

<b>6 December 2017</b>		<b>ITEM: 8</b>
<b>Corporate Parenting Committee</b>		
<b>Children Looked After Placement Commissioning</b>		
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Key	
<b>Report of:</b> Sue Green, Strategic Leader Children's Commissioning and Service Transformation		
<b>Accountable Assistant Director:</b> Sue Green, Strategic Leader Children's Commissioning and Service Transformation		
<b>Accountable Director:</b> Rory Patterson, Corporate Director of Children's Services		
<b>This report is Public</b>		

## **Executive Summary**

The provision of quality care through safe and stable placements for children and young people who are looked after is a key statutory function of all local authorities. In Thurrock this accommodation and associated support is provided through a range of providers on differing contractual arrangements and there is the opportunity to simplify this to continue to improve outcomes for children and young people while improving value for money.

A commissioning exercise that brings together the procurement of placements for children looked after is due to be presented to Cabinet in January 2018 for all types of placements including supported accommodation for 16- 25 year olds. This report sets out the rationale for a new approach which aims establish a mechanism to ensure that the best quality placements are commissioned and that more young people are placed in or near to the local authority area.

- 1. Recommendation(s)**
  - 1.1 That Members consider the proposal to simplify and improve the commissioning of placement provision, in particular to withdraw from the current Eastern Regional contract when it ends in 2018.**
  - 1.2 That Members comment on the proposals for officers to proceed to Cabinet approval to commence a procurement exercise.**

## 2. Introduction and Background

- 2.1 Every local authority has a statutory duty to ensure there are sufficient placements of good quality for looked after children and young people, this includes the requirement to take steps that secure, so far as is reasonably practical, enough accommodation within the local authority area that meets the needs of children in the care of the local authority.
- 2.2 This report outlines the proposed exercise to ensure that the Council meets this duty. These plans will also help the Council better address one of the areas for improvement identified in our inspection of children's social care when it was noted that the majority of children in care were placed outside of Thurrock. This is a barrier for some children accessing the high quality school provision in the authority, and highly inefficient in terms of the use of resources including social work time.
- 2.3 The proposed procurement exercise will focus on three key aspects: quality, price and distance. All three aspects will be of importance but the weighting will be considered in the light of current need. For example, for supported accommodation as this is unregulated there is need to place a higher weighting on quality however the scoring will reflect the other two aspects to ensure these are secured.

## 3. Issues, Options and Analysis of Options

- 3.1 The current annual commitment for placement provision is approximately £9.5m. This expenditure is across a range of providers including Independent Fostering Agencies, residential placements and supported accommodation. In addition there are a number of in-house foster carers, this type of provision is outside of the scope of this report however members will be aware that there are clear plans to increase the number of in- house carers. The number of care placements fluctuates daily due to children and young people entering and leaving the care system however there are currently 326 children and young people aged 0-18 years requiring placement provision. This provision is currently provided as follows:

Type of placement	Number of children and young people
Independent Fostering Agencies	156
In house foster care*	97
Residential	24
Supported Accommodation	47
Mother and baby placement	2

\*outside of the scope of this report

- 3.2 The majority of provision for children and young people aged 0-16 years is provided through Independent Fostering Agencies (IFA) largely procured through the regional framework arrangements. For young people aged 16-18

years the majority are accommodated through semi-independent provision to reflect the transition into adulthood.

- 3.3 There are currently a number of different commissioning arrangements in place with the largest being the regional arrangements for Independent Foster Care providers. Spot purchasing arrangements have also been used where specialist providers are required to meet individual children's needs, where demand for a type of specialist provision is low or where there is a fluctuating demand that is difficult to predict such as for supported accommodation. Whilst any new commissioning arrangements need to maintain the flexibility of the current system, it is recognised that this can also be built into local contracts to minimise spot purchasing.
- 3.4 The different commissioning arrangements each come with different contractual and quality monitoring requirements that are both time consuming and difficult to moderate. The monitoring arrangements put in place locally for supported accommodation are working well and these were prioritised as this type of provision is not regulated by Ofsted. Officers have recognised that the implementation of a consistent monitoring process will strengthen the current arrangements and ensure that a consistent approach is taken across each type of provider. The current regional arrangements for Independent Fostering Agencies do not provide this consistent approach as monitoring is undertaken by a number of different local authorities.
- 3.5 The main driver of any regional arrangement has been the purchasing power that this gives, however many Councils are now entering into sole contractual arrangements with a pricing structure that mirrors the regional one. As the regional arrangements for Independent Fostering Agencies are not always able to meet the bespoke needs of Thurrock children and do not have sufficient local providers there is a need to address this in any new procurement exercise, the current contract ends in 2018. The need to implement a consistent monitoring approach along with the need to stimulate the local market and increase local providers leads to the recommendation that in line with many Council's in the region, we do not remain a part of the Eastern Region contract. The risks regarding pricing will be mitigated by the inclusion of a clear pricing structure in the procurement process.
- 3.6 Residential placements are used where a child or young person has significant and specialist needs. These are the most expensive placement type to reflect the high level of support that is needed and currently all residential placements are spot purchased. Whilst this arrangement reflects the specialist nature of the provision and the limited number of providers for some specific needs there is an opportunity to improve how this is commissioned whilst recognising that it is likely that spot purchasing will also be needed in some cases.
- 3.7 The main consideration of any commissioning exercise will always be the quality of the provision for the child or young person however there is also scope to consider improving the value for money from the placements we

