cost with the contractors being able to meet the Council's needs. The figures could increase if additional placements are made over the term of the contracts, or could decrease if placements aren't successful or aren't made. The cost of these services will be contained within existing budgets within Social Care in the Children's Service.

Provision type	Name of Contractor	Framework or local arrangement	Projected contractual costs 2012/16*
Independent Fostering Agency (IFA)	Provider a	London Care Placement (LCP) Framework	£276,560
IFA	Provider b	LCP Framework	£124,500
IFA	Provider c	LCP Framework	£316,337
IFA	Provider d	LCP framework	£445,817
Residential Children's homes	Provider e	Barnet Contract	£257,400
Residential Children's Homes	Provider f	LCP Framework	£358,800
Residential Children's Home	Provider g	LCP Framework	£455,000
Residential Children's Homes	Provider h	LCP Framework	£171,082
Residential Children's homes	Provider i	Barnet contract	£257,400
Residential Family Centre	Provider j	LCP Framework	£230,400
Residential Family Centre	Provider k	Barnet contract	£252,000
Semi-Independent Provision	Provider m	Barnet contract	£145,000
Semi-independent Provision	Provider n	Barnet contract	£357,000

Semi-Independent Provision	Provider o	Barnet contract	£280,000
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* Projected contractual costs based on historic, current and forecast of future placements April 2012 – March 2016.

Procurement

- 5.2 The Council currently has an approved framework agreement in place (paragraph 1.1), which contains a number of providers of services for Social Care. The London Care Placements Framework covers Independent Fostering Agencies, Residential Children’s Homes and a limited number of Residential Family Centres (providers a,b,c,d,f,g,h and j).
- 5.3 Where Providers on the existing frameworks fail to identify a suitable placement, spot purchasing of placements have been made with the appropriate due diligence checks undertaken (providers e,i,k,m,n,o), and issued with a Barnet contract, which is based upon the London Care Placements contract, having been developed and agreed by the Council’s legal services.
- 5.4 For a foster placement a referral would be made to a minimum of five contractors. For a residential children’s home a minimum of two referrals will be made to contractors who are deemed able to meet the needs of the child. For Residential Family Centre placements a minimum of two referrals are made or as directed by court. For a planned semi-independence placement a minimum of 2 referrals will be made to providers that have been evaluated as being able to meet the needs of Barnet’s children.

Value for Money

- 5.5 The contracts package and prices highlighted in the table at paragraph 5.1 above have been negotiated by the Placements Team. These packages are deemed to be market prices and value for money.
- 5.6 There are no staffing, IT, property or sustainability implications.

6. LEGAL ISSUES

- 6.1 Social care services fall within Part B of Schedule 3 of The Public Contracts Regulations 2006 (as amended) (“the Regulations”). These Regulations implement the, relevant, European Directive into domestic law.
- 6.2 As social care services fall within Part B, they are not subject to the full European procurement regime. Where the contract value is at, or above, the, relevant, EU threshold (£156,442 up to January 2012; now £173,934), the council must comply with the relevant, less onerous, requirements of the Regulations.
- 6.3 However, contracting authorities are under an obligation to procure in line with the principles of equal treatment, fairness and transparency.

- 6.4 In accordance with the Council's Contract Procedure Rules, there will be a need for the Council and each of the providers to enter into a written contract to document the terms for supply of the services.

7. CONSTITUTIONAL POWERS

- 7.1 Council Constitution, Part 3, Responsibility for Functions – Section 6.1 enables Chief Officers (i.e. the Chief Executive, Directors and Heads of Service as listed in Article 12) to take decisions without consultation with the Cabinet Member concerned where it is a decision authorised to be taken by the Chief Officer under the Contract Procedure Rules for approved schemes with sufficient estimate provision, it is in respect of matters within the Chief Officer's sphere of managerial and professional responsibility and is not significant in terms of budget or policy.
- 7.2 Council Constitution, Contract Procedure Rules – Table 7.1 sets out the Authorisation and Acceptance thresholds and tendering requirements for Social Care and Temporary Housing contracts. For contracts up to £499,999 the Director/Assistant Director of Service may accept the contract where a reasonable means of selection process, as detailed in the Procurement Code of Practice, has been followed.

8. BACKGROUND INFORMATION

- 8.1 A comprehensive audit of the council's contracts and procurement processes was carried out earlier this year and identified a number of contractual relationships requiring regularisation. Over the years, not all purchasing and contracting activity which, on a day-to-day basis, secures services to vulnerable young people and indirect services to the directorate's day to day operations has been subject to a formal procurement process.
- 8.2 Due to the nature of the Social Care Placements for looked after children and the nature and speed at which placements are required, Procurement and Children's Services have negotiated specific Contract Procurement Processes for such services in accordance with the rules set out in Section 7 of the Council's Contract Procedure Rules.

9. LIST OF BACKGROUND PAPERS

- 9.1 None

10. OFFICER'S DECISION

I authorise the following action

- 10.1 The entry into contracts with the Providers identified in the table at paragraph 5.1 of this report.**

Signed

Ann Graham

Assistant Director of Children's Service

Date

23/11/12
