

Appendix B**Placements Commissioning Strategy**Discussion paper & options appraisal**Summary**

- The purpose of this paper is to set out the case for enhanced service development and commissioning of accommodation provision for Looked after Children, and to propose phased priorities for this work based on current and forecast needs, risks and issues.
- The paper will develop commissioning options with a view to achieving sufficiency against provision types that are within the Council's gift to influence: foster care (in-house and external), residential care (in-house and external), 16+ semi-independent/supported accommodation and ad-hoc placements such as PACE and parent & child placements.

Statutory context

- Local authorities have a legal obligation to take steps to secure, so far as reasonably practicable, sufficient accommodation within the authority's area which meets the needs of Looked after Children (the 'sufficiency duty'), and to include plans for meeting the sufficiency duty in their relevant commissioning strategies.

Drivers for change

- Nationally, a 'crisis' in care has been identified arising from increasing numbers of applications for care numbers and already-high numbers of children in care.
- At the same time, Councils are facing pressure to make efficiencies on care placement costs, and there is pressure from the market due to a national shortage of foster carers and increasing unit costs of placements.
- Locally, the lack of an up to date, overarching placements commissioning strategy means that accommodation for Looked after Children and young people is often purchased on an at-need basis, resulting in a market that is not sufficiently calibrated to meet our placement needs.
- There is an MTFP commitment to achieve 6% efficiencies against the in-house fostering budget and 4% efficiencies against the IFA budget in 2019/20 (total savings of £265,000).

Valuing Care

- CBC is in the process of implementing the Valuing Care resource allocation tool developed by iMPower, which will codify the needs of children in care in such a way as to provide useful data for strategic commissioning and contract management and, in time, a better relationship between young people's needs and the costs of their placements.

Planning for the future

- Forecasting of future LAC numbers suggests that by 2021, there may be at any one time between 12-15 children in adoptive placements, 210-216 children in in-house and IFA placements (and around a further 30 in Family and Friends care), between 12-13 young people looked after in residential settings (including Children with Disabilities) and around 40 young people in semi-independent accommodation.
- A phased strategy is proposed to meet placement needs in the future, with prioritisation of provision types according to commissioning deadlines, MTFP pressures, and current contract/service performance issues. The proposed phases are 1) Foster care (with a framework to include ad-hoc placements), 2) 16+ semi-independent accommodation and 3) residential.
- For each of these phases, options for commissioning/service development are assessed against how well they will achieve overall aims of sufficiency, quality and value for money; how financially viable they will be to implement; and whether the provider market and/or internal resource can enable them.

Recommendations

- Foster care: a mixed economy of in-house and external (IFA) placements, with clear demarcation of which type is used to meet which needs. A pilot project of a 3-year block IFA contract is also proposed to ensure availability of placements to meet the most complex and challenging needs.
- 16+ semi-independent: a mixed economy of in-house provision offered in partnership with the CBC Housing service and external placements through block contracting, with an additional framework/DPS arrangement for at-need placements. This model is working well among statistical neighbours and would enable development of a greater variety of placements.
- Residential: all in-house, with an additional framework for spot-purchasing individual out of area placements.

1. Purpose

1.1 The purpose of this paper is to set out the case for enhanced service development and commissioning of accommodation provision for Looked after Children, and to propose phased priorities for this work based on current and forecast needs, risks and issues. It will lead into an options appraisal for placements commissioning and inform a provider-facing Market Position Statement which will set out our placement commissioning intentions over the next five years. Our over-arching objective is to develop a sufficiency strategy which enables our service to Looked after Children and Care Leavers to move from its currently-recognised status of Good to one that is Great.

2. Scope

- 2.1 This paper will develop commissioning options with a view to achieving sufficiency against provision types that are within the Council's gift to influence: foster care (in-house and external), residential care (in-house and external), 16+ semi-independent/supported accommodation and ad-hoc placements such as PACE and parent & child placements.
- 2.2 Adoptive placements are out of scope for this paper as the Council will take on the role of lead commissioner within a Regional Adoption Agency (RAA) from April 2019. Proposals to achieve sufficiency of adopters are contained within the Agency's strategy, with which LAC commissioning options will align.
- 2.3 The options presented here relate to 'mainstream' placements for Looked after Children: fostering, children's residential homes and 16+ semi-independent accommodation. The SEND placements strategy (including CWD/SEND children and young people who are Looked After) is a separate workstream within the overall project.
- 2.4 Section 22G of the *Children Act 1989* requires local authorities to take steps to secure, so far as reasonably practicable, 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 ('the sufficiency duty').

Since 2010, local authorities have had an obligation to include plans for meeting the sufficiency duty in their relevant commissioning strategies.

- 2.5 A number of other statutory obligations towards and legislation concerning Looked after Children and Care Leavers inform this strategy:
- 2.5.1 Part 3 of the *Children Act 1989* and Part 7 of the *Housing Act 1996* place a duty on children's services and local housing authorities to secure or provide accommodation for homeless 16 or 17-year-old young people, including unaccompanied minors, under Section 20 of the 1989 Act (the 'Southwark Judgement').
- 2.5.2 Part 2 of the *Care Leavers (England) Regulations 2010* requires local authorities to carry out assessments for relevant children who do not already have a pathway plan in respect of their needs for care, support and accommodation and, where appropriate, to offer suitable accommodation which:

- a) so far as reasonably practicable is suitable for the relevant child in the light of their needs, including any health needs and any needs arising from any disability,
- b) in respect of which the responsible authority have satisfied themselves as to the character and suitability of the landlord or other provider, and
- c) in respect of which the responsible authority have, so far as reasonably practicable, taken into account the relevant child's—
 - wishes and feelings, and
 - education, training or employment needs.

2.5.3 The *Children and Social Work Act 2017* outlined several important principles of Corporate Parenting and extended local authorities' duty to provide a Personal Adviser to all Care Leavers up to the age of 25 years.

2.5.4 Out of home placements in residential or foster care must comply with the *Children's Homes (England) Regulations 2015* and quality standards, or the *Fostering Services (England) Regulations 2011*, *Care Standards Act 2000* and national minimum standards for fostering services. The Quality Assurance function within the Commissioning service supports providers with compliance. Semi-independent provision for care leavers aged 16+ is currently unregulated but overseen internally by the Quality Assurance Manager.

2.5.5 The Social Care Common Inspection Framework was implemented for use in statutory Ofsted inspections from April 2018. The SCCIF focuses on evaluating the impact of care and support on the experiences and progress of children and young people, largely through case tracking and sampling, and covers children's homes (including secure settings), fostering agencies, boarding and residential special schools, voluntary adoption agencies and adoption support agencies, residential family centres, residential holiday schemes for disabled children, and residential provision in further education colleges. Settings where Central Bedfordshire children and young people are placed out of home will need to be compliant with this framework.

2.5.6 The Central Bedfordshire Children's Transformation portfolio aims to reduce demand on the care system by providing earlier intervention, more joined-up services and locality-based help to vulnerable families. A workstream has been initiated within this programme to implement a resource allocation system developed by iMPower ('Valuing Care') which will enable cost-effective placements to be made that achieve the best outcomes for children and young people. This tool codifies children and young people's needs, allowing placement providers to develop a more child-centred package of care than current placement referral mechanisms, which are more risk-oriented. However, a previous lack of engagement with external providers has led to a disjunction between Valuing Care and the cost of placements offered by the wider market.

2.5.7 This project has a dependency with Valuing Care and a mutual driver to contribute to the objectives of Transformation by delivering the right support at the right time to prevent service users' needs from escalating. The commissioning workstream of the project will manage the market engagement and development aspect of Valuing Care to ensure that placement costs are realistic, represent value for money and are based on children and young people's identified needs.

3. Background

3.1 In May 2018, a project was initiated to develop a holistic placements strategy for Looked after Children and children and young people in line with the Sufficiency Duty, and as part of this, to implement the Valuing Care resource allocation tool across all LAC and SEND placements commissioning.

3.2 Extensive work was carried out in the latter half of 2018 to develop a sufficiency plan for LAC placements, which analysed trends and forecast future volumes. In the course of this analysis, key issues were identified – including the increasing volume of IFA usage (especially for sibling groups and young people with 'complex needs'), the costs of placements, and issues with current contracting arrangements (specifically the dynamic purchasing system implemented for IFA placements) – which meant that placements are not commissioned well and do not represent value for money.

3.3 Alongside this analysis, the Commissioning Team conducted a review of current contracts and the placement brokerage processes to identify where improvements could be made. These reviews highlighted large amounts of spend outside of desired commissioning frameworks such as the Dynamic Purchasing Systems in place for IFA and semi-independent 16+ placements. This carries financial and legal risks, and in the context of CBC's high-quality, externally-validated services, also presents potential safeguarding risks which should be monitored.

4. Context

4.1 National

4.1.1 A 'crisis' in care has been identified nationally in recent years, resulting from increasing numbers of applications for care orders and high numbers of Looked after Children. Responses to the 2018 [Care Crisis Review](#) identified pressures on families such as rising poverty and deprivation that make it difficult for them to cope, against a systemic background of "blame, shame and fear" that has led nation-wide to an increasingly mistrusting and risk averse social work culture.

