

DELEGATED POWERS REPORT NO.

1998

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	Paul Frost 27/2/13
2. Governance Service cleared draft report as being constitutionally appropriate	Name of GSO Date	Paul Frost 8/3/13
3. Finance clearance obtained (<i>report author to complete</i>)	Name of Fin officer Date	Collette Sutton (Farhana Begum) 7/3/13
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 22/2/13
6. Legal clearance obtained from (<i>report author to complete</i>)	Name of Legal officer Date	Sheila Saunders 5/3/13
7. Policy & Partnerships clearance obtained (<i>report author to complete</i>)	Name of P&P officer Date	Andrew Nathan 25/2/13
8. Equalities & Diversity clearance obtained (<i>report author to complete</i>)	Name of officer Date	Andrew Nathan 25/2/13
9. The above process has been checked and verified by Director, Head of Service or Deputy	Name Date	Kate Kennally 8/3/13
10. Signed & dated report, <u>scanned or hard copy</u> received by Governance Service for publishing	Name of GSO Date	DPR 3/4/13
11. Report published by Governance Service to website	Name of GSO Date	Andrew Charlwood 3/4/13
12. Head of Service informed report is published	Name of GSO Date	Andrew Charlwood 3/4/13
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	

1. RELEVANT PREVIOUS DECISIONS

- 1.1 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 Caldecott Foundation and Keys Childcare for the provision of residential placements for children in care are due to come to an end on 31 March 2013. The Council will need to be able to place children and young people in these residential placements beyond 31 March 2013. 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, Caldecott Foundation and Keys Childcare 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 Caldecott Foundation and Keys Childcare are providers of residential placements for children in care. Caldecott Foundation and Keys Childcare 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. Keys Childcare offers specialist provision for young people who have experience of substance misuse, offending behaviour, eating disorders, sexual exploitation, sexual harmful behaviour, emotional behavioural difficulties, and children with social and communication difficulties including children who are on the autistic spectrum. The ongoing monitoring arrangements with this provider 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

Caldecott Foundation

- 5.1 The Caldecott Foundation contract that expires on 31 March 2013 is a 1 year contract covering the period 1 April 2012 to 31 March 2013. The value of spend on this contract was £310,000. 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.
- 5.2 For the 3 month period from 1 April 2013 to 30 June 2013 it is projected that the value of the contract extension will be £148,200. This projected cost is 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. The total value of spend on this contract including this extension is £458,000.

Keys Childcare

- 5.3 The Keys Childcare contract that expires on 31 March 2013 is a 3 year contract covering the period 1 April 2010 to 31 March 2013. The value of spend on this contract was £343,370. 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 for Children's Social Care.
- 5.4 For the 3 month period from 1 April 2013 to 31 June 2013 it is projected that the value of the contract extension will be £32,500. 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. The total value of spend on this contract including this extension is £375,870.

Procurement

- 5.5 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. Caldecott Foundation and Keys Childcare are providers which are outside of The London Care Placements Framework.
- 5.6 In accordance with the Council's Contract procedure Rules, the Council enters 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 named children. 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.

Performance, Value for Money and Sustainability

- 5.7 For the duration of the contract extensions, Caldecott Foundation and Keys Childcare will be regularly monitored to ensure that they meet the specified outcomes and represent value for money.

Staffing, IT, Property

- 5.8 There are no staffing, IT or property implications 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.

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.

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 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.
- 7.4 The value of the contract extensions with Caldecott Foundation and Keys Childcare are within the acceptance threshold for Directors/Assistant Directors.

8. BACKGROUND INFORMATION

- 8.1 Caldecott Foundation has six residential homes that provide safe and contained environments in a range of modern and purpose built houses for up to nine children. They take referrals from local authorities and in order to respond to the needs their provision covers 52 week care as well as a limited number of 38 week placements. They provide individualised care based on the information provided by the local authority and their observed needs of the child. They have house meetings and forums for children to participate in the service. Each house is staffed by a team of fully trained residential care staff with the aim of providing a homely environment which is safe, fun and stimulating. The homes are approved, regulated and inspected by Ofsted.
- 8.2 Keys Childcare also offers specialist residential services that provide a wide range of dedicated services to young people address and overcome negative influences in their lives to achieve positive outcomes; they offer a number of homes in various

locations across the UK and Ireland. The offer is of specialist provision for young people who have experience of substance misuse, offending behaviour, eating disorders, sexual exploitation, sexual harmful behaviour, emotional behavioural difficulties, and children with social and communication difficulties including children who are on the autistic spectrum. The homes are approved, regulated and inspected by Ofsted.

9. LIST OF BACKGROUND PAPERS

9.1 None

10. OFFICER'S DECISION

10.1 I authorise the following action:

The extension of the current contract with Caldecott Foundation for the provision of residential placements for children in care for a 3 month period 1 April 2013 to 30 June 2013 at a cost of up to £148,200.

The extension of the current contract with Keys Childcare for the provision of residential placements for children in care for a 3 month period 1 April 2013 to 30 June 2013 at a cost of up to £32,500.

Signed	Kate Kennally <hr/>
	Director for People
Date	8 March 2013 <hr/>