

# Decision Pathway – Report



**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 14 September 2021

<b>TITLE</b>	<b>Children’s Independent Fostering Agency Framework – South Central</b>		
<b>Ward(s)</b>	<b>ALL</b>		
<b>Author:</b> Gail Rogers	<b>Job title:</b> Head of Children’s Commissioning		
<b>Cabinet lead:</b> Mayor	<b>Executive Director lead:</b> Ann James		
<b>Proposal origin:</b> BCC Staff			
<b>Decision maker:</b> Cabinet Member <b>Decision forum:</b> Cabinet			
<p><b>Purpose of Report:</b> To seek approval for Bristol City Council to join the South Central Consortium to design and commission the new framework contract and subsequently purchase Independent Fostering Agency (IFA) placements, for children and young people from it, for the period of the framework contract (April 2022 to March 2025), with the option for two one year extensions. Placements will be secured from South Central IFA framework whenever possible or may be spot purchased in the event that the framework is unable to meet the requirements.</p>			
<p><b>Evidence Base:</b> Bristol City Council has a statutory requirement to meet the Sufficiency Duty placed on local authorities under section 22 (G) of the Children Act 1989. Independently provided foster care is a key means by which the Council complies with its duties under the Children and Young Persons Act 2008 to provide high quality care to looked after children.</p> <p>The number of children in foster care fluctuates but has remained between 506 and 523 over the past years (June 2020-May 2021). Of the 523 children and young people currently in foster care, 219 (42%) are living in Independent Fostering Agency placements. The annual spend on Independent Foster Agency (IFA) placements is currently in the region of £7.2m.</p> <p>Bristol City Council commissions foster care from a mixed market of internal and external providers. Foster placements can be high cost and it is important the council plays a role in shaping the market to ensure placements are suitable, cost effective and deliver the agreed outcomes for children. Bristol City Council currently purchases most IFA placements through the South West Consortium Framework Agreement. This was due to expire in March 2021, however was extended until March 2022 due to the impact of Covid. In addition, around 9% of our placements have been made off framework, due to the complexity of need of some of our young people that this framework cannot meet.</p> <p>In anticipation of the end of our current contract, we are proposing to join the well-established Southampton City Council led South Central Consortium, who are in the initial stages of recommissioning a new IFA framework which will play an important role in supporting us to meet our Sufficiency Duty. The South Central Framework is a consortium of 16 local authorities, which gives the group significant purchasing power and therefore some ability to negotiate in a provider led market.</p> <p>Joining the South Central Framework is expected to bring the following benefits:</p> <ol style="list-style-type: none"> <li>1. Ability to meaningfully participate in the design and commissioning of the framework contract to ensure it meets the needs of Bristol City Council.</li> </ol>			

2. Assurance of quality in the provision of children's foster care and price stability in what will otherwise be a market characterised by variable and escalating costs over the coming years.
3. Commissioning as a larger consortium of authorities (with a significantly bigger market share than our current consortium) will allow us to meaningfully engage with and manage the market, whilst enabling us to achieve efficiencies in the purchasing and development of services.
4. Developing stronger relationships with providers and a more collaborative approach to managing the market than is currently undertaken by the South West group.
5. A clear process for monitoring providers.
6. The South Central Consortium has reported a significant (25%) reduction in the number of placements they need to spot purchase off framework.
7. There are staff based at Bournemouth Council who deliver (on behalf of the participating local authorities) the core Contract Management and Framework Co-ordination outputs. They provide regular sufficiency and monitoring reports which are currently produced by our Children's Placements team, thereby freeing up the Placement Team's time to undertake more pertinent work.

In order to join the framework agreement, the fees are as follows:

- Initial joining fee for Procurement Phase - £7431.66 (inclusive of Lead Partner initial annual cost)
- Annual Lead Partner costs - £1368.75 (commences April 2023)
- Annual Contracts Management Costs - £15,602.38 - will vary year on year as it is calculated on the value of the actual usage of the framework contract; based on our 2020/21 IFA figures (176 placements at £7.2m) the cost could be reduced to approximately £13,820 per year (this also includes the fixed annual fee of £1,500)

Whilst the infrastructure costs are greater for this framework, this cost is mitigated by the benefits we expect to see. Our expectation is for our net costs to reduce due to the better range and choice of placements enabling us to decrease our spend on spot purchase placements. South Central have 59 providers currently on their IFA framework compared with 36 on our existing South West IFA framework, the South Central rates are extremely competitive with an average lower fee of 10.60% (based on a standard 11+ child placement using 21 providers whom are on both frameworks – April 21).