- 4.1.2 The [LGA](#) has predicted that rising demand for children’s social care and cuts to local government funding will result in a funding shortfall for children’s services of £3 billion by 2025.
- 4.1.3 The [Unit Costs of Health and Social Care report](#) shows that there are pressures on spending arising from increases in LAC placement costs. Between 2015/16 and 2016/17 (17/18 data will be available in early 2019), the average cost of an in-house fostering placement in England rose from £465 per week to £532. Although data is not available for IFA placements in this report, average fostering costs rose nationally from £579 per placement per week to £634. Nationally, in-house residential placements cost more on average than external – £3,860 and £3,110 respectively in 2016/17; however, these costs increased from £3,239 and £2,594 in 2015/16. [LocalGov](#) identifies a 92% difference nationally in the cost of in-house and IFA placements, which currently average £396 and £759 per week respectively.
- 4.1.4 Both the independent fostering and residential sectors have recently noted the impact that Councils’ need to manage or reduce placement costs is having on sufficiency, but stress that growth of supply cannot occur without an increase in providers’ current profitability. In a new report by the Independent Children’s Homes Association, CEO Jonathan Stanley addresses a volatility of market conditions resulting from a culture of spot-purchasing individual placements.¹ This causes uncertainty of funding, with demand outstripping supply but providers unable to respond and develop more provision due to instability within the sector and diminishing financial reserves. This paper advocates for a shift in the financial, emotional and professional environment that promotes “everyone working in a focused, child-led way.”

4.2 Local

- 4.2.1 Central Bedfordshire Council has made the following **pledges** to its Looked after Children:

¹ *Onside on One Side: A new future for children’s care procurement and commissioning*, ICHA 2018.

The Pledge

As your Corporate Parents we want you to be successful in all you do; we promise to make sure you have the best opportunities and support to reach your potential.



Your journey:

- As your corporate parents we will treat you with **dignity, equality and respect**.
- We will provide you with a home where you can **feel safe, settled and happy**.
- We will provide you with information about being in care, help you understand your journey and **be alongside you**.
- We will help you to build a positive relationship with your allocated social worker and with other professionals involved with your care, so you feel that **your views and your journey matters**.
- It is important that you are listened to and your wishes and feelings are included in your care plans and that **you are supported to make decisions**.
- We will encourage you to participate in the **Children in Care Council** activities and events and provide peer mentor support, so you can talk to other looked after children and care leavers.
- We will ask you for **feedback** about the services you receive and use this to develop the service.



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4.2.2 Research tells us that the quality and stability of Looked after Children and young people's placements has an impact on their outcomes, both in the short-term and over the course of their lives. Central Bedfordshire performs well against LAC outcome measures and compares favourably to both national and statistical neighbour averages, as can be seen in the table below. However, CBC has a strong commitment to avoid complacency, to improve further and move from Good to Great. By doing so, we will ensure that all our children achieve the highest levels of happiness, good health and confidence, and make the best contribution as citizens.

Outcome	CBC 16/17	CBC 17/18	CBC 18/19 YTD	National average	Statistical neighbour	Best performing LA Data TBC
Average SDQ score (good = lower)	13.2	11.9	12.2	14.2	14.6	
% of LAC with 3+ placements in last year (good = lower)	9.9%	8.3%	7.7%	10.5%	12.1%	
% of children looked after for 2.5+ years, who are living in the same placement for at least 2 years (good = higher)	78.4%	75.6%	86.2%	69.8%	70.2%	
% fostered children matched, who have been looked after 1+ year (good = higher)	49.3%	55.5%	56.1%	Not measured	Not measured	
Average no. days taken to match (good = lower)	1141	1557	3081	Not measured	Not measured	
% children who ceased to be looked after who are adopted (good = higher)	23.9%	9.9%	15.9%	12.8%	14.4%	
Average no. days taken to adoption (good = lower)	443	400	387	456	501	
% care leavers aged 17-21 in suitable accommodation (good = higher)	90.2%	96.6%	86.6%	86.4%	82.4%	
% care leavers aged 17-21 in education, employment or training (good = higher)	64.8%	68.4%	65.5%	57.8%	56.9%	

