



Derby City Council

**Corporate Parenting Committee
26 July 2016**

Report of the Strategic Director of People
Services

LATE ITEM

East Midlands Regional Children's Framework – Provider Framework for Independent Fostering Agencies and Residential Care Providers for Children and Young People

SUMMARY

- 1.1 This paper provides an update on the procurement of the new East Midlands Regional Children's Framework (EMRCF), the provider framework for independent fostering and children's homes placements and the Council's Placement Sufficiency strategy .
- 1.2 A paper was presented to cabinet in August 2015 where approval was given for continued participation in the EMRCF.
- 1.3 The tendering process has concluded, framework of providers established and the framework commenced on 1st February 2016.
- 1.4 The lots and categories are detailed in the supporting information to give an overview of the number of providers in each lot and the average core cost for each category. .
- 1.5 The Local Authority's Sufficiency strategy (Appendix 2) unpins the aim of ensuring the availability of local, high quality placements.

RECOMMENDATION

- 2.1 To note the contents of this report.
- 2.2 To note that EMRCF will commence 1st February 2016 and expire 31st January 2020.
- 2.3 To approve the Placement Sufficiency strategy.

REASONS FOR RECOMMENDATION

- 3.1 Use of the framework is a key element of meeting the Local Authority's obligations in relation to ensuring sufficiency of provision for Looked After Children.

SUPPORTING INFORMATION

- 4.1 The new East Midlands Regional Children's Framework commenced on 1st February 2016 and replaced the previous regional framework which was in place for four years.

The framework consists of the following categories:

Lot 1 Children's Homes

Category 1.1 – Standard Children's Home Emotional Behaviour Difficulties provision

Category 1.2 - Specialist Children's Homes Emotional Behaviour Difficulties

Category 1.3 – Specialist Children's Home – Autistic Spectrum Condition with challenging behaviour – non Learning disabilities or low level Learning Disabilities.

Category 1.4 – Specialist Children's Homes Autistic Spectrum Condition with Challenging behaviour – moderate or severe Learning Disabilities

Category 1.5 – Specialist Children's Homes Complex Health Needs

Lot 2 Fostering Services

Category 2.1 – Standard Fostering Provision

Category 2.2 - Specialist Fostering Provision

Category 2.3 – Specialist Fostering Disabilities

Category 2.4 – Specialist Fostering Complex Health Needs

- 4.2 There also specific requirements regarding Remand placements, Parent and Baby placements, Sibling placement and Solo placement. Not all providers have given a cost for these areas. Children's homes have also been asked to specify if they provide Education and waking nights, and separate costs are identified for these categories. Over half of the providers have discounts for siblings, permanence and volume.

- 4.3 Northamptonshire County Council remain the lead Authority for contracting of the EMRCF, with LGSS (a shared service jointly owned by Northamptonshire County Council) responsible for procuring the Framework on behalf of all partner local authorities in full compliance of the Public Contract Register. The LGSS have produced summary report of the procurement activity and outcomes which have been shared with all partaking Local Authorities; this is available with this report.

Providers' prices have been scrutinised during the evaluation process and challenged if they are above the average benchmarked price comparing prices from the old framework.

- 4.4 Below are tables with the average price for each category per age group. Note that this does not include the cost of additional services which will be additional. Costs are reviewed regularly and reduced in line with the individual needs of the child/young person.

Children's Homes

Category	Number of providers	Average cost <11 years	Average Cost >11 years
1.1	36	£2945	£3002
1.2	33	£3409	£3463
1.3	21	£3234	£3232
1.4	13	£3138	£3425
1.5	5	£4,992	£4,992

Fostering

Category	Number of Providers	Average cost 0-4 years	Average cost 5-10 years	Average cost 11-18 years
2.1	40	£727	£769	£808
2.2	33	£1000	£1053	£1096
2.3	20	£1123	£1166	£1203
2.4	17	£1,173.65	£1,205.28	£1,244.41

- 4.5 7 Local Authorities are part of the regional framework, these being Derby City, Derbyshire County Council, Leicester City Council, Leicestershire County Council, Nottingham City Council, Nottinghamshire County Council, Northamptonshire County Council and Rutland.
- 4.6 The new EMRCF will allow Derby City to procure a Block Contract for specialist fostering. This will be procured in the first few months of the new framework with a specified service specification.

- 4.7 Each individual placement will be sourced by a 'call off' or a 'mini –competition', this will source providers who can best meet the child/young person's needs, area of placement (with emphasis of local provisions being accessed in the first instance) and not exceeding the price that has been quoted in the tender.
- 4.8 There are a number of new providers which has opened up the market place and given Derby City more choice especially for children and young people with higher needs. The framework will be opened on an annual basis which will allow new providers to join (they will go through the same procurement process and evaluation as this exercise), which will continue to promote price competition and innovation.
- 4.9 Derby City Council have developed a Placement Sufficiency Strategy to support market development in the area of placements for children and young people who are Looked After by the Local Authority. The Strategy highlights some of the key areas for development and proposals for resolving some of the sufficiency issues currently experienced in Derby City.

Our ambition is to continue to stimulate the market place and build effective relationships with providers to enable sufficient, good quality local provision for our children and young people.

OTHER OPTIONS CONSIDERED

- 5.1 N/A

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Janet Bowlzer
For more information contact: Background papers: List of appendices:	Lisa Melrose 01332 642569 lisa.melrose@derby.gov.uk None Appendix 1 – Implications Appendix 2 – Derby City Council Placement Sufficiency Strategy

IMPLICATIONS

Financial and Value for Money

- 1.1 The impact of the new East Midlands Children's Framework will allow individual packages to be purchased with negotiations on reducing the costs during the period of the placement. The new Framework has impacted on the competitiveness of the provider market. The new Framework also allows the opportunity to block contract where potential savings have been identified. It allows us to work with the provider market to achieve our actions on the Sufficiency strategy.

Legal

- 2.1 LGSS have led the procurement activity and the contract management for the Framework will be undertaken by the Central Regional team in Northamptonshire. Local contract management will be undertaken for each individual placement agreement (IPA) to ensure that outcomes have been completed and the provider has delivered the support procured as part of the call off.

The Block Contracts we undertake as part of the framework will be managed by Commissioning with support from our procurement colleagues.

Personnel

- 3.1 The impact on personnel is minimal, the work streams continue as before with the old Framework.

IT

- 4.1 None

Equalities Impact

- 5.1 The Framework will allow the LA to source provision for our most vulnerable young people, catering for a range of needs for our Looked After Children population.

Health and Safety

- 6.1 The Evaluation process that has been undertaken has assessed that providers fully comply with the relevant legislation and will be monitored during the length of the contract.

Environmental Sustainability

- 7.1 None

Property and Asset Management

8.1 None

Risk Management

9.1 None

Corporate objectives and priorities for change

- 10.1 The Framework supports the following objectives:
- Safeguarding vulnerable children and young people
 - Commercial resilience

This is also linked to the Sufficiency Strategy's aims for:

Vision

Derby City Council aims to:

- Secure the most appropriate placement for every child and young person, using the market to ensure consistent quality standards and the best possible outcomes;
- Reduce the number of children and young people placed outside the local authority area (at 31st March 2015 53.8% were placed outside the city boundary);
- Clarify the requirements for local children in care by producing a market position statement to support providers to develop appropriate provision;
- Listen to children and young people and maximise opportunities for the voice of the child to influence commissioning activity and service delivery.