

Finance and Resource Committee

10am, Thursday, 19 March 2015

National Framework Agreement for Children's Residential Care and Education Services

Item number 7.21

Report number

Wards: All

Executive summary

This report seeks the approval of the Finance and Resource Committee to adopt the national framework agreement for children's residential care and education services, arranged by Scotland Excel, the centre of procurement expertise for Scottish local government collaborative procurement.

The agreement commenced on 14 August 2014 and will operate until 31 March 2016, with the option to extend for up to two further years, until 31 March 2018.

The national framework agreement has been introduced to help raise the quality of children's residential care and education services, facilitate placement procedures and standardise the price of places across Scotland.

Until now, the City of Edinburgh Council has successfully placed its own contracts with independent providers for the supply and delivery of children's residential care and education services.

The Council would like to continue to use its own contracts for children's residential care and education services, as well as using the national framework agreement to place contracts and make placements.

Links

Coalition pledges	P1
Council outcomes	C03 and C11
Single Outcome Agreement	S03

National Framework Agreement for Children's Residential Care and Education Services

Recommendations

- 1.1 It is recommended that the Finance and Resource Committee approves the adoption of the national framework agreement for use by the City of Edinburgh Council to contract with and make placements with independent providers of children's residential care and education services.
- 1.2 It is recommended that the Finance and Resource Committee notes that the Council will continue to contract with independent providers that are not on the national framework agreement, if the Council considers that any such provider is better suited to meet the needs of a particular child or young person.

Background

- 2.1 Scotland Excel is the Centre of Procurement Expertise for Scotland's local government sector, putting in place national contracts on behalf of local authorities in Scotland.
- 2.2 Following a two stage tender process conducted in late 2013/early 2014, Scotland Excel established a collaborative national framework agreement for children's residential care and education placements in Scotland.
- 2.3 Councils can use the framework agreement to purchase residential care and / or education placements for children and young people from independent sector providers for an agreed fee and under agreed terms and conditions.
- 2.4 The procedures to be followed under the framework agreement are intended to enable councils to identify and make a placement with a provider that best meets the needs of the particular child or young person.
- 2.5 The terms of the framework agreement do not provide any guarantee of business or exclusivity of business to any provider and councils can opt to contract separately for children's residential care and education services.

Main report

- 3.1 The Council is required to arrange placements for children and young people who have been assessed as in need of residential care and / or education services.
- 3.2 Until now, the Council has used its own individual contractual arrangements with independent providers for children's residential care and education services. At present, the Council contracts with around 18 separate independent providers of these services.
- 3.3 In theory, the Council could use the new national framework agreement to make all placements for children's residential care and education services, on the basis that a national approach to contracting services can save duplication of effort and unnecessary variation among councils. However, in practice, not all providers of these services applied to be on the national framework and it is important for the Council to retain the option of using capacity and capability that is best suited to the needs of the individual child or young person.
- 3.4 The Council therefore intends to use the national framework agreement, as well as its own contracts, particularly when a placement is required for a more challenging child or young person.

Measures of success

- 4.1 The Council places contracts and makes placements for services that will enable children and young people to achieve positive outcomes.
- 4.2 The Council places contracts and makes placements that achieve Best Value, while taking account of individual needs.

Financial impact

- 5.1 Based on 2013/14, placements totalling £4.1m were made with 12 independent providers of children's residential care and education services that are now on the national framework.
- 5.2 Based on 2013/14, placements totalling just under £1.7m were made with 6 independent providers of children's residential care and education services that did not apply to be on the national framework.
- 5.3 Using the national framework, along with the Council's own contracts, will ensure that the Council achieves Best Value while taking account of individual needs.
- 5.4 Placements are made as the result of assessment of individual needs and future demand is very difficult to predict. The service has a Looked After Children Transformation Programme which aims to reduce usage of purchased residential care and education placements over the coming years which makes past purchases an unreliable guide to the level of future purchases. It is,

therefore, difficult to forecast with any degree of certainty the level of financial benefit using the national framework will deliver. However, the national framework provides a sound basis for future collective negotiations and we believe that this will provide ongoing financial benefits in the future.