Figure 1: Source: Social Care Performance Appendix A, CSMT 31/12/2018

- 4.2.3 In addition, while we have promised to provide our children in care with homes where they can feel safe, settled and happy, there is currently **no up to date over-arching strategy** in Central Bedfordshire for commissioning these placements. Due to the cost difference between in-house and independent fostering placements, the Council practices an 'in-house first' placement process – meaning that IFA placements are only made where there is a lack of local sufficiency, and residential placements are only used as a last resort. This practice places the local authority in competition with agencies for foster carer recruitment and means that provider organisations cannot predict which types of placements will be needed in the area and develop provision accordingly. This is the case in many other local authority areas; however, Hertfordshire are beginning to use their in-house provision for more complex children and young people, with IFAs taking mainly 'mainstream' cases – there is therefore a case to develop specialism in order to achieve greater sufficiency and manage costs more effectively.
- 4.2.4 As a result, the **market is not sufficiently calibrated** to meet placement needs. Our current internal and contracted arrangements give us access to 178 in-house fostering placements in 103 households; 19 fostering agencies on the IFA DPS; 5 mainstream, 8 CWD and 4 respite residential beds; 169 semi-independent placements with 18 providers and 21 beds in 7 homes for UASC young people. In addition, there are 34 residential homes operating in the area or neighbouring local authorities. Acknowledging that there are important matching considerations and that in many placement searches, only one option is viable, it is legitimate to explore further the reasons that children and young people are still being placed outside of contracts, often in high-cost, out of area provision, due to lack of available placement matches.
- 4.2.5 This lack of calibration means that the **need-to-cost data within the Valuing Care tool** is currently invalid. It was initially intended to use Valuing Care to support decision-making about the appropriate costs of placements; however, recent dialogue with iMPower has clarified that it could take between 2-5 years of market engagement and development before the cost calculator element of the tool is able to forecast an accurate weekly placement cost. The tool is best used as a needs codifier to enable providers to develop a more accurate picture of the purpose and outcomes of placements, and to begin to develop a cohort-level picture of need through consistent use and reporting. This means that financial efficiencies against this project will need to be made through more effective commissioning methods that make use of the codified needs data provided by the VC tool.

4.3 Valuing Care regional implementation project

- 4.3.1 Central Bedfordshire is partner in a regional Valuing Care pilot hosted by iMPower which also includes Hertfordshire and Oxfordshire County Councils. Internal implementation is currently underway in CBC, with practitioner workshops being carried out from February 2019. It is estimated that by April, all current Looked after Children will have an up-to-date Valuing Care analysis.

- 4.3.2 Partner authorities are slightly further along in the internal implementation process – Hertfordshire have embedded the Valuing Care tool within their placement referral form and regularly use this to collect needs and outcomes data on placements, and Oxfordshire have begun to use it to measure needs in order identify where children can be ‘stepped-down’ to a less resource-intensive placement (e.g. residential to IFA, foster care to semi-independent) or repatriated home where their outcomes have improved and this is an appropriate longer-term placement option.
- 4.3.3 Neither authority have yet identified a reduction in the average weekly placement cost as a result of using the tool and have attributed this to a lack of accommodation sufficiency in their local areas.
- 4.3.4 Learning from regular Valuing Care commissioners’ forums is beginning to identify that use of the tool is not enough in and of itself to make savings on placement costs – longitudinal and cohort-level data from using the tool at placement and review must be deployed in order to commission placements in new ways that meet children’s needs and offer better value for money.
- 4.3.5 This might mean combining cohort-level needs data from Valuing Care with predictive analysis of placement numbers to forecast how many placements, of which type, will be required at particular levels of need, and commissioning small blocks of accommodation to address these specific needs. Evidence from recent local contracts and statistical neighbour benchmarking has shown that where provider income is guaranteed, the average weekly cost of placements is reduced, and providers are more likely to expand provision to meet sufficiency needs. This aligns with messages from the sector.
- 4.3.6 Analysis from the tool will also facilitate ‘deep dives’ on particular cohorts of Looked after Children, for example those with low Valuing Care scores in high-cost placements, with a view to negotiation of cost reduction or step-down.

5. Needs summary: key findings from the sufficiency analysis

A recent analysis of current accommodation provision and sufficiency needs for children and young people looked after by Central Bedfordshire Council identified the following trends (data are current as at 31st March 2018):

5.1 Demography and projections

5.1.1 We have:

- Increasing numbers of Children Looked After
- Small incremental growth in the rate of CLA per 10,000 of the 0-17 population

- More males than females in care
- Large numbers of 10-15 and 16-17-year-olds currently in care, with entry to care driven by children under 4, young adolescents and UASC
- A more ethnically diverse CLA population than the overall demography of Central Bedfordshire due to high numbers of UASC (currently 14.5% of the cohort)

5.1.2 We need:

- A range of safe, stable and local provision ranging from adoptive placements to leaving care accommodation
- To plan for a greater number of young people needing appropriate accommodation to make transitions to adulthood, both for planned transitions and UASC arrivals
- Services that are able to meet the specific needs of children and young people, including cultural, religious and linguistic needs

5.2 Current placement trends and priorities

5.2.1 We have:

- Lower rates of children in foster care than the national average (in part due to numbers of older UASC), and increasing use of IFA placements to meet sufficiency
- Increasing numbers of children placed for adoption and placed with parents
- Children with a range of complex needs in residential care, including 39% of all CLA with a disability and 44% placed out of area
- A high rate of young people placed in semi-independent accommodation, of whom 64% are UASC
- Reduced use of secure accommodation, but lack of available PACE beds

5.2.2 We need (by 2021):

The table below shows a forecast of the numbers of each placement type that is within the local authority's gift to influence. Figures have been calculated as proportions of the total forecast numbers of looked after children,² on the assumption that the proportion of children and young people placed in each provision type would maintain similar trajectories till 2021 as they have for the last 5 years. In-house and IFA placement numbers have been calculated on the basis of our corporate aspiration that 70% of fostered children should be placed in-house.

² Total forecast LAC numbers have been calculated on the numbers and time spent in care for all admissions and discharges over the last 5 years.

Placement type	31/03/2018	31/03/2019	31/03/2020	31/03/2021	3-year change (approx.)
Adoptive placements	12	12-15	12-15	12-15	+ 3
Foster placements - F&F	30	30	30	30	NA/variable
Foster placements – for in-house @70%	101	127-128	132-135	138-142	+ 37-41
Foster placements - IFA	85	67-68	70-71	72-74	- 11-13
Residential placements (incl. CWD)	18	16-17	14-15	12-13	- 5-6
16+ semi-independent	41	40	40	40	- 1

We also need to review how we commission or directly provide ad-hoc accommodation including PACE beds and parent & child placements.

5.3 Specialist needs

5.3.1 We have:

- Reducing numbers of CLA with disabilities (i.e. within the remit of the CWD Team), but increasing numbers with disability identified as their primary need category at assessment – essentially, lower volume but higher complexity of cases
- A high prevalence of Autism and Asperger’s, Learning Disability and communication and behavioural needs, plus high rates of SEND need (particularly for SEMH)
- A current CWD cohort that is turning 18 and ‘ageing out’ of care at a faster rate than younger children with disabilities are becoming Looked After
- Large numbers of UASC, though these are reducing and are now capped by the Home Office to 35 under-18’s at any time. Most are still awaiting an immigration decision, and some are at risk of going missing
- A high proportion of young males aged 16-17 becoming UASC and requiring semi-independent accommodation
- A UAC cohort of predominantly Eritrean, Iraqi, Iranian and Vietnamese nationality
- 58% of our CLA are part of a sibling group – but only 32% of these are still placed with all their siblings
- Children entering care at different times from their siblings, with different permanency plans
- A larger number of sibling groups being placed with IFAs, and for longer durations, than in-house placements

5.3.2 We need:

- Move-on accommodation that is provisioned to help young people with complex needs live independently (if they are able to and wish to)

- 16+ provision to cater for a range of cultural, religious and linguistic needs, and to keep safe young people whose immigration status is uncertain
- To develop fostering households who are able to accommodate larger sibling groups and maintain them positively in placement for longer

5.4 Young people's voice

- 5.4.1 Informal discussion with a small group of current LAC identified that many had experienced placement breakdown as a result of quality of care or carers not being able to meet their needs. The VC tool, once embedded into the Mosaic placement referral form, will give providers and carers a better idea than present of young people's needs and the outcomes sought from placements due to the simplification and codification of data within this tool.
- 5.4.2 Young people also expressed concerns that placement moves were still arranged without their input, and occasionally without their knowledge. Consultation is now being arranged with the CiCC on how children and young people's wishes and feelings can be embedded into the tool, and how they want to be talked about to providers and carers.
- 5.4.3 Further discussion with the CiCC has highlighted a range of move-on aspirations that are not accommodated by current 16+ provision; including Staying Put with current IFA carers, house-sharing with friends who may not be Looked After, supported lodgings and having somewhere to come back to if young people move away to university. Most of our semi-independent accommodation is currently in residential-style shared housing with between 3-8 other Care Leavers, either with or without 24/7 staffing (all young people have their own rooms and many share facilities, although there is some en-suite and/or studio provision). There is therefore a role for young people in co-designing and recommissioning most accommodation within the scope of this project, to ensure our provision can facilitate the best, safest transition to adulthood for all Care Leavers based on their expressed preferences, wishes and feelings.

6. Aims and objectives

6.1 Overall aims

- 6.1.1 Sufficiency: to provide directly or commission sufficient local accommodation to meet the needs of children and young people who become looked after by Central Bedfordshire and unaccompanied minors who become accommodated. Where children's needs require that they be placed out of area, to be able to commission individual placements at need from a framework of quality-assured national providers.

- 6.1.2 High quality: to ensure, through effective commissioning and quality assurance processes and partnership working with service users, practitioners, other local authorities and the provider market, that placements meet the needs of children and young people, offer safe and stable homes, and contribute to Looked after Children achieving positive outcomes.
- 6.1.3 Value for Money: to deliver or commission accommodation that balances cost-effectiveness with quality and minimises the need for placement changes and high-intensity provision.

6.2 Objectives

- Grow and maintain a pool of in-house foster carers, especially those who can foster children with more complex needs. There is potential to explore intensive/therapeutic fostering models (e.g. Dyadic Development Practice and Mockingbird) within the proposals for Fostering Transformation;
- Develop an effective commissioning methodology for IFA placements, while maximising use of in-house to meet our aspiration to place 70% of fostered children in-house;
- Ensure that residential provision is sufficient and calibrated to meet needs locally; including for mainstream, complex needs and CWD;
- Maximise use of 16+ DPS or similar framework to commission stable, value for money semi-independent placements;
- Implement contractual arrangements for spot-purchasing one-off placements (e.g. parent & child units) that ensure quality, value for money and compliance; and
- Work with children, young people, parents (where appropriate), carers, practitioners and providers to co-design and develop accommodation provision that meets children's needs, can contribute to improved outcomes, and enables them to achieve their aspirations as they move towards adulthood.

7. Vision & principles

- 7.1 The Central Bedfordshire Children and Young People's Plan sets out our vision for all children in the area, as well as our priority outcomes for the next three years:

APP A

Central Bedfordshire's Children and Young People are Happy, Healthy and Safe

Central Bedfordshire Children and Young People's Plan 2018-2021

Our Vision

Every child in Central Bedfordshire to enjoy their childhood and have the best possible start in life. We want every child to have high aspirations, reach their potential, make friends and build strong relationships with their family. As young adults, we want every young person to have the knowledge, skills and qualifications that will give them the best chance of success, so that they are prepared to take their full place in society as a healthy, happy, contributing and confident citizen.

Our Priorities

- Identifying needs early and preventing needs from escalating - offering the right support at the right time
- Protecting vulnerable children and young people – including tackling bullying
- Building strong families – e.g. tackling circumstances where children and young people are living with domestic abuse
- Supporting children and young people in their aspirations and goals in preparing for adulthood

Our Passions

- Reducing the number of children and young people exposed to domestic abuse incidents
- Improving emotional health, wellbeing and resilience
- Improving educational outcomes across every key stage, helping young people to become work ready

How?



Outcomes for Children and Young People

- Protected and safe
- Achieving good learning outcomes and the best life skills
- Living happy, healthy lifestyles

Has it made a difference?

Domestic abuse

- Repeat domestic abuse incidents where a child is present
- Number of children in relation to MARAC referrals
- Repeat offenders

Emotional health, wellbeing and resilience

- Emotional health and wellbeing survey results
- Number of children seen as part of the Tier 1 /2 Emotional Health and Wellbeing Support Pathway
- Time from referral in days/weeks to initial CAMHS Assessment
- Time from initial CAMHS Assessment until first/ next appointment
- Emotional and behavioural health of children in care – average SDQ score

Improving educational outcomes

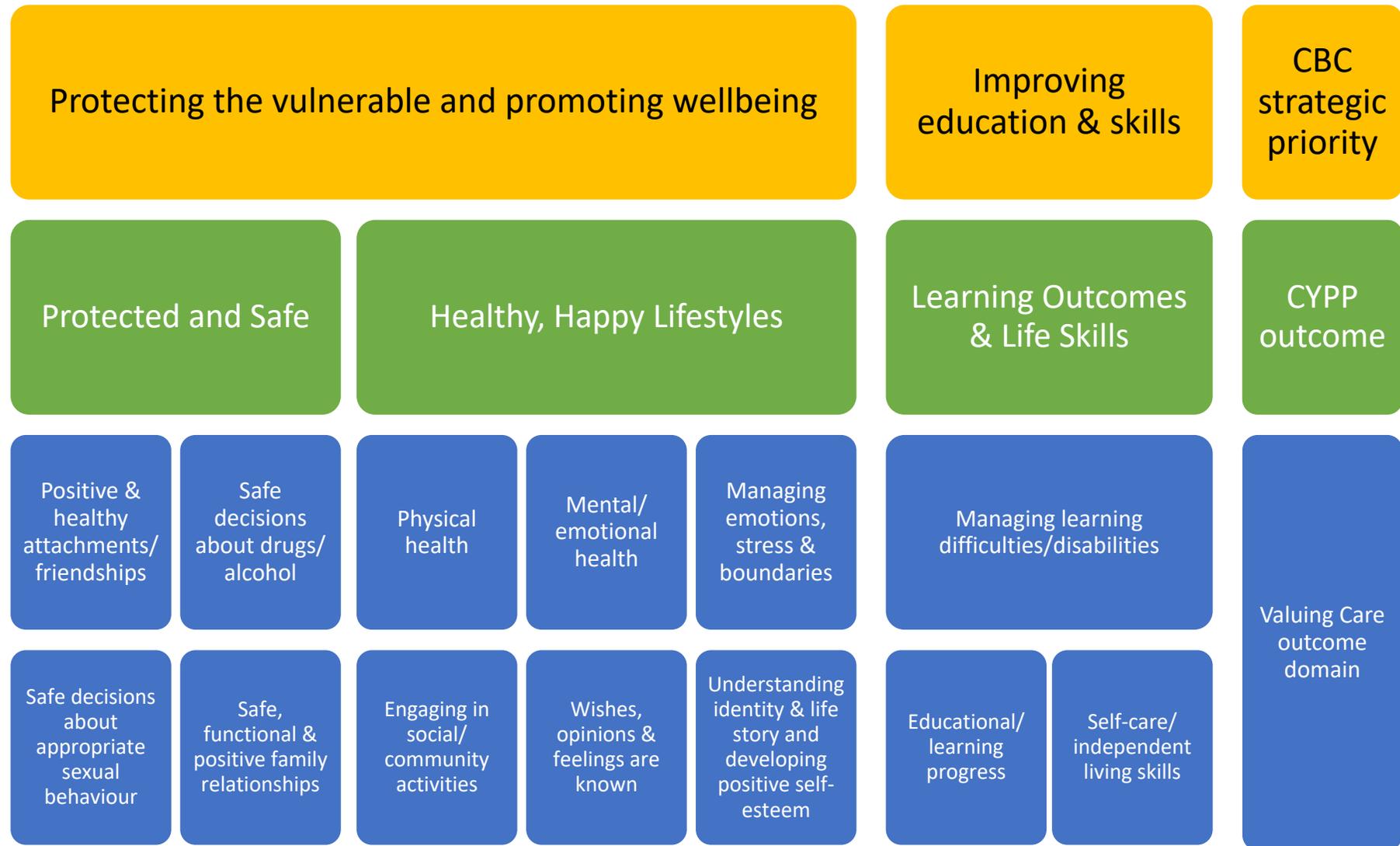
Diminishing the Difference:

- Attainment of pupils eligible for Free School Meals (at every key stage)
- Closing the gap between pupils eligible for Free School Meals and all other pupils and:
- Apprenticeship participation: 16-17 year olds in an apprenticeship
- Young people aged 16-17 who are in education, employment or training (EET)

Detailed performance frameworks within Central Bedfordshire's strategic governance arrangements will also support delivery of the Plan e.g. **Central Bedfordshire Safeguarding Children Board (CBSCB) Performance Framework.** CBSCB is lead statutory partnership for coordinating the work done by various agencies to safeguard children and promote their welfare – and ensuring this work is carried out effectively. CBSCB monitors a framework of measures to support improvements associated with keeping children safe*

*Central Bedfordshire Safeguarding Children Board has 4 key themes for 2017- 19 Domestic Abuse, Child Sexual Exploitation, Neglect, Children's Mental Health

7.2 In order for this strategy to contribute to these outcomes, we will use the outcomes from Valuing Care tool across all our placements commissioning to ensure that children’s needs and the objectives of their placements are foregrounded in our engagement with the market, and to measure the success of these placements:



8. Summary of current situation and proposed actions

Provision type	In-house fostering	IFA fostering	Residential	16+ semi-independent	Other incl. parent & child units
Rationale for inclusion	We need a clearer strategy to identify the best way to use in-house and IFA placements in order to improve sufficiency and reduce the competition for resources and costs. This will inform the Foster Carer Recruitment & Retention strategy.	We need a clearer strategy to identify the best way to use in-house and IFA placements in order to improve sufficiency and reduce the competition for resources and costs. This will inform the Market Position Statement for IFA providers.	We currently have a mixed economy with the Clophill home now in-house, and a limited number of out of area placements. We forecast we will need fewer beds in coming years, so a holistic strategy would be beneficial to support market engagement.	There is a burgeoning market in Bedfordshire requiring close management due to lack of regulation. We also know that we will need more a greater range of provision in future due to the needs and numbers of adolescents entering & leaving care.	These are low-incidence but high-cost placements, and current spot-purchase arrangements do not ensure value for money.
Key issues	Difficulty in recruiting carers above the level of turnover. Lack of availability of Intensive Support and Respite carers, placements for sibling groups, parent & child and older/ complex young people. Improvements in placement stability have led to better matching, which removes carers from available pool for long periods.	Placement processes are non-compliant with procurement regs. The current DPS has not been successful within CBC or its neighbours for IFA or 16+ accommodation. Difficulties encountered by CBC include: DPS searches have produced inappropriate offers, e.g. placements that are distance and more expensive than current placements.	Lack of formal contracts for spot-purchased placements. Potential for lack of in-house sufficiency due to closure of Bunyan Road home. Lack of availability of local, external provision resulting in YPs being placed out of area, often at high costs, with providers who have not yet been quality assured. Increasing requests for specialist provision e.g.	It has not been possible for CBC to make current DPS work effectively for 16+ placements. CBC's very successful engagement with its own housing service is inconsistent with the model DPS searches have produced inappropriate offers, e.g. placements that are distance and more expensive than current placements. Turnover of EDT staff means that emergency	Lack of formal contracts for spot-purchased placements. Ad-hoc commissioning arrangements means variability of cost and quality. Lack of local provision often means placement out of area for very vulnerable YPs & young babies.

		<p>Providers are not engaging with DPS due to price capping, prescriptive specification & an inability to respond to short-notice placement requests.</p> <p>Acknowledging that placements need to match the needs of individual young people, spot-purchase arrangements mean providers are not guaranteed income. They are constrained in offering sufficiency or lower unit costs.</p> <p>If it is possible to forecast need with a high level for accuracy and for CBC to “fill” placements, it will be possible to achieve better value, full sufficiency and the meeting of complex needs.</p> <p>It will also address the increasing professionalisation of foster carers (requiring higher rates).</p>	<p>mental health, LAC with SEND & complex behavioural needs, emergency beds, assessment placements and provision for hard-to-place young people.</p> <p>There has consistently been a low number of children in external residential care.</p> <p>Recent focused OFSTED inspection looked at all children and young people in residential and offered only positive comment about the placement experience of looked after children/young people.</p>	<p>placements are being made with unapproved providers.</p> <p>Increasing complexity of need for CYP requiring placement – many providers are now operating more like residential homes with increased responsibility including administering medication & DoLS.</p> <p>Lack of diversity in marketplace – most providers operate a model which is inconsistent with YPs’ housing aspirations for a more personalised more personal provision.</p> <p>A model of provision for young people needs to be developed which can offer:</p> <ul style="list-style-type: none"> • Support to higher need 16-17-year-olds • Support that is more personal (such as supported lodgings) • Support in small groups • Support in accommodation which is shared not 	
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		Lack of availability of Intensive Support and Respite carers, placements for sibling groups, parent & child and older/ complex young people. Improvements in placement stability have led to better matching, which removes carers from available pool for long periods.		necessarily with other looked after children/young people.	
Risks	Financial risk due to increasing costs & lack of availability.	Financial risk due to increasing costs & increasingly smaller marketplace. Legal risk from non-compliant processes. Potential safeguarding/ reputational risk of poor-quality placements. Commissioning deadline for 2020.	Financial risk due to variable costs & volumes, and liabilities of bringing provision in-house. Legal risks from processes in breach of procurement regulations. Potential safeguarding/ reputational risk of poor-quality placements. Risk of block commissioning placements that can't be filled or have insufficient attention to matching of a group of residents.	Financial risks due to increasing costs. Legal risk from non-compliant processes. Safeguarding/ reputational risk of poor-quality placements. Managing unregulated market. Commissioning deadlines for end 2019 & Apr 2021. Not being able to meet individual need in bloc contracts	Financial risk due to variable costs & volumes. Legal risk from non-compliant processes. Safeguarding/ reputational risk of poor-quality placements.
Commissioning pipeline	N/A but refreshed Fostering	IFA DPS ends 31/03/20	N/A	Athena UASC contract ends 31/12/19	N/A

	Transformation initiatives are currently under development.			16+ DPS ends 30/04/21 Housing SLA is ongoing	
Proposed action	<p>Short-term: Review CYP needs and carers skills/experience with Fostering to develop a clear strategy for best use of in-house carers and being able to grow capacity with a view to outsourcing specific placement types.</p> <p>Longer-term: Implement proposals for Fostering Transformation including carer incentives, wrap-around support and therapeutic models.</p>	<p>Short-term: Remove price cap for new placements to incentivise new providers to join DPS. Vary DPS contract to include sibling discounts. Implement standard contract T&Cs for off-DPS placements.</p> <p>Longer-term: Review impact of removing cap before introducing any further variations to spec. Recommission IFA framework/DPS (either with BBC & LBC or separately) with outcome-based spec based on Valuing Care. Potential to siphon off some types of placement (e.g. emergency) as smaller blocks to guarