

DELEGATED POWERS REPORT NO.**1978****SUBJECT: Extension of Contracts with Residential Placement Providers for Children in Care****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	DPR 22/03/2013
2. Governance Service cleared draft report as being constitutionally appropriate	Name of GSO Date	Andrew Charlwood 27/03/2013
3. Finance clearance obtained (<i>report author to complete</i>)	Name of Fin officer Date	Collette Sutton 28/03/2013
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 22/03/2013
6. Legal clearance obtained from (<i>report author to complete</i>)	Name of Legal officer Date	Sheila Saunders 02/04/2013
7. Policy & Partnerships clearance obtained (<i>report author to complete</i>)	Name of P&P officer Date	Andrew Nathan 28/03/2013
8. Equalities & Diversity clearance obtained (<i>report author to complete</i>)	Name of officer Date	Andrew Nathan 28/03/2013
9. The above process has been checked and verified by Director, Head of Service or Deputy	Name Date	Jo Pymont 22/03/2013
10. Signed & dated report, <u>scanned or hard copy</u> received by Governance Service for publishing	Name of GSO Date	DPR 02/04/2013
11. Report published by Governance Service to website	Name of GSO Date	Andrew Charlwood 03/04/2013
12. Head of Service informed report is published	Name of GSO Date	Andrew Charlwood 03/04/2013
Key decisions only:		
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	Extension of Contracts with Residential Placement Providers for Children in Care
Officer taking decision	Assistant Director for Children's Social Care
Date of decision	2 April 2013
Summary	<p>To extend the contracts with Beacon Lodge Charitable Trust and Hillfield Children's home for the provision of placements for children in care for a 9 month period (1 April 2013 to 31 December 2013) at a cost of up to £122,850 and £159,822 respectively.</p> <p>To extend the contracts with Children First Fostering, Cornerstone Care Homes Ltd, Capstone Vision and London Care Solutions Partnership for the provision of placements for children in care for a 6 month period 1 April 2013 to 30 September 2013 at a cost of up to £66,300, £97,500, £68,327 and £106,506 respectively.</p> <p>To extend the contracts with Brighter Futures Foster Care, , Motivations Activity Projects Ltd and Barford Park House for the provision of placements for children in care for a 3 month period 1 April 2013 to 30 June 2013 at a cost of up to £33,540, £37,200 and £91,200 respectively.</p>
Officer Contributors	<p>Marie Moody, Service Manager, Specialist Resources, Children's Service</p> <p>Lindsey Hyde, Strategy and Projects Officer, Children's Service</p> <p>Jackie Holmes, Senior Placements Officer, Children's Service</p>
Status (public or exempt)	Public
Wards affected	All
Enclosures	None

Reason for exemption from call-in (if appropriate) Not applicable

Key decision No

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1. RELEVANT PREVIOUS DECISIONS

- 1.1 Delegated Powers Report, 1851, 22 November 2012, Children's Social Care Providers Contract Award.
- 1.2 Cabinet Resources Committee, 19 July 2010, agenda item 8, provision of residential and foster care placements for children in care.

2. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 2.1 Providing services to vulnerable children, young people and their families is a key priority across the council and its partners. The Corporate Plan 2012-13 includes the strategic objective of 'safeguarding vulnerable children and adults'.
- 2.2 Ensuring that children in care have their needs met and are supported to achieve their potential is a key aspect of the Children and Young People Plan 2012-13. The provision of appropriate accommodation which meets the needs of children in care supports the objective to support children in care to have a happy childhood and a successful transition to adulthood.

3. RISK MANAGEMENT ISSUES

- 3.1 The current contracts with Beacon Lodge Charitable Trust, Brighter Futures Foster Care, London Care Solutions Partnership, Cornerstone Care Homes Ltd, Motivations Activity Projects Ltd, Barford Park House, Children First Fostering, Hillfield Childrens Home and Capstone Vision for the provision of residential placements for children in care had expiry dates of 31 March 2013. The Council needs to be able to continue to place children and young people in these residential placements.. An inability to continue to provide these residential placements for these children and young people would be detrimental to some of the borough's most vulnerable children and young people.
- 3.2 The Council will continue to ensure that, during this interim period, Beacon Lodge Charitable Trust, Brighter Futures Foster Care, London Care Solutions Partnership, Cornerstone Care Homes Ltd, Motivations Activity Projects Ltd, Barford Park House, Children First Fostering, Hillfield Childrens Home and Capstone Vision remain compliant with all relevant and appropriate standards in terms of their service, quality, policies and procedures. Given the nature of the services, any risk of challenge is low.
- 3.3 I do not consider the issues involved are likely to raise significant levels of public concern or give rise to policy considerations.