purchase through improved commissioning. Officers will always seek to obtain the best value for money however where placements are spot purchased rather than purchased within an agreed framework of pricing this does not always result in the best price. The proposed new procurement exercise will reduce the need to spot purchase whilst also bringing together different types of care through one procurement exercise. This will be managed by the use of different lots and will support providers who offer more than one type of care by reducing the number of tenders. It is recommended that we also maintain the flexibility to spot purchase in exceptional circumstances.

- 3.8 The majority of provision for young people age 16-18 years in supported accommodation is secured through spot purchasing. As this provision is unregulated by Ofsted the monitoring arrangements have recently been reviewed to include more frequent visits and also finance checks. The use of a procurement framework will reduce the need for spot purchasing to emergency situations and set clear expectations for the standards expected. In addition moving away from spot purchasing should also improve value for money.
- 3.9 For all placement types placements will be made following the criteria below:
- In Thurrock
  - In a specific area
  - Within 10 miles of Thurrock Council Civic Offices (RM17 6SL)
  - Within 20 miles of Thurrock Council Civic Offices (RM17 6SL)
  - Other locations
- 3.10 In developing the requirements we need providers to meet, we have consulted with young people currently in placements to ensure that their views of what is important are taken into account. The key areas they identified are shown below and will be included in the requirements for providers:
- Trust
  - Listening
  - Structure
  - Communication
  - Helping
  - Transparency
  - Supporting
  - Understanding
  - Knowledge
- 3.12 If agreed, the procurement exercise will commence in January 2018 with new contractual arrangements in place from September 2018.

#### **4. Reasons for Recommendation**

- 4.1 An overarching placement commissioning exercise is needed to ensure that provision is of the required quality and also provides good value for money with a reduction in the need for spot purchasing. This approach will also enable officers to develop the local market with the aim of securing more placements in or near the local area.

#### **5. Consultation (including Overview and Scrutiny, if applicable)**

- 5.1 The Children in Care Council have been involved and their views have been included in the specification for the procurement. Overview and Scrutiny were consulted in July 2017 and colleagues from other services such as School Improvement have been consulted with to ensure that the requirement for robust education offer is included in the requirements for providers.

#### **6. Impact on corporate policies, priorities, performance and community impact**

The recommendations included in this report will impact on the following corporate priorities:

- Create a great place for learning and opportunity
- Encourage and promote job creation and economic prosperity
- Build pride, responsibility and respect
- Improve health and well-being

#### **7. Implications**

##### **7.1 Financial**

Implications verified by: **Nilufa Begum**  
**Management Accountant**

The current spend on placement provision is one of the highest elements of expenditure in the Children's Services Directorate. Improved commissioning will support the achievement of value for money whilst developing quality standards to meet children's needs.

##### **7.2 Legal**

Implications verified by: **Lindsey Marks**  
**Principal Solicitor Children's Safeguarding**

Section 22G of the Children Act 1989 requires local authorities to take strategic action in respect of those children they look after and for whom it would be consistent with their welfare for them to be provided with accommodation within their local authority area, In those circumstances

section 22G required local authorities, so far as is reasonably practical to ensure that there is sufficient accommodation for those children that meets their needs and is within the local area.

### 7.3 **Diversity and Equality**

Implications verified by: **Rebecca Price**  
**Community Development Officer**

Ensuring that placement provision is of high quality will ensure that the diverse needs of children and young people are met, it will also ensure that there is equality of access. By involving young people in the development of specifications it will ensure their needs are understood and reflected in the placements procured to support them.

### 7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

- None

### 8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- None

### 9. **Appendices to the report**

- None

### **Report Author:**

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