

Wiltshire Council

Cabinet

14 March 2017

Subject: Sub Regional Independent Fostering Framework

Cabinet Member: Councillor Laura Mayes, Cabinet Member for Children's Services
Councillor Dick Tonge, Cabinet Member for Finance

Key Decision: Yes

Executive Summary

This report seeks Cabinet agreement to continue to collaborate with other South West local authorities and join the latest version of the South West Independent Fostering Agency (IFA) Framework Agreement for the procurement of placements for looked after children and young people.

It is essential to ensure we have high quality, sufficient foster care placements in the local area (where applicable) for looked after children and young people who are unable to remain living at home. A sufficient supply of foster care placements is achieved both through recruitment to Wiltshire Council's pool of foster carers and through ensuring access to IFA foster carers.

The council currently procures Independent Fostering Association placements for looked after children through a framework agreement, competitively awarded as part of the South West Sub-Regional group led by Bath and North East Somerset Council.

The current framework agreement commenced 1 April 2013 for three years with a one year extension option to 31 March 2017.

The original participating Local Authorities, except Dorset, are tendering for a new Framework, led by Bath and North East Somerset Council, that will take effect from 1 April 2017 to 31 March 2021, with an option to extend, subject to fee negotiations.

Proposal(s)

It is recommended that Cabinet approves Wiltshire Council to continue to collaborate with other regional local authorities and join the new South West Regional Independent Fostering Agency Framework for placements for looked after children and young people from 1 April 2017 to 31 March 2021, with an option to extend, subject to fee negotiations.

Reason for Proposals

There are currently no other procurement options available once the existing framework contract term ceases. Should the Authority not join the new framework then the procurement of independent fostering placements will be off contract with the risk of uncontrolled spend and non-compliance. The Authority will be unable to hold providers to agreed fees, resulting in a risk that the cost of placements will continue to increase year on year, which will clearly impact on the placements budget.

Sub-regional working has proven helpful in terms of bringing consistency to some aspects of IFA provision.

The participating Local Authorities aspire to work with IFA providers who are delivering good outcomes for children and young people.

Carolyn Godfrey, Corporate Director

Wiltshire Council

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14 March 2017

Subject: Sub Regional Independent Fostering Framework

**Cabinet Member: Councillor Laura Mayes, Cabinet Member for Children's Services
Councillor Dick Tonge, Cabinet Member for Finance**

Key Decision: Yes

Purpose of Report

1. This report seeks Cabinet agreement for the Council to continue to collaborate with other regional local authorities and join the new South West Framework Agreement for the procurement of Independent Fostering Agency (IFA) placements for looked after children and young people from 1 April 2017 to 31 March 2021, with an option to extend, subject to fee negotiations.

Relevance to the Council's Business Plan

2. This service supports the delivery of Wiltshire Councils Business Plan 2013-2017 (Outcome 6: People are as protected from harm as far as possible and feel safe).
3. As a part of ensuring that the most vulnerable children are protected, it is essential that we have high quality, sufficient foster care placements in the local area (where applicable) for looked after children and young people who are unable to remain living at home.
4. The vision for Wiltshire Children's Services is:
"One joined up approach to making a positive difference to outcomes for Wiltshire's children and young people, ensuring they are safe and have high aspirations."
5. A joined-up approach involves making sure that children, young people and families experience easy access to the services they require and that their journey is straightforward limiting the number of assessments and placement moves. It is also important to maximise the resources available reducing any overlaps and duplication and to make sure that services can demonstrate they are making a positive difference to outcomes for children and young people.

Main Considerations for the Council

6. Wiltshire Council currently commissions placements for looked after children in line with our Joint Commissioning Strategy – with emphasis on ensuring that any placements look to achieve both the strategic outcomes of the organisation but most importantly the individual outcomes for the child or

young person being placed. Remaining part of a sub-regional framework agreement will help to achieve these aims.

7. The use of external IFA placements is carefully controlled and they are used when in-house options are not deemed suitable or available. Remaining within the framework supports the improvement of quality and value for money when using IFA placements.
8. The Joint Commissioning Strategy Framework sets out the shared commitment, vision and principles across partner organisations of the Wiltshire Children and Young People's Trust. The Wiltshire Children and Young People's Trust is a partnership of agencies that oversees the development and delivery of outcome-focussed commissioning strategies and services across all agencies.

Background

9. Nationally, there were 69,540 looked after children as of 31 March 2015, an increase of 1% compared to 31 March 2014 and an increase of 6% compared to 31 March 2011. This rise is not just a reflection of a rise in the child population.
10. In 2015, 60 children per 10,000 of the population were looked after nationally, an increase from 2011 when 58 children per 10,000 of the population were looked after.
11. Fostering placements are the most appropriate placement for most looked after children and young people and make up most placements. Fostered children comprise 75% of the care population nationally.
12. Nationally the fostering market is struggling to meet demand and many Independent Fostering Agencies are experiencing significant challenges around growth and recruitment.
13. The table below sets out the number of looked after children as at 31st March in Wiltshire:

	2013	2014	2015	2016
Wiltshire	448	402	413	419

14. The council currently procures Independent Fostering Association placements for looked after children through a framework agreement, competitively awarded as part of the South West Sub-Regional group led by Bath and North East Somerset Council.
15. The current framework agreement commenced 1 April 2013 for three years with a one year extension option to 31 March 2017.
16. The framework brings together several Local Authorities that operated in the same geography within the south west, often with common key providers and facing similar issues around quality, pricing and market conditions.

17. The Local Authorities involved in the current Framework, under a formal participation agreement, are:

- Bath and North East Somerset Council
- Bristol City Council
- Gloucestershire County Council
- North Somerset Council
- South Gloucestershire Council
- Swindon
- Wiltshire Council

18. The independent fostering market is made up of a mix of 'not for profit' and private sector organisations; currently there are 34 providers on the framework agreement. The relationship with the market is well developed.

19. The Framework has been successful in delivering placements for children and young people from quality assured Independent Foster Agencies.

20. The table below sets out the number of looked after children and young people placed in independent foster agencies as at 31st March:

	2013	2015	2015	2016
Wiltshire	107	96	108	103

Overview and Scrutiny Engagement

21. No overview and scrutiny engagement has taken place, this report however, sets out a repeat procurement of a previous regional framework contract

Safeguarding Implications

22. As this exercise relates directly to looked after children and young people, there are safeguarding considerations.

23. By Wiltshire Council being part of the latest South West Framework Agreement for the procurement of Independent Fostering Agency (IFA) placements for looked after children and young people, we will provide good quality placements to support children and young people who have been harmed or who are at risk of significant harm.

24. By not being part of this framework, children and young people could suffer further difficulties, as the placements team would have limited access to high quality placement providers who are rigorously monitored and checked by Wiltshire Council.

Public Health Implications

25. There are no negative Public Health Implications in Wiltshire Council being part of a new tender exercise. However, there are numerous positive implications for children and young people.

26. By being part of the IFA Wiltshire Council will be ensuring that we have high quality and safe foster care placements available for our most vulnerable looked after children and young people in terms of improving outcomes for this vulnerable group.
27. Providers will be tasked with ensuring that looked after children and young people are receiving support and advice about both their mental and physical health. This includes but is not limited to: ensuring looked after children have regular access to a dentist, access to a GP as and when required, access to additional health services as and when required (for example, Children and Adolescent Mental Health Services), nutrition initiatives and ensuring children and young people have a balanced and healthy diet.

Procurement Implications

28. The procurement of the recommended Framework has been led by officers in Bath and North East Somerset (BANES) Council. It has been supported by officers from Wiltshire Council's Strategic Procurement Hub, who have had oversight of the tender project and support the evaluation process.
29. There are currently no other procurement options available once the existing framework contract term ceases. Should the Authority not seek approval to remain within the framework then the procurement of independent fostering placements will be off contract with the risk of uncontrolled spend and non-compliance. The Authority will be unable to hold providers to agreed fees, resulting in a risk that the cost of placements will continue to increase year of year, which will clearly impact on the placements budget.

Equalities Impact of the Proposal

30. The proposal does not impact on equality and inclusion.
31. All providers who put forward a tender bid will be evaluated against the same criteria, with their equality and inclusion policies being thoroughly reviewed to ensure:
- a. they tackle inequalities
 - b. they do not discriminate in any way, including with employment related practices
 - c. they promote equality and good relations between different groups

Environmental and Climate Change Considerations

32. There are no obvious environmental issues associated with this proposal

Risk Assessment

Risks that may arise if the proposed decision and related work is not taken

33. The biggest risk of not being part of this sub-regional tender is that we will be unable to access sufficient suitable, safe and local IFA foster placements for Wiltshire Council's looked after children and young people where they are

unable to remain living at home and where suitable in-house fostering placements have not been identified for them.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

34. Risk: Not enough foster care placements in Wiltshire.

Action to manage the risk: Throughout the life of the contract providers will be encouraged to recruit foster carers within the sub-regional area. The level of need is outlined for provider within the Market Position Statement.

35. Risk: Not enough provision overall within the sub-regional.

Action to manage the risk: Wiltshire Council is already pro-actively working on plans to expand and improve in-house fostering services, with the long-term plan that more children and young people will be placed with in-house carers where appropriate, resulting in less need for independent foster care placements.

Financial Implications

36. Placements with Independent Foster care Agencies are funded from the external placements budget within Children's Social Care. In the current year the total budget is £12.6 million and IFA placements account for approximately £5.4 million spend. The rest of the budget is spent on external residential placements. The external placement budget continues to be under pressure during 2016-17.

37. Average unit costs of IFA placements are significantly lower than for residential placements but higher than in house foster care placements. A significant amount of resource is incurred on placements for looked after children and young people and a joint project team from the Strategic Procurement Hub and Children's Services has been tasked with identifying examples of best practice and developing a range of actions that could be applied to improve current practice and reduce placement spend.

Legal Implications

38. The decision to enter a Framework agreement with other Local Authorities remain subject to the Councils Procurement Rules, Financial Regulations and Protocol 8 contained in the Constitution.

Although the lead authority in this instance is Bath and North East Somerset the Council must satisfy itself as to Best Value, Budgetary constraints etc.

R. 14.3.3 of the Procurement and Contract Rules states:

Collaborative/Joint Purchasing – Where another authority/public body is acting as 'lead buyer' and provided that the person(s) awarding the contract can demonstrate the arrangements comply with the requirements of Best Value and other applicable legislation including, where relevant, the EU Procurement Directives. This includes any recognised wider public sector agreements including, for example, Crown Commercial Services or successor contracts.

It is noted that Procurement advice has been sought in this instance and that the Legal Service at BANES is advising on the Framework itself which the Council may or may not utilise in calling off individual contracts.

Options Considered

Contracting as a single authority

39. Wiltshire Council has considered several contracting models, including independent block contracting as a single authority (currently being used in Hampshire).
40. At this stage, we would not recommend this model in Wiltshire as it is a resource intensive exercise and we are not satisfied there are currently sufficient placements available locally. Further work is required to establish whether this approach would be effective.

South West Regional Framework

41. The original participating Local Authorities, except Dorset, are tendering for a new Framework, led by Bath and North East Somerset Council, that will take effect from 1 April 2017 to 31 March 2021, with an option to extend, subject to fee negotiations.
42. Sub-regional working has proven helpful in terms of information sharing and bringing consistency to some aspects of provision.
43. The participating Local Authorities aspire to work with providers who are delivering high quality outcomes for children and young people to prepare them to become useful members of society, by ensuring education, stability and attachment are normal expectations and not exceptional.
44. Framework contracts have been criticised nationally because they have the effect of freezing the market place for the period of the framework. This deters new entrants. To overcome this negative effect, a Dynamic Purchasing System will be used to allow new entrants onto the framework at six monthly intervals.
45. Rates have not increased since the commencement of the framework and whilst this has supported historical cost avoidance for all the authorities it has created risk around the likelihood of future rate increase. We can expect an increase of 3-5% to standard rates from April 2017.

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