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ITEM 07

Update East Midlands Regional Childrens Framework

Purpose

1.1 Summary for Children In Care Council

It is really important for Derby City Council to have in place safe accommodation and support for children and young people. When the council has made a decision to accommodate a child or young person, there is a need to source a placement. Some placements are in-house provision (our own Childrens Homes or our in-house foster carers). Other placements are with external providers.

To help us source placements, we use external providers from a compliant framework, for example Independent Fostering Agencies (IFAs), or independent Childrens Homes, who have been able to show us that they can offer safe accommodation and good support. Decisions on which type of placement is made depends on a range of factors including the child needs, quality, cost and availability.

This paper provides an overview of the changes regarding the East Midlands Regional Framework (EMRF), which is the current way we source placements for children where there is no identified in-house provision that can meet need. This is due to end in January 2020.

- 1.2 The EMRF has been in place in its current format since 1 February 2016 will end on 31 January 2020. A review of its effectiveness demonstrated the current arrangements were not enabling the Council to meet the increasing challenges of sufficient local placements, and more local, collaborative arrangements would be more effective. The review findings have led the design of the new framework called D2N2 Children in Care (CIC) Framework by Nottinghamshire County Derby City, Derbyshire County, Nottingham City Councils'.
- 1.3 It is anticipated that the newly procured Framework will be available for D2N2 Local Authorities from 1 February 2020 therefore Derby City Council will have available a different contracting approach for sourcing external fostering and residential home placements for children and young people.
- 1.4 The number of placements Derby is sourcing externally continues to increase, which is impacting the overall cost of placements. The D2N2 CIC Framework will enable

Derby to achieve better value for money and secure more placements locally.

Recommendation

- 2.1 To consider the content of the report.

Reason

- 3.1 To understand the change and impact of commissioning external provision for Derby City Children in Care and the work undertaken to secure sufficient, appropriate, safe and quality placements.
- 3.2 The note the advantages of the new D2N2 CIC Framework being:
- A smaller, collaborative arrangement enabling the development of more local services, a key factor in ensuring sufficiency of local placements and best value for money, and
 - Access to the wider market, learning and best practice and sharing of resource across D2N2 Local Authorities.

Supporting information

- 4.1 Derby City Council as a Corporate Parent has a duty to provide safe, secure and sustainable placements for children and young people. As part of this duty there is a requirement for sufficient local accommodation that meets the range of needs of our children and young people¹.
- 4.2 Whilst the focus of the Commissioning team is to source local placements for our children in care, enabling access to local services and social care support, there are circumstances when there is a requirement to source placements at a distance due to risks for the child/young person. The EMRF facilitates this with providers who have placements available at a distance.
- 4.3 A key corporate priority for the Council is to increase the number of internal foster carers, which would reduce the number of external placements required. However, it is also recognised that the demand for external placements continues to rise to meet social care demands (see CIC population paragraph 4.4).

¹ The Children Act 1989 Section 22G Duty to take steps that secure, so far as reasonably practicable, sufficient accommodation within the authority's area which meets the needs of children that the local authority are looking after; and whose circumstances are such that it would be consistent with their welfare for them to be provided with accommodation that is in the local authority's area ('the sufficiency duty')."

4.4 Framework Use

Over the last four years, demand for placements across the region through the Framework has risen. The table below shows the types of external placement services which were purchased through existing Frameworks, by Derby City Council.

Financial Year (as at 31 st March)	External children's Homes	Ext. Foster Care	Disabled Children's Homes	Secure/ Remand	Total external	CiC population	Costs of placement on the framework (£)
2015/16	21	175	9	0	205	460	12,439,042
2016/17	20	193	14	0	227	447	12,395,453
2017/18	15	252	11	0	278	499	14,367, 872
2018/19	20	301	10	4	335	568	18,045,464

- 4.5 A review of the EMRF identified a number of issues (both local and national) which has impacted its effectiveness in sourcing local provision, including:
- Competition with other Local Authorities (outside of D2N2) for securing placements in (and within 20 miles of) Derby City using the same framework,
 - Saturation of foster carers in the wider market,
 - Increasing and changing needs of children and young people,
 - Increasing numbers of Children in care, placing demand pressure on external and internal providers,
 - Increasing number of providers on the existing framework, diluting the ability to build effective local relationships, and
 - Financial framework of the existing arrangements not being sufficiently flexible to allow negotiations of complex individual packages, particularly for high cost residential placements.
- 4.6 When the EMRF ends in January 2020, Derby City shall have access to the new D2N2 Children in Care (CIC) Framework. This will include Derby City, Derbyshire County, Nottingham City and Nottinghamshire County Councils only.
- 4.7 Moving to smaller, collaborative commissioning arrangements with D2N2 partners will support the aim of building local provider relationships, a key requirement to strengthening placement offers and increasing local sufficiency. Providers have cited engagement and collaboration as key factors in determining their decision making, within an increasingly pressured and fast paced environment.
- 4.8 The D2N2 CIC Framework has a core offer and a menu of services each able to support different behaviours and needs, helping to provide a tailored support package for each young person.
- 4.9 Providers are currently applying to join the D2N2 CIC Framework through a competitive process which requires them to meet high quality standards. They are vetted on the quality of support and provision, their Ofsted rating, financial costs and models. The evaluation team comprises representatives from each D2N2 Local Authority.

