

EXECUTIVE BOARD COMMISSIONING SUB-COMMITTEE – 16 APRIL 2014

Subject:	Provision of assessments for prospective adopters and foster carers		
Corporate Director(s)/ Director(s):	Alison Michalska – Corporate Director – Children and Adults Candida Brudenell – Strategic Director for Early Intervention		
Portfolio Holder(s):	Councillor Mellen		
Report author and contact details:	Simon Down – Lead Commissioning Manager – 0115 876 3492 simon.down@nottinghamcity.gov.uk Laura Shepherd – Commissioning Manager – 0115 876 3456 laura.shepherd@nottinghamcity.gov.uk		
Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Subject to call-in	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons: <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total value of the decision: £1.200m (approx)			
Wards affected: All	Date of consultation with Portfolio Holder(s): 1 st April 2014		
Relevant Council Plan Strategic Priority:			
Cutting unemployment by a quarter			<input type="checkbox"/>
Cut crime and anti-social behaviour			<input type="checkbox"/>
Ensure more school leavers get a job, training or further education than any other City			<input type="checkbox"/>
Your neighbourhood as clean as the City Centre			<input type="checkbox"/>
Help keep your energy bills down			<input type="checkbox"/>
Good access to public transport			<input type="checkbox"/>
Nottingham has a good mix of housing			<input type="checkbox"/>
Nottingham is a good place to do business, invest and create jobs			<input type="checkbox"/>
Nottingham offers a wide range of leisure activities, parks and sporting events			<input type="checkbox"/>
Support early intervention activities			<input type="checkbox"/>
Deliver effective, value for money services to our citizens			<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
The current contract for the provision of assessments for prospective foster carers and adopters is due to end in August 2014. This report seeks to ensure continued provision of this statutory function through the establishment of a framework for assessments (to be effective from August 2014 to take on all new assessments) and the extension of the existing contract to continue to undertake, until completion, all assessments that are already started prior to August 2014.			
Exempt information:			
State 'None' or complete the following.			
Information regarding aspects of contract values, advice on employment law and other options considered (section 3) are considered exempt from publication under paragraph 3 and paragraph 5 of Schedule 12A to the Local Government Act 1972 . They contain information relating to the financial or business affairs of particular persons (including the authority holding that information) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings. The relevant information is contained within an exempt appendix.			
Having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. It is not in the public interest to disclose this information because: to make available to other organisations the contract values of existing contracts which are planned to be market tested would prejudice the open tender process and due to legal privilege.			

Recommendation(s):

1. To commission a service to deliver adoption and fostering assessments (including connected persons and special guardianships) to replace the outgoing provision
2. To proceed with procurement to establish a framework contract for Adoption and Fostering Assessment service for a period of 3 years at a value of approximately £1.200m to take effect from 1st August 2014.
3. Approval to spend against the contract for 3 years up to a total value of £1.200m
4. Approval to delegate authority to the Director of Quality and Commissioning to award the outcome of the tender and for the Head of Service for Quality & Efficiency to sign both the new contracts and the contract extension for the current service.
5. Approval for dispensation from the provisions of the Nottingham City Council Contract Procedure Rules 5.1.2 under the Council's Financial Regulations 3.29 in order to extend the current contract with Social Work Choices for 6 months from the start of August 2014 to the end of January 2015 to complete all assessments commenced prior to August.

1 REASONS FOR RECOMMENDATIONS

- 1.1 The current contract for the provision of assessments for prospective foster carers and adopters is due to end in August 2014. This contract (with Social Work Choices) was set up as a 3 year pilot and so a value for money/commissioning review of the pilot and potential ways forward was undertaken and presented to Corporate Parenting Board. This has led to the conclusion that a framework needs to be put in place to replace the outgoing provision. A competitive tendering process is now required to ensure continued provision of this statutory function.
- 1.2 **Appendix 1** details the 2 stage procurement timetable which will ensure that the new provision is in place for the start of August 2014. The stated timescales will require the Director of Quality and Commissioning to sign off the award of the contract once all bids have been properly assessed.
- 1.3 Delegated authority is required to action the decision in a timely manner
- 1.4 In the unlikely event that any call off assessments are not fully completed by the end of January 2015, these will be seen through to completion by the provider. The assessment process takes a maximum of 6 months and new assessments start on a weekly basis. It would be most disruptive to the assessment process and not in the best interests of NCC, those being assessed or children in care therefore, if Social Work Choices (SWC – the current provider) were not allowed to see the assessments they had started through to completion. As such, SWC's contract needs to be extended for a further 6 months up until the end of January 2015 to enable them to wind the service down and complete all their assessments.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 Nottingham City Council (NCC) are required by law to carry out assessments of people who formally express a desire to foster or adopt so as to ascertain whether or not they are suitable to look after children/young people. These assessments must be carried out within specific timescales and failure to do so carries serious sanctions, including the threat of responsibility for these functions being entirely removed from the Council by central Government.