4. EQUALITIES AND DIVERSITY ISSUES

- 4.1 Under current Equalities legislation the Council and all other organisations exercising public functions on its behalf are required, when exercising such functions, to have due regard to the need to: i) eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited under the

Equality Act 2010; ii) advance equality of opportunity between those with a protected characteristic and those without; iii) promote good relations between those with a protected characteristic and those without. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. It also covers marriage and civil partnership with regard to eliminating discrimination.

- 4.2 Beacon Lodge Charitable Trust, Brighter Futures Foster Care, London Care Solutions Partnership, Cornerstone Care Homes Ltd, Motivations Activity Projects Ltd, Barford Park House, Children First Fostering, Hillfield Childrens Home and Capstone Vision are providers of placements for children in care who provide services to children and young people of all faiths and cultures and are committed to ensuring that there is equality of service provision to all children. These providers offer specialist provision for young people which includes services for those who have experience of substance misuse, offending behaviour, sexual harmful behaviour, mother and baby provision, support for emotional behavioural difficulties, and therapy and education services. The ongoing monitoring arrangements with these providers ensure that the service provision meets the diverse needs of Barnet's children and young people.

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

Finance

- 5.1 The contracts that expired on 31 March 2013 were 3 year contracts. The exact value of spend can vary in relation to the demand for placements to meet the needs of children in care at any point in time. Therefore, the figures could increase if additional placements are made over the terms of the contracts. The costs will be contained within existing budgets within Children's Social Care. The projected costs for the extension periods are based on the cost of the placements for children in care currently in this provision. This will be contained within existing agreed budgets for Children's Social Care. A report will be taken to Cabinet Resources Committee on 18 April 2013 to report this extension and to seek further authority for the provision of these services.
- 5.2 The table below sets out the existing value of spend on the contracts, the length of the extension sought and the associated value of the extension and the total value of spend on each contract, including the extension.

Provider name	Existing contract value (3 years)	Length of extension	Value of extension	Total contract value
Beacon Lodge Charitable Trust	£296,376	9 months to 31 December 2013	£122,850	£419,226
Brighter Futures Foster Care	£89,480	3 months to 30 June 2013	£33,540	£123,020
London Care Solutions Partnership	£287,356	6 months to 30 September 2013	£106,506	£393,862
Cornerstone Care Homes Ltd	£255,621	6 months to 30 September 2013	£97,500	£353,121
Motivations Activity Projects Ltd	£453,473	3 months to 30 June 2013	£37,200	£490,673
Barford Park House	£946,669	3 months to 30 June	£91,200	£1,037,869

		2013		
Children First Fostering	£161,090	6 months to 30 September 2013	£66,300	£227,390
Hillfield Childrens Home	£710,980	9 months to 31 December 2013	£159,822	£870,802
Capstone Vision	£145,435	6 months to 30 September 2013	£68,327	£213,762

Procurement

- 5.3 The Council currently has an approved framework agreement in place. The London Care Placements Framework, which contains a number of providers of services for Children's Social Care covers Independent Fostering Agencies, Residential Children's Homes, and a number of Residential Family Centres. Where providers on this framework are not able to provide a suitable placement to meet an individual child's needs, spot purchasing of placements are made with the appropriate due diligence checks undertaken. Beacon Lodge Charitable Trust, Brighter Futures Foster Care, London Care Solutions Partnership, Cornerstone Care Homes Ltd, Motivations Activity Projects Ltd, Barford Park House, Children First Fostering, Hillfield Childrens Home and Capstone Vision are providers which are outside of The London Care Placements Framework.
- 5.4 In accordance with the Council's Contract Procedure Rules, the Council will enter into a contract with each of the providers which details the terms for supply of the services. The Council also enters into Individual Child's Agreements (ICA) with each of the providers, for each individual child. The ICA sets out personal details of the child and includes pertinent information such as contact details, key people, care planning needs and expected date and duration of placement. They outline details of the contracted parties, costs, arrangements for invoicing and details of additional services if required. This commits the council to a limited spend for each child as placement costs and terms of notice are negotiated prior to placement; notice can be given by either party. Therefore, commitment of spend is limited for each child and depends on the specified term of placement.
- 5.5 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 will be made or as directed by court. For a planned semi-independence placement, a minimum of two referrals will be made to contractors who are deemed able to meet the needs of the young person.

Performance, Value for Money and Sustainability

- 5.6 For the duration of the contract extensions, Beacon Lodge Charitable Trust, Brighter Futures Foster Care, London Care Solutions Partnership, Cornerstone Care Homes Ltd, Motivations Activity Projects Ltd, Barford Park House, Capital Childrens Services, Children First Fostering, Hillfield Childrens Home and Capstone Vision will be regularly monitored to ensure that they meet the specified outcomes and represent value for money.
- Staffing, IT, Property
- 5.7 There are no staffing, IT or property implications for the council in relation to these contracts.

6. LEGAL ISSUES

- 6.1 Section 9 Children and Young Persons Act 2008 inserts a new section 22G into the Children Act 1989. The new section imposes, upon the local authority, a general duty to secure sufficient accommodation is made available for children they are looking after.
- 6.2 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.
- 6.3 As social care services fall within Part B, they are not subject to the full European procurement regime but where the contract value is at, or above, the relevant EU threshold (£173,933), the council must comply with the relevant, less comprehensive, requirements of the Regulations. The Council must, also, act transparently, fairly and in a non discriminatory way in securing the continued provision of the service.
- 6.4 The decision to extend the, identified, contracts is taken on the basis that the contracts have continued, in practice for the two days, since 31st March 2013.

7. CONSTITUTIONAL POWERS

- 7.1 Constitution, Part 3, Responsibility for Functions, Section 6.1 -Powers Delegated to Officers - Chief Officers (i.e. the Chief Executive, Directors and Heads of Service as listed in Article 12) can 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.
- 7.2 Constitution, Part 4, Contract Procedure Rules, Section 5.6 – Acceptance Parameters for Contract Additions, Extensions and Variations - The Acceptance thresholds for contract additions, extensions and variations are as set out in Table 5-2. Contract extensions and variations are, also, subject to the following:
 - 5.6.1 In the case of an extension to a contract:
 - 5.6.1.1 The initial contract was based on a competitive tender or quotations;
 - 5.6.1.2 the initial contract has not been extended before; and
 - 5.6.1.3 the value of the extension is less than half the cost of the existing contract without the extension and has a budget allocation having had regard to the following:
 - i. If initial contract was subject to EU tender procedure that the extension option was declared within the OJEU notice; acceptance report (Delegated Powers Report/Cabinet Resources Committee Report) and the contract includes extension clauses
 - ii. If initial contract value was subject to sub EU threshold procedure (Barnet tender/ quotation process) the extension does not take the value past EU threshold.
- 7.3 The initial contracts were based on competitive quotations, the contracts have not been extended before and the value of the extensions are less than half the cost of the existing contract without the extension.

- 7.4 Constitution, Part 4, Contract Procedure Rules, Section 5.6 (Table 5-2) sets out acceptance thresholds for contract extensions and variations. Directors/Assistant Directors can authorise contract extensions and variations up to £173,933 in value but must report afterwards to the relevant Cabinet Member.
- 7.5 The value of the contract extensions with Beacon Lodge Charitable Trust, Brighter Futures Foster Care, London Care Solutions Partnership, Cornerstone Care Homes Ltd, Motivations Activity Projects Ltd, Barford Park House, Children First Fostering, Hillfield Childrens Home and Capstone Vision are within the acceptance threshold for Directors/Assistant Directors.
- 7.6 Council Constitution, Article 13, Decision Making – sets out the classification of a key decision as one which: a) involves expenditure or savings in excess of £500,000; or b) is significant in terms of its effects on communities living in two or more wards. Whilst the combined total of the decisions set out in this report exceed the expenditure threshold of £500,000, in this instance the decision relating to each individual service provider is being considered and recorded separately within this delegated powers report meaning that the decisions fall below the key decision threshold and are within the authorisation thresholds for Chief Officers.