- 4.10 When the D2N2 CIC Framework is live, there will be regular meetings across D2N2 to review, challenge, and ensure quality and value for money services.
- 4.11 The Childrens Integrated Commissioning team also regularly meet with providers to discuss the effectiveness of the provision, and any issues that may have been raised. Where complaints are made, these are investigated and where standards do not meet our requirements or improvements can be made, an action plan with the provider is put in place and monitored. Providers that don't meet the required standards will not be maintained on the D2N2 CIC Framework.
- 4.12 We encourage the voice of the child, ensuring there is the opportunity to have a voice regarding the placement. Feedback is received through social workers, views are collated through the Children In Care Council and we speak to young people in placement where possible.
- 4.13 Feedback from children and young people has also been incorporated into the tender process, as outlined in paragraph 5.2 below.
- 4.14 Currently over half of external placements are within 20 miles of Derby, the others being further away. There is ongoing partnership work with local providers to facilitate local placements for Derby children. However, a national shortage of foster carers remains a challenge.
- 4.15 Where the needs of some of the children/young people are extremely high, we have not been able to meet their needs on the current Framework and have to use providers who are classed as 'off-framework'. The number of these types of placements has reduced over the last few years and remains at only 5% of our overall placements made. Checks are made on these providers before we place young people there, to ensure quality and safety. Providers are then encouraged to join the D2N2 CIC Framework when it opens, increasing contract compliance.

Public/stakeholder engagement

- 5.1 When developing the D2N2 CIC Framework, a scoping exercise undertaken by D2N2 commissioners included a market engagement event with providers in February 2019. Feedback gathered informed the contractual arrangements to be established for the commissioning of placements. A further provider engagement event is planned for 5 November 2019.
- 5.2 The Voice of the Child has and will continue to be incorporated through the procurement process and embedded in tendering and evaluations. Feedback from Voices in Action group and CiC Council was incorporated into the specification for the D2N2 CIC Framework. A child/young person's question was included in the Provider Tender Questionnaire, a requirement for providers to be eligible for the new D2N2 CIC Framework.

Other options

- 6.1 All accommodation and support to be provided via one route internally, or externally. This would not be the best way for the Local Authority to meet its Sufficiency Duty, due to the variation in need of children and young people.

Financial and value for money issues

- 7.1 There has been a continued increase in the number of all types of external placements made over the last 6 years, which has had a significant impact on the overall cost of placements. This has primarily been due to increasing numbers and increasing complexity of young people coupled with shortages of local foster carers and increased numbers of Unaccompanied Asylum Seeking Children (UASC) presenting in Derby city.
- 7.2 As the number of external placements made by Derby City relative to in-house placements is rising, and the costs of external placements are more expensive than in-house placements, the total cost of placements is rising. In addition, the overall numbers of Children in Care are also rising (see paragraph 4.4).
- 7.3 The average costs of external placements are:
- Foster placement: £600 - £1,640 per week
 - Children's Home placement: £2,625 - £6,210 per week, however if the young person's needs are high this can be up to £7,000 per week.
- 7.4 These costs are all inclusive, so include provision for items such as transport, savings, clothing, staff training, activities and foster carers allowances.
- 7.5 Changes to the specifications and financial parameters will, from February 2020, allow proactive negotiation of placement fees, with a core placement cost plus a menu of optional additionalities. This will enable reviews to more effectively reflect changes to individual packages, in terms of provision and costs, which will work better for providers, carers and Local Authorities.
- 7.6 Spend on external placements is a priority area for People's services and continues to be closely reviewed to ensure it meets need and gives best value for money.

Legal implications

- 8.1 The Local Authority has a statutory duty² to ensure there is sufficient accommodation within the Authority's area which meets the needs of children that the Local Authority is looking after, and whose circumstances are such that it would be consistent with their welfare for them to be provided with accommodation that is in the Local Authority's area (Sufficiency Duty).

² The Children Act 1989 Section 22G. Duty to take steps that secure, so far as reasonably practicable, sufficient accommodation within the authority's area which meets the needs of children that the local authority are looking after; and whose circumstances are such that it would be consistent with their welfare for them to be provided with accommodation that is in the local authority's area ('the sufficiency duty')."

- 8.2 The Derby City Council Placement Sufficiency Strategy outlines how we intend to meet this duty, and is currently being refreshed.
- 8.3 The East Midlands Regional Childrens Framework is led by Northamptonshire County Council. The Framework commenced in 1st February 2016 and will end in January 2020.
- 8.4 The D2N2 Children in Care Placement Framework is led by Nottinghamshire County Council. The Framework is due to commence on 1st February 2020 and has a maximum initial term of 4 years with an option to extend for 2 years, expiring in 2026.

Other significant implications

- 9.1 The EMRF and D2N2 Frameworks facilitate comprehensive safeguarding processes and providers are expected to deliver services that are safe and of sound quality. A regional operational group work closely with Ofsted as the regulatory body to ensure providers are meeting standards, and where concerns are raised they are dealt with locally and regionally.
- 9.2 All providers who are accepted onto the EMRF and D2N2 frameworks will have been assessed to ensure they can provide appropriate quality of care in full compliance with relevant legislation.

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal	Karen Griffin, Commercial Lawyer	21/10/2019
Finance		
Service Director(s)		
Report sponsor	Gurmail Nizzer, Director of Integrated Commissioning (CYP)	10/10/2019
Other(s)	Lisa Melrose, Head of Commissioning (CYP)	10/10/2019
	Laura Rose, Procurement Category Manager	21/10/2019
	Peoples Services	
Background papers:	none	
List of appendices:	none	