- 2.2 When the original pilot was set up with Social Work Choices in 2011 to deliver adoption and fostering assessments, it was agreed that a value for money (VFM) evaluation (including extensive consultation with internal and external stakeholders and the current provider) would take place to assess this new way of delivering assessments in Nottingham. The VFM evaluation found that “this contract has provided a cheaper solution (in comparison to internal delivery) to delivering assessments for prospective adoptive parents and foster carers.”
- 2.3 The VFM evaluation also found, however, that “both parties, largely because of the initial contract specification, compromise the quality of assessment delivery. A performance framework over arching the whole contract to provide clarity for both the client and the contractor on what is expected throughout the duration of the contract period would be essential in any contract going forward”.
- 2.4 The broad conclusion, therefore, is that a contracted external model of provision provides a value for money solution provided that it is carefully contract managed against a comprehensive specification.
- 2.5 The current contract was produced and managed by the Fostering and Adoption team who are not best placed to create service specifications/manage the contract as they need to have an operational (rather than a contract management) relationship with the provider. The new contract however, will be produced and performance managed by Quality and Commissioning (in partnership with the Fostering and Adoption team) who are best placed to do this.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

Alternative options available to the Sub-Committee are included in the exempt appendix to the report.

4 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

- 4.1 It is proposed to extend the existing contract for the assessment of prospective foster carers and adopters for six months from 1 August 2014 to 31 January 2015. This will enable all assessments commenced prior to August 2014 to be completed. This will require dispensation from Contract Procedure rules (5.1.2) in accordance with Financial Regulation 3.29 and is appropriate in these circumstances.
- 4.2 It is also proposed that the new framework contract for Fostering and Adoption Assessment will be in place with effect from 1 August 2014, for a period of three years.
- 4.3 In order to meet the number of assessments planned, it is estimated that the annual cost of the contract will be £0.400m (£1.2m over the three years of the contract).
- 4.4 The 2014/15 budget contains provision of £0.216m for the Fostering and Adoption assessment service. This means there would be an annual shortfall in the budget of £0.184m (£0.552 over the three years of the contract).

- 4.5 The drive of this contractual arrangement is to increase the number of internal foster carers and adopters. The contract is paid on a 'nil business' basis however, if this service was provided internally, costs would still be incurred regardless of performance.
- 4.6 Spend included in this report is based on an estimated performance and could decrease as well as increase; based on current estimates the budget is £0.184m per annum lower than the estimated contract value. The mitigation of this cost would need to be from an increase in internal foster carers and adoptions which incur lower rates than other external options. Comparable rates are shown in the exempt Appendix to the report..

An example of how the £0.184m might be achieved is, a full year reduced cost of moving 7 children from external fostering to internal fostering.

- 4.7 Performance of this contract needs to be reviewed annually to enable quantification of the savings generated and to inform a future decision about the provision of the service.

4.8 **Chief Finance Officers Observations on Dispensation**

Dispensation from financial regulations 3.29 and contract procedure rule 5.1.2 is supported for this service.

5 RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

- 5.1. This report and its recommendations will ensure the continuation of fostering and adoption assessments, hence managing the risk of assessments not happening when the current contract ends. The procurement timescales are tight but this process will be closely managed to ensure against slippage.
- 5.2 This report does not raise any crime and disorder implications
- 5.3 The outgoing provider will need careful managing to ensure that the quality of their assessment work is maintained throughout the extension of their contract.
- 5.4 The existing contract expires in August 2014. However, it is possible to commence the assessment process for a prospective foster carer or adoption right up to the expiry date. Currently there is no exit strategy to deal with assessments which have not been completed as at the expiry date. Ensuring continuity of an assessment mitigates against the risk of the assessment process failing. By extending the contract for six months that will provide a run-off period to ensure those assessments can be finalised. Legal services can assist the commissioning team to draw up the terms of the contract extension and to provide for exit provisions in the new contract to overcome this issue in the future.

Andrew James, Team Leader, Contracts and Commercial. 1st April 2014.

- 5.5 Further legal comments regarding employment law can be found in the exempt copy of the report.

6 SOCIAL VALUE CONSIDERATIONS

- 6.1 This report and its recommendations have considerable social value as they better allow us to recruit local foster carers and adopters. Many foster carers consider the role as their job and so it will enable a positive impact on the local economy.

7 REGARD TO THE NHS CONSTITUTION

- 7.1 None

8 EQUALITY IMPACT ASSESSMENT (EIA)

Has the equality impact been assessed?

