

# HAMPSHIRE COUNTY COUNCIL

## Decision Report

<b>Decision Maker:</b>	Executive Lead Member for Children's Services and Young People
<b>Date:</b>	13 January 2021
<b>Title:</b>	Children's Services Procurement – Approval to Spend
<b>Report From:</b>	Director of Children's Services

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### Purpose of this Report

- 1 The purpose of this report is to obtain approval to extend the current contract for the Independent Fostering Agencies (IFA) Contract – Lot 1 Standard Foster Placements including Respite; and Lot 2 Parent and Child and to seek approval to spend under this extended contract.
- 2 The purpose of this report is to obtain approval to spend for the 16+ High Support Needs Accommodation Framework. The current framework has reached its upper contract spend value and will therefore need to be retendered.

### Recommendation(s)

- 3 To approve the one year extension of the current contract for Independent Fostering Agencies - Lot 1 Standard Foster Placements including Respite; and Lot 2 Parent and Child. The extension would be from 1 April 2021 to 31 March 2022. Approval is being sought for additional spend of up to £14,500,000 for extension of one additional year to be funded from existing revenue budgets.
- 4 To approve the spend under the 16+ High Support Needs Accommodation Framework. The value of spend under this framework will be £20,000,000 for the initial four years (to 2025), with an option to extend to a six year term (4 years +2 years), a total spend of up to £30,000,000. This is to be funded from existing revenue budgets.

### Introduction

- 5 This paper seeks approval in accordance with the Council's Contract Standing Orders and Constitution.

- 6 This paper seeks to:
- Give relevant background information on the Council's obligations for providing these services
  - Consider the finance and the impact on the budget
  - Highlight key issues
  - Request approval to spend as set out in paragraph two of the report.

## **IFA Level 1 & 2 Framework**

### **Contextual Information**

- 7 The Council has a framework agreement in place for the provision of fostering placements for children and young people through Independent Fostering Agencies. This is split into two lots, Lot 1 for Standard Foster Placements including Respite; and Lot 2 for Parent and Child Placements.

Lot 1 for Standard Foster Placements including Respite is for children who do not present with complex or challenging needs and behaviours 0-18 years. It is possible that they have experienced placement breakdowns as well as abuse, neglect and loss and may demonstrate some low level offending and/or challenging behaviours. Some children with disabilities and/or health needs may also require standard foster placements.

Lot 2 Parent & Child Placements are for a parent or parents who need extra support to care for their child or children. The parent(s) are given opportunities to develop their confidence and parenting skills in a family environment.

- 8 The framework agreement, through which the external spend is commissioned, is due to end on 31 March 2021. In order to have a new framework agreement in place for April 2021, tendering activity should take place in the Autumn of 2020. However, due to the continued effect of COVID-19 on providers of foster care and foster carers themselves, the market's capacity to tender in Autumn 2020 was severely affected. Using the provision for contract variation under the Public Procurement Regulations 2015 (Regulation 72 (1) (c)), it is intended that the current framework agreement is extended for an additional one year, until 31 March 2022.
- 9 The Council plans to tender a new framework agreement and work on this will commence such that a new framework will be in place from April 2022.

### **Finance**

- 10 The budget for these services comes from Children's Services placement budgets. The commissioning of individual IFA placements will continue to be a requirement and the financial approval for each placement made on an

individual case basis. The spend requested is £14.5m, which is already forecast and forms part of the agreed Children and Families budget.

- 11 Extending the IFA framework agreement provides the opportunity to agree and fix prices for an additional year, rather than reverting to a spot purchase arrangement where providers would have the opportunity to vary their rates.

## **Performance**

- 12 Independent Fostering Agencies are inspected by Ofsted. The framework agreement terms and conditions outline what is required in terms of performance indicators and monitoring. These ensure that both Ofsted's and the Council's quality standards are met. Contract monitoring is undertaken and reported on by the Children's Services Procurement function. This monitoring is designed to increase the quality of provision, maintain positive working relationships with providers and provides a forum to manage issues in an appropriate and timely manner.

## **Consultation and Equalities**

- 13 The Council has undertaken an equalities impact assessment as part of the commissioning process for all tenders since 2016. This tender was originally completed in 2015 so a new EIA has been completed for this extension request: <https://documents.hants.gov.uk/equality-impact-assessments/EIA280939720-Fostering-Framework-Extension.pdf>

## **Other Key Issues**

- 14 The full impact of COVID-19 on the market is not yet known.

## **16+ High Support Needs Accommodation**

### **Contextual Information**

- 15 The Council has a framework agreement in place for 16+ High Support Needs Accommodation. High Support Needs Accommodation is where young people need over 15 hours of support per week and the provider is able to source accommodation as well as provide the support. This could be shared or solo accommodation depending on the young person's needs. This framework agreement commenced on 1 January 2019 and is due to expire 31<sup>st</sup> December 2022. However, spend under the current framework agreement has exceeded expectations and the framework agreement has reached its advertised contract value. As a result, the Council will need to be retendered in order to remain compliant with Public Procurement Regulation 2015 (Regulation 33 (6)).

- 16 The Council plans to tender a new framework agreement that will have a limited number of providers, which will enhance partnership and strategic

working. This framework agreement will complement other contracted provision for 16+ services, namely supported lodgings, high intensity and floating support services, and a framework agreement for out of county placements.

## **Finance**

- 17 Provision of post 16 accommodation and support services is attractive to a wide variety of providers, with an equally wide variety of service models and costs. The future framework agreement will increase cost transparency and cost control through enhanced monitoring with the limited number of providers. Approval for spend of up to is £20,000,000 is sought for the initial four years, with an option to extend to a six year term, with spend of up to £30,000,000. The budget for this spend is forecast as part of the Children and Families approved budget, and is not additional spend.

## **Performance**

- 18 The framework agreement terms and conditions outline what is required in terms of performance indicators and monitoring. These ensure that the Council's quality standards are met. Contract monitoring is undertaken and reported on by the Children's Services Procurement function.
- 19 Care ambassadors have become involved in the inspection of services. These inspections started in 2019 but have been interrupted by Covid 19 and lockdown. These will resume when it is appropriate to do so.

## **Consultation and Equalities**

- 20 The Council has undertaken an equalities impact assessment as part of the commissioning process. <https://documents.hants.gov.uk/equality-impact-assessments/SupportAccommodationServices-2018.pdf>

## **Other Key Issues**

- 21 Ofsted are considering the regulation of these services, which may result in a contract variation to ensure that providers are compliant with the new regulations. This change may affect the size of the market as some providers may choose to withdraw. In addition, regulation has the potential to increase cost. However overall, the impact should be improved quality provision for young people.

## **Conclusions**

- 22 It is recommended that the Executive Lead Member for Children's Services and Young People:
- 23 Approve the one year extension of the current contract for Independent Fostering Agencies - Lot 1 Standard Foster Placements including Respite; and

Lot 2 Parent and Child, and approve spend under this contract extension to the value of £14,500,000.

24 Approve spend for the 16 + High Support Needs Accommodation Framework to a value of up to £30,000,000 to cover the maximum six year term.

**REQUIRED CORPORATE AND LEGAL INFORMATION:**

**Links to the Strategic Plan**

<b>Hampshire maintains strong and sustainable economic growth and prosperity:</b>	Yes
<b>People in Hampshire live safe, healthy and independent lives:</b>	Yes
<b>People in Hampshire enjoy a rich and diverse environment:</b>	no
<b>People in Hampshire enjoy being part of strong, inclusive communities:</b>	Yes

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<u>Title</u>	<u>Date</u>
Children’s Services Procurement – Approval to Spend	12/9/2018
<b>Direct links to specific legislation or Government Directives</b>	
<u>Title</u>	<u>Date</u>

<b>Section 100 D - Local Government Act 1972 - background documents</b>	
<p>The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)</p>	
<u>Document</u>	<u>Location</u>
None	

## **EQUALITIES IMPACT ASSESSMENT:**

### **1. Equality Duty**

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

### **2. Equalities Impact Assessment:**

Equalities Impact Assessments have been completed for each project.