**Cabinet Member / Officer Recommendations:**

That cabinet:

1. Approve joining the South Central Consortium to design and commission the new framework contract for Independent Foster Agency contracts including incurring the cost of the initial joining fee for the Procurement phase of £7431.66, Annual Lead Partner Costs of £1368.75 and Annual Contracts Management Costs of £15602.38 to be a part of the South Central Consortium, to design, commission and use an Independent Foster Agency Placements Framework as outlined in this report.
2. Approve the purchase of foster care placements, for children and young people, from the South Central Independent Foster Agency Placements Framework, from April 2022 to March 2025 with an option to extend for one year plus one year.
3. Authorise the Executive Director: People, in consultation with the Mayor to take all steps necessary, including the spending outlined in this report, to join the South Central Consortium and use the South Central Independent Foster Agency Placements framework.

**Corporate Strategy alignment:** The following objective in the Corporate Strategy is relevant to this key decision:

1. Give our children the best start in life by protecting and developing children's centre services, being great corporate parents and protecting children from exploitation or harm.

**City Benefits:** Joining the South Central Consortium and being part of the subsequent procurement process will benefit the city in the following ways:

1. Meet the needs of children in care in line with the Children Act 1989 and the Equalities Act 2010.

2. Allow for quality assurance of provisions to ensure they meet our high aspirations for all children and young people in our care, delivering the assessed needs to achieve agreed outcomes.
3. Ensure the Council achieves value for money through transparent pricing.
4. Develop partnership working between LAs and IFA providers to meet the changing needs of our children/ young people in the care of the Local Authority.

**Consultation Details:**

Consultation has been undertaken with relevant internal staff members, including Procurement and Children's Placement Services.

**Background Documents:**

Bristol City Council Sufficiency Strategy: Placements for Children in Care and Care Leavers

<b>Revenue Cost</b>	The spend on IFA placements is expected to be approximately £7.2m per year (contained within annually approved budgets set by Council). The cost of joining the framework agreement is Initial one-off fee for Procurement Phase - £7431.66 Annual Lead Partner costs - £1368.75 (commences April 2023) Annual Contracts Management Costs - £15,602.38	<b>Source of Revenue Funding</b>	Children's Placement Budget
<b>Capital Cost</b>	£0	<b>Source of Capital Funding</b>	N/A
<b>One off cost</b> <input checked="" type="checkbox"/> <b>Ongoing cost</b> <input checked="" type="checkbox"/>		<b>Saving Proposal</b> <input type="checkbox"/> <b>Income generation proposal</b> <input type="checkbox"/>	

**Required information to be completed by Financial/Legal/ICT/ HR partners:**

**1. Finance Advice:** This is a four year arrangement where the annual revenue commitment is £15.6k which will be borne by the Children's Placement Team budget. As this annual contract management costs could increase if placement number exceeds 230, ongoing savings of this new framework should be tracked to ensure delivery of value for money. Finance is in support of this proposal, providing the continuation of rigorous measure being in place to ensure savings are realised and is sufficient to offset annual contract management costs.

**Finance Business Partner:** Angel Lai , Finance Manager for Education and Children 16/7/2021.

**2. Legal Advice:** The use of a framework contract will comply with the 2015 Procurement Regulations and the Councils own procurement rules. Legal services will advise and assist officers with regard to the contractual arrangements.

**Legal Team Leader:** Husinara Jones, Team Leader/Solicitor 6 September 2021

**3. Implications on IT:** No anticipated impact on IT Services, although any information exchanges should be reviewed by Information Assurance colleagues

**IT Team Leader:** Simon Oliver – 24th June 2021

**4. HR Advice:** The report is seeking approval to join the South Central Consortium framework contract for purchasing placements for children and young people. There are no HR implications for Bristol City Council employees.

**HR Partner:** Lorna Laing, HR Business Partner – 29th June 2021

<b>EDM Sign-off</b>	<b>Hugh Evans</b>	14 <sup>th</sup> July 2021
<b>Cabinet Member sign-off</b>	<b>Helen Godwin</b>	<b>20<sup>th</sup> July 2021</b>
<b>For Key Decisions - Mayor's Office sign-off</b>	<b>Mayor's Office</b>	16 <sup>th</sup> August 2021

<b>Appendix A – Further essential background / detail on the proposal</b>	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>No</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>
<b>Appendix L – Procurement</b>	<b>NO</b>