- (a) not needed (report does not contain proposals for new or changing policies, services or functions, financial decisions or decisions about implementation of policies development outside the Council)
- (b) No
- (c) Yes – Equality Impact Assessment attached

Due regard should be given to the equality implications identified in any attached EIA.

9 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

- 9.1 "Value for money review of commissioned service assessments of fostering applicants and adopters" – Exempt CPB paper 20th January 2014.

10 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

- 10.1 None

11 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

- 11.1 John Bernard-Carlin (Team Leader (Housing, Employment & Education Team (Legal Services))
- 11.2 Andrew James, Team Leader, Contracts and Commercial

QUALITY AND COMMISSIONING – STRATEGIC PROCUREMENT

APPENDIX 1

Adoption & Fostering Assessment service

V1

Draft Procurement Timetable

Key date	Activity	Responsible Lead Officer / Section	Risks / Dependencies
March 2014	DDM to gain approval to proceed with commissioning / procurement and commitment of revenue budget and request delegated authority to award outcome of tender and contract	Commissioning	Proposal not accepted by members
March 2014	Legal to comment on TUPE and requested to provide suitable contract	Procurement/Commissioning	
March 2014	Making market aware of opportunity	Market development and Placements	
March 2014	PQQ questionnaire and evaluation to be finalised. Employer HUB exemption to be requested	Procurement	Exemption not granted
21 March 2014	Release Advert and PQQ through Pro Contract system	Procurement	
April 2014	Finalise service specification	Procurement / Commissioning / Operational	Info not provided by 3 rd parties
1-14 th April 2014	Draft and finalise Tender specification and other documentation Decide on Panel composition to mark tender	Procurement	
17 th April By 30 April	PQQ closing date Marking	Procurement	
1 May 2014	Invitation to Tender out – Deadline for return 30 May 2014 @ 12 noon	Procurement	
31 May to 13 June 2014	Evaluate Tenders	Panel	Dependent upon how many tenders we have in and the panels capacity to mark
18 June 2014	Tender Clarification as appropriate	Procurement / Commissioning / Operational	
29 June 2014	Approval to award outcome of tender notify providers	Procurement	

QUALITY AND COMMISSIONING – STRATEGIC PROCUREMENT

Adoption & Fostering Assessment service

V1

July 2014	Award contracts outcome	Procurement	
July 2014	Issue contract and arrange signing	Procurement	
Aug 2014	Contract Commences	Procurement	

Equality Impact Assessment Form

Name and brief description of proposal / policy / service being assessed

Proposal to re-commission an assessment service (framework) for prospective foster carers and adopters

When someone/a couple expresses to NCC a desire to be a foster carer and/or adopter NCC must ensure that they are assessed as to their suitability to foster and/or adopt children. The assessments have been being provided under a pilot with Social Work Choices. The new framework will appoint up to four providers who can carry out the assessments. The new service will be specified to a higher level of quality and will incorporate a new requirement to encourage “fostering for adoption”

Information used to analyse the effects on equality

Specifications of old/new services

	Could particularly benefit (X)	May adversely impact (X)	How different groups could be affected: Summary of impacts	Details of actions to reduce negative or increase positive impact (or why action not possible)
People from different ethnic groups			The service will be provided to prospective foster carers/adopters. Because of the obvious difficulties in having their own children, lesbian and gay couples (or indeed singles) are increasingly turning to fostering/adoption and so the improved quality of the service will be of benefit.	The specification (still in development) will ensure that: 1. Quality is raised 2. “Fostering to adopt” is promoted in an appropriate manner so as to amplify the positive impacts as best as possible 3. Providers will reflect/take into consideration the needs of BME communities
Men, women (including maternity/pregnancy impact), transgender people				
Disabled people or carers				
People of different faiths/beliefs and those with none.				
Lesbian, gay or bisexual people	X			
Older or younger people	X			
Other – Children in Care	X		Children, and specifically those in care, will benefit from the inclusion of 4 organisations within the framework as this should allow a greater number of assessments to be undertaken which will provide more adopters/fosters locally. Also, because the new service will actively seek people prepared to “foster to adopt”, the number of instances when children are fostered prior to adoption by the same people will increase. This is of benefit to the child as they do not then have to transfer from a foster carer to a different adopter (they would initially only be fostered whilst the assessment/decision to completely take the child away from their birth parents was taken).	

Outcome(s) of equality impact assessment:

No major change needed Adjust the policy/proposal Adverse impact but continue Stop and remove the policy/proposal

Arrangements for future monitoring of equality impact of this proposal / policy / service:

The new service provision will be monitored (as per the detailed specification) to ascertain any positive and negative impacts. If any negative impacts are identified commissioners will seek to modify services to mitigate this.

Approved by (manager signature): Antony Dixon

Date sent to equality team for publishing: