

	<h2>ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER</h2>
<p style="text-align: center;"><b>Title</b></p>	<p><b>Extension and Variation of Contracts awarded under the West London Alliance Dynamic Purchasing Vehicle for Children’s Independent Fostering Agencies.</b></p>
<p style="text-align: center;"><b>Report of</b></p>	<p>Executive Director, Children’s and Family Services</p>
<p style="text-align: center;"><b>Wards</b></p>	<p>All</p>
<p style="text-align: center;"><b>Status</b></p>	<p>Public</p>
<p style="text-align: center;"><b>Enclosures</b></p>	<p>Appendix 1 – List of successful Providers currently on the West London Alliance Dynamic Purchasing Vehicle for Children’s Independent Fostering Agencies</p>
<p style="text-align: center;"><b>Officer Contact Details</b></p>	<p>Joanna Rider          Senior Commissioner          Commissioning and Business Improvement          Family Services          Children’s Service</p> <p><a href="mailto:Joanna.rider@barnet.gov.uk">Joanna.rider@barnet.gov.uk</a> 020 8359 5005</p>

### Summary

Barnet is the lead authority for the West London Alliance Dynamic Purchasing Vehicle for Children’s Independent Fostering Agencies (“IFA DPV”). The IFA DPV is capable of use by the 15 Boroughs, and by certain other interested Local Authorities named in the Official Journal of the European Union (“OJEU”) Notice.

This report seeks permission to extend overarching agreements that have been awarded under the IFA DPV.

The original overarching agreements awarded under the IFA DPV are for a 3 year term, from 1 April 2018 to 31 March 2021, and the original Delegated Power Report to award the contracts and the contract terms of the conditions include the option to extend for a further

3 years on a 1+1+1 extension basis. This report seeks authorisation to extend these contracts for the full 3 years in one go from 1 April 2021 to 31 March 2024.

As the lead borough for the IFA DPV, the Council will hold the overarching contract agreements and extensions with successful IFA providers. The Council will then be able to continue to call off individual fostering placements to meet the needs of local children and young people.

It should be noted that the West London Alliance has recently changed its name to the Commissioning Alliance. This variation will be implemented for all IFA DPV contracts from 1 April 2021.

In addition, the Professional Indemnity threshold level required to join the DPV will be reduced from £5m to £2m from 1 April 2021. This is in recognition of the fact that the current rate precluded a large number of providers in the market from joining.

The arrangement for young people's savings will be reworded in the contract to enable the placing Local Authority to retain responsibility for arranging savings for children in care. This approach is in line with Barnet's preferred process.

Furthermore, where Local Authorities seek to make a block contract arrangements via the DPV, the placing Local Authorities may choose to open up the opportunity to providers outside of the DPV on the understanding that the provider will subsequently join the DPV.

## Decisions

1. To extend the contracts awarded under the Independent Fostering Agency (IFA) Dynamic Purchasing Vehicle (DPV) from 1 April 2021 to 31 March 2024. This applies to providers currently on the DPV and providers that join the DPV between January 2021 and 31 March 2024
2. To implement a variation in name from West London Alliance to the Commissioning Alliance for all DPV contracts from 1 April 2021.
3. To reduce the threshold for Professional Indemnity Insurance from £5m to £2m
4. To incorporate the potential within the contract for the Local Authority to retain responsibility for young people's savings, in which case, the agreed amount (minimum of £5) will be deducted from the weekly fee.
5. To extend the opportunity for block contract arrangements to providers outside of the DPV, with the intention of the provider subsequently joining the DPV prior to the finalisation of any block arrangement.

## **1. WHY THIS REPORT IS NEEDED**

- 1.1 This report seeks approval for the Council's extension of the Call Off Contracts with Independent Fostering Agencies between 1 April 2021 to 31 March 2024.
- 1.2 Three Dynamic Purchasing Vehicles (DPVs) were developed by the West London Alliance (now known as the Commissioning Alliance) across Independent Fostering Agencies (IFAs), Residential Placements and Special Educational Needs (SEN) Placements.
- 1.3 The aim of the IFA DPV is to ensure that there is a choice and range of sufficient good quality independent fostering agency provisions for the period between 1 April 2018 to 31 March 2024, which represents value for money and is compliant with the Council's Contract Procedural Rules.
- 1.4 Barnet is the host and lead borough for the overarching Independent Fostering DPV agreements. The Council procured the IFA DPV on behalf of both itself and the West London Alliance ("WLA") in a collaborative project. The DPV can be used by the Boroughs of fifteen Local Authorities:  
Barnet, Barking & Dagenham, Brent, Bromley, Ealing, Hammersmith & Fulham, Harrow, Hillingdon, Hounslow, Kensington & Chelsea, Redbridge, Southwark, Wandsworth, Westminster, and Buckinghamshire any other qualifying Local Authority ("Non-WLA members") to purchase independent fostering agency services
- 1.5 In accordance with the selection process explained in the DPV, providers are approved to join the DPV and awarded an overarching contract at successive periodic intervals by the Council acting in conjunction with the WLA until expiry of the IFA DPV on 31 March 2024.
- 1.6 There are currently 74 IFA services on the DPV. There is no limit to the number of Providers who can be appointed to the Provider List. The increased competition helps to identify appropriate placement matches and to maintain competitiveness amongst Providers on the List.
- 1.7 The original overarching DPV contract states that the Contract Period may be extended for up to three (3) successive periods of one (1) year each from the Expiry Date. This report seeks authorisation for the Contract Period to be extended by three (3) years in one go from the Expiry Date.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 Barnet Council has a number of statutory duties relating to the provision of social care services to children and young people. Services are provided to such children on the

basis of an assessment of their individual needs and the services of independent fostering agencies (“IFAs”) are used where in-house fostering provision is unable to meet these needs. There has also been a need to influence and manage the IFA market, to ensure value for money, increase choice and to ensure that a set of standard contract terms are issued.

- 2.2 Unlike a Framework, a DPV allows an unlimited number of new Providers to join the Provider List. Most of the Council’s Providers have joined the DPV and continued to supply independent fostering services under the IFA DPV, enabling sufficiency and individual child agreements supported by clear contract terms which are standardised across the Alliance.
- 2.3 Extending the contract will enable the Council and Commissioning Alliance members to continue to source placements with approved IFA providers under the overarching contract agreement.
- 2.4 Given the volume of contracts and administrative resources committed to extend each one year on year, the decision to extend for 3 years without the 12 month renewal is more efficient in terms of the Council’s administrative resources; reduces the resource require from the market to renew year on year and supports contract compliancy.
- 2.5 Revising the threshold for Professional Indemnity Insurance level will enable additional providers to join the DPV, thus increasing choice for the Local Authority when making placements.
- 2.6 Providing the opportunity for young people’s savings to transfer from the Provider to the placing Local Authority meets the requirements of some placing authorities using the DPV (including Barnet), who may wish to have the option of savings responsibility.
- 2.7 Incorporating the opportunity to broaden the pool of Providers when seeking ‘block’ arrangements offers wider choice for placing Local Authorities, underpinned by the terms and conditions of the overarching contractual arrangements which can be called upon for such an arrangement, once the provider, if not already part of the DPV, undergoes the application and approval process.

### **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 Not extending the contracts and purchasing on a spot purchase basis is not recommended as this may not ensure quality, best value for money to the Council, would remove the financial and additional benefits associated with the DPV contract; would require all Commissioning Alliance Local Authorities to re-issue spot contracts; and is not in line with Contract Procedure Rules

- 3.2 Extending the DPV on a year on year basis, as opposed to, extending all 3 years in one go is not recommended as it is not an efficient use of resources. Each extension requires preparation by a solicitor, issue and signature by both the Provider and the Local Authority. There are 74 contracts currently on the DPV to extend.

#### **4. POST DECISION IMPLEMENTATION**

- 4.1 Contract extensions will be issued to IFA providers on the DPV, stating the Contract period shall be extended by three (3) years from the Expiry Date.
- 4.2 The decisions presented here will be broadcast to all DPV providers via the Curtis Fitch Procurement platform as variations and implemented formally via contract extension and variation letters.
- 4.3 Quality assurance of all Providers will continue to be assured through due diligence and evaluation of the self-certification responses received from each interested Supplier who has applied for selection to the DPV List of Providers and by monitoring after selection by the Commissioning Alliance and by Placement teams for each placing Authority.

#### **5. IMPLICATIONS OF DECISION**

##### **5.1 Corporate Priorities and Performance**

- 5.2 The Council's Corporate Plan 2019-2024 includes outcomes we want to achieve for the borough, the priorities we will focus limited resources on, and our approach for how we will deliver these.

The 3 outcomes for the borough focus on place, people and communities:

- a pleasant, well maintained borough that we protect and invest in
- our residents live happy, healthy, independent lives with the most vulnerable protected
- safe and strong communities where people get along well

- 5.3 By ensuring that a sufficient number of high quality, appropriate fostering provisions are available, the Council's extension of the Overarching Agreements contributes to the Council's Corporate Plan priority: Improving services for children and young people and ensuring the needs of children are considered in everything we do
- 5.4 The multi-agency Children and Young People Plan 2019-2023 outlines Barnet's vision to become the most 'Family Friendly' borough by 2023. This means that children, young people and their families are safe and protected from harm, healthy, resilient,

knowledgeable, responsible, informed and listened to. By building emotional resilience, this contract contributes to the following outcome within the plan:

- *Health & Wellbeing: Children are supported to achieve a healthy start in life, enjoy a healthy lifestyle and to build resilience.*

5.5 Across the council and partners, a resilience-based model has been introduced to achieve the Family Friendly vision. This resilience-based model builds on existing work and provision and has been embedded across Family Services. It applies to all internal and externally commissioned services for children, young people and families, including IFAs.

5.6 Resilience is: The ability to bounce back from stress and adversity and take on new challenges, leading to better outcomes (Pearson & Hall, 2006, adapted)

Resilient young people and families say:

- I have people I trust and love
- I am a loveable person
- I can find ways to solve problems (Grotberg, 1997)

5.7 By taking a cross-borough approach to purchasing, this IFA DPV provides the best option for Barnet to procure appropriate and tailored independent fostering agency services provision, at the best price.

5.8 **Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.8.1 **Finance**

5.8.2 The DPV requires providers to include a ceiling cost for their IFA provision, including costs for 0-15 year olds, costs for 16-17 year olds, specialist fostering and costs for parent and child placements. Providers cannot charge above this ceiling rate for the duration of the placement. Price alteration requests for placements will only be considered if a child or young person's needs significantly change and where the Provider is able to provide a robust evidence base for this. There will be an annual opening when providers have the option to re-price their services, which is managed and mitigated where possible by the Commissioning Alliance.

5.8.3 Where children and young people have been with the same IFA for more than 9 months, the provider is required to include a discount of 5% for the remainder of the placement.

5.8.4 There is also a 5% discount for siblings, to be deduced from the agreed weekly fee on all siblings placed within an Agency. For example, if an Agency has two siblings placed within the organisation, the 5% discount will be applied for both placements.

5.8.5 Providers have the opportunity to reprice on an annual basis. 9 providers repriced costs in 2019 and 18 agencies representing 22 Fostering organisations repriced in 2020. Repriced costs are also capped to ensure value for money, LAs can select the placement that offers the best match, at the best price and negotiate capped prices further at the point of brokering an individual placement.

5.8.6 The DPV is a transparent procurement vehicle. Providers can seek to join at any time It is therefore not possible to confirm weekly costs for all IFAs that will receive contracts on the DPV, however, the table below summarises average costs on the IFA DPV as of January 2021.

Procurement	Service categories and average weekly costs			
	Core fostering age 0-15	Core Fostering age 16-17	Specialist Fostering	Parent and Child Fostering
Average weekly costs on the DPV	£899	£921	£1,381	£1,498

5.8.7 The financial benefits of the new DPV include the ability for Local Authorities to negotiate costs with the market at the point of placement, the 5% discounts from sibling placements and the 5% discount applied to all longer-term placements (applied after 9 months). As the DPV requires providers to submit a competitive (ceiling) price, placement prices by these providers may have been much higher when Called Off if not procured through the DPV.

#### 5.8.8 Procurement

5.8.9 The decision to extend these contracts is on the 2021-2022 Annual Procurement Forward Plan.

#### 5.9 Staffing, IT, property

5.9.1 TUPE does not apply to this contract and there are no staffing implications for the Council.

5.9.2 The e-procurement portal and software application used as an e-Procurement platform for the purpose of e-sourcing, and supplier selection and management is supplied by Curtis Fitch.

5.9.3 Careplace e-procurement software is to be used by this Council and the Commissioning Alliance and all other participating local authorities for the Call off or making of placements on an individual or block contract basis.

## 5.10 **Legal and Constitutional References**

5.10.1 Paragraph 3 of the Council's Contract Procedure Rules states that "In the case of Framework Agreements or Dynamic Purchasing Systems, the contract value must be calculated to include the total estimated value, net of VAT, of all the contracts envisaged to be awarded for the total term of the Framework Agreement or the Dynamic Purchasing System.

5.10.2 Table B Article 10 of the Council's Constitution sets out the Council's procurement authorisation and acceptance thresholds. For procurements valued at £500,000 and above, variations or extensions may be authorised by a Full (Chief Officer) DPR if within budget.

## 5.11 **Insight**

5.11.1 Market and financial information was analysed by the WLA to plan the DPV and to inform the pricing schedule for the contract. This included past placements made by the placing Local Authorities and insight gained by the market from two large scale marketplace events.

5.11.2 Placement prices are monitored by the Commissioning Alliance on a weekly basis and variations reviewed and discussed with the providers and placing local authorities to establish their veracity. In addition to the annual reprise and discussion at annual contract review meetings, details from quarterly benchmarking exercises provide an opportunity to share an overview of average placement prices. Detailed analysis of DPV usage and placements is undertaken by Family Services and the Commissioning Alliance and this is utilised to inform our local sufficiency planning and service development.

## 5.12 **Social Value**

5.12.1 The WLA and Barnet Council took into account those relevant and proportionate factors relating to the services being procured that might improve the economic, social and environmental well-being of the Barnet area. How the procurement process might achieve and progress that improvement, was considered in the development of the DPV and has been continually reviewed through formal monitoring and overview processes led by the WLA .

## 5.13 **Risk Management**

5.13.1 Risk to extending is minimal since the Local Authority can choose which providers to call off and place with. Individual child placement agreements can also be terminated by the Council, where required.

5.13.2 Safeguarding is at the centre of this contract and the DPV evaluation includes specific questions in relation to safeguarding policies, processes and staff induction, as well as a



requirement for staff to have up to date DBS checks. The successful providers will have certified that they have met the quality and safeguarding requirements for this contract and will have produced such proof as is required of them by way of due diligence by the Council and the WLA according to the Selection Protocol.

5.13.3 The specification sets out the requirements for the Provider to keep service user records, and to ensure appropriate information sharing, confidentiality; data protection, data collection and analysis are in place. All aspects of information management and safeguarding, including policies and processes will be examined and checked as part of the robust contract monitoring checks.

5.13.4 To ensure monies are being spent effectively, placements costs will be negotiated at the point of referral and will not exceed ceiling costs listed by the providers. Spend against the DPV contracts will be reviewed quarterly via Procurement Finance Reports. Placements will be performance managed throughout the contract term using robust monitoring systems, including outcomes for children and young people, quality assurance, costs and assurance information.

## 5.14 Equalities and Diversity

5.14.1 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- advance equality of opportunity between people from different groups
- foster good relations between people from different groups.

5.14.2 The broad purpose of this duty is to integrate considerations of equality into day to day business and keep them under review in decision making, the design of policies and the delivery of services.

5.14.3 The DPV is for all children that require an Independent Fostering Placement, regardless of their background or other protected groups.

5.14.4 An Equality Analysis Assessment was undertaken for this DPV and is available on request. Equalities factors relating to individual children and young people are included in the assessment processes.

## 5.15 Corporate Parenting

5.7.1 This contract will support the Council in its corporate parenting role by enabling Family Services to place vulnerable children and young people) in high quality, appropriate fostering placements that can meet their specific needs and outcomes, as detailed in the Individual Child Agreement.

## 5.16 Consultation and Engagement

5.16.1 Young people from three different local authorities were engaged with in planning the

DPV. The views of young people in care were sought to understand what is most important for local authorities and potential IFA Providers to get right when planning a placement; what can make a difference to them in the early days, for example, when being introduced to a fostering family and what is important for providers to get right in the longer term.

5.16.2 The findings from young people were collated and presented to Providers at a market event for the DPVs. A young person also provided feedback at the market event on his experiences to being placed and provided key messages for providers on what could have made a difference to his experiences of being in care.

5.16.3 Two market events were held with prospective providers to introduce the DPVs and to detail intentions regarding categories, pricing schedule and the specification. Feedback from the IFA market was used to shape the DPV and to inform future market development plans.

## 6. BACKGROUND PAPERS

6.1.1 The following background papers are relevant to this DPV:

6.2 DPR to award DPV Fostering contracts, published 23.8.2018

<https://barnet.moderngov.co.uk/ieDecisionDetails.aspx?Id=7000>

6.3 Procurement Forward Plan 2021-22, row 217 approval to extend contracts:

<https://barnet.moderngov.co.uk/documents/s62439/Appendix%201%20Annual%20Procurement%20Forward%20Plan%20202122.pdf>

## 7. DECISION TAKER'S STATEMENT

7.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision-making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations. The decision is compliant with the principles of decision making in Article 10 of the constitution.*

**Chief Officer: Chris Munday – Executive Director for Children's Services**



**Signed:**

**Dated: 23<sup>rd</sup> March 2021**

## Appendix 1

### IFA providers awarded contracts from February 2018 to December 2020

IFA Provider	Contract Date
Action for Children	22/09/2020
Affinity Fostering Services Ltd	22/09/2020
Aim High Fostering	22/09/2020
All4Ufostering	22/09/2020
Apple Fostering	22/09/2020
Ascent Fostering	22/09/2020
Banya Family Placement Agency	22/09/2020
Barnardo's	22/09/2020
Be My Family Fostering Agency	22/09/2020
Blue Sky Fostering	22/09/2020
Brighter Futures Foster Care	22/09/2020
Bridging Gaps Fostering Agency	22/09/2020
By the Bridge Limited	04/03/2020
Capstone Foster Care	22/09/2020
CareTech Community Servs (Fostering Support Group Ltd)	22/09/2020
(Care Today) Parallel Parents	22/09/2020
Caring Hearts Fostering	22/09/2020
Children First Fostering Agency	22/09/2020
Chrysalis Care	04/03/2020
Compass Fostering London Limited	04/03/2020
Connect Fostering Services	22/09/2020
Credo Care	22/09/2020
Diverse Care (UK) Limited	22/09/2020
Diversity Foster Care Ltd	22/09/2020
Ethelbert Children's Services	04/03/2020
Family First Fostering	22/09/2020
Family Placements	22/09/2020
Family Works	22/09/2020
Five Rivers (HQ) covering Bristol, Derby, Cornwall, Essex	22/09/2020
Fitzgerald Fostering and Consultancy Ltd.	22/09/2020
Foster Care Associates	22/09/2020
Foster Care Link	22/09/2020
Fostering For You Ltd	22/09/2020
Fostering Dimensions	22/09/2020
Fostering London	22/09/2020

Fostering UK	22/09/2020
Fostering Solutions Limited (Acorn Care and Education)	22/09/2020
Fostering Innovations	22/09/2020
Fusion Fostering Ltd	22/09/2020
Futures for Children	04/03/2020
Greater London Fostering	04/03/2020
Heath Farm Family Services Ltd.	04/03/2020
Horizon Fostering Services	22/09/2020
ISP Fostering - Chesham, Rainham, Teynham, Whitstable, Enfield	04/03/2020
Kasper	22/09/2020
Lighthouse Fostering	22/09/2020
Lika Fostering	05/02/2021
Mosaic	22/09/2020
Next Step Fostering (Next Step) (Ryancare)	04/03/2020
Next Step Fostering (Safehouses)	22/09/2020
Nexus Fostering	22/09/2020
NFA	22/09/2020
Nurture Fostering	25/02/2020
Orange Grove FosterCare – Burgess Hill, Chislehurst	04/03/2020
Parent and Child Fostering Assessments	10/02/2020
Parallel Parent	22/09/2020
Rainbow Fostering Services	22/09/2020
Regional Fostering Services	10/02/2020
Shine Fostering	22/09/2020
Silver Lining Fostering	10/02/2021
St Christopher's Fellowship	22/09/2020
Sunbeam Fostering Agency Ltd	25/02/2020
TACT The Adolescent and Children's Trust	22/09/2020
The National Fostering Agency Ltd	04/03/2020
UK Fostering	04/03/2020
Wellcare Fostering	22/09/2020
Xcel 2000 Ltd	22/09/2020