8. BACKGROUND INFORMATION

Beacon Lodge Charitable Trust

- 8.1 Beacon Lodge is a Residential Family Centre registered with Ofsted. It is located in East Finchley, Barnet. This local, specialist residential family assessment centre can meet the needs of mothers and babies placed here.

Brighter Futures Foster Care

- 8.2 Brighter Futures Foster Care was established in October, 2007 to provide fostering services to children and young people who are in need. Brighter Futures is a specialist resource which supports children and young people towards long term, permanency options.

London Care Solutions Partnership

- 8.3 London Care Solutions provide single occupancy, semi-independent accommodation for care leavers, with flexible packages of support from well trained, and professionally supervised, support workers. Services are built around the individual needs of the young person.

Cornerstone Care Homes Ltd

- 8.4 Cornerstone Care Home provides support for high risk young people who need to be placed outside of London. The contract extension requested in this report is sought for 6 months to continue provision to one young person until they move on to other accommodation.

Motivations Activity Projects Ltd

- 8.5 Motivations provides specialist care to young people at risk of self harm and sexual exploitation and provides therapy and education services to these young people. The contract extension requested in this report is sought for 3 months to continue provision to one young person until they move on to other accommodation.

Barford Park House

- 8.6 Barford Park is a registered children's home with education. Barford Park works with young people with emotional and behavioural difficulties.

Children First Fostering

- 8.7 Children First established in April 1999 is an independent Fostering Agency, registered with Ofsted, which provides a high quality fostering service for children and young people. Children First provides a comprehensive service which includes therapeutic and educational input where needed.

Hillfield Childrens Home

- 8.8 Hillfield Childrens Home is one of two residential units owned by 16-21. This unit is local to the London Borough of Barnet. Hillfield provide remand placements when young people are remanded to Local Authority Care. They also provide placements for young people with emotional and behavioural difficulties.

Capstone Vision (Visions Fostering)

- 8.9 Capstone Vision commenced operations in 2002 (as Vision Fostering) and is an organisation whose mission is "to provide safe and nurturing foster homes to children and young people who for whatever reason come into the care of local authorities. Capstone Vision helps children and young people to rebuild their lives." Capstone Vision is part of the Capstone group, a fostering organisation with offices across the south of England and the Midlands.

9. LIST OF BACKGROUND PAPERS

- 9.1 None

10. OFFICER'S DECISION

- 10.1 I authorise the following action:

The extension of current contracts as set out below:

- **Beacon Lodge Charitable Trust for the provision of placements for children in care for a 9 month period 1 April 2013 to 31 December 2013 at a cost of up to £122,850**
- **Brighter Futures Foster Care for the provision of placements for children in care for a 3 month period 1 April 2013 to 30 June 2013 at a cost of up to £33,540**
- **London Care Solutions Partnership for the provision of placements for children in care for a 6 month period 1 April 2013 to 30 September 2013 at a cost of up to £106,506**
- **Cornerstone Care Homes Ltd for the provision of placements for children in care for a 6 month period 1 April 2013 to 30 September 2013 at a cost of up to £97,500**

- **Motivations Activity Projects Ltd for the provision of placements for children in care for a 3 month period 1 April 2013 to 30 June 2013 at a cost of up to £37,200**
- **Barford Park House for the provision of placements for children in care for a 3 month period 1 April 2013 to 30 June 2013 at a cost of up to £91,200**
- **Children First Fostering for the provision of placements for children in care for a 6 month period 1 April 2013 to 30 September 2013 at a cost of up to £66,300**
- **Hillfield Children's home for the provision of placements for children in care for a 9 month period 1 April 2013 to 31 December 2013 at a cost of up to £159,822**
- **Capstone Vision for the provision of placements for children in care for a 6 month period 1 April 2013 to 30 September 2013 at a cost of up to £68,327**

Signed

Ann Graham

Assistant Director for Children's Social Care

Date

2 April 2013