- 5.5 The one off costs associated with taking part in and procuring contracts using the national framework are estimated to be up to £10,000 in staffing resource. In terms of resource utilisation, this is felt to be best value when compared to the resources that would be required for the Council to undertake its own procurement exercise from providers that are now on the national framework.

Risk, policy, compliance and governance impact

- 6.1 The national framework agreement has been introduced to help raise the quality of children's residential care and education services, facilitate placement procedures and standardise the price of places across Scotland. The risk attached to the Council's involvement is low.
- 6.2 Scotland Excel was formed under section 57 of the Local Government (Scotland) Act 1973, to carry out purchasing functions for member Council's as a central purchasing body in accordance with the Public Contracts (Scotland) Regulations 2012, which authorises Renfrewshire Council as its lead Council to act as a contracting authority on its behalf.
- 6.3 Using the national framework agreement in conjunction with the Council's own contracts mitigates the risk of under capacity.
- 6.4 The Council provided support for development of the national framework agreement by participating in user intelligence group meetings and reference group meetings and by taking part in the evaluation process.
- 6.5 Working collaboratively on one national framework agreement is beneficial in terms of resources for the Council. Management of the framework agreement centrally, by Scotland Excel, also allows for a coordinated response, from all Councils, to any issues which might arise with a provider.

Equalities impact

- 7.1 The Council's approach to procurement of Children and Families care services will have a direct impact on its ability to meet its single outcome agreement objective of SO3. As such any final procurement of this service will be subject to an ongoing and full equality impact assessment.

Sustainability impact

- 8.1 There are no impacts on carbon, adaptation to climate change and sustainable development arising directly from this report.

Consultation and engagement

- 9.1 Scotland Excel consulted with all Scottish local authorities and other public sector organisations during this exercise. The Council provided support by participating in user intelligence group meetings, reference group meetings and the evaluation process.

Background reading/external references

There are no relevant background reading/external references.

Gillian Tee

Director of Children and Families

Contact: Scott Dunbar, Service Manager, Looked After Children Services, E-mail: scott.dunbar@edinburgh.gov.uk | Tel: 0131 469 3123

Links

Coalition pledges	P1 - Increase support for vulnerable children, including help for families, so that fewer go into care.
Council outcomes	C03 - Our children and young people at risk, or with a disability, have improved life chances. C11 - Preventative and personalised support in place.
Single Outcome Agreement	S03 – Edinburgh’s children and young people enjoy their childhood and fulfil their potential.
Appendices	1. List of Providers

Appendix 1 - List of Providers

National Framework Agreement for Children's Residential Care and Education Services

Abbeyfield Lodge Limited
Aberdeen Association Of Social Services (trading As Vsa)
Aberlour Child Care Trust
Active 8 Care Limited
Applied Care And Development Limited
Archway (Respite Care & Housing) Limited
Bachlaw Limited
Balnacraig School
Barnardo's
Cambian Whinell School Ltd
Camphill Rudolf Steiner Schools Limited
Capability Scotland
Care Visions Group Limited
Church of Scotland (trading as Crossreach)
Common Thread Limited
East Park School
Hesley Group Limited
Hillside School (Aberdour) Limited
Keys Child Care Limited
Keys Cromlet Care Limited
Keys Education Limited
Kibble Education & Care Centre
Moore House School Limited
Priory Education Services Limited
Quarriers
Radical Services Limited
Roc Northwest Limited
Royal Blind Asylum & School
Scottish Autism
Sense Scotland
Spark Of Genius (Training) Limited

Speyside Trust

St Philips School Plains

Stepdown

The Mungo Foundation

The Scottish Centre For Children With Motor Impairments

Up-2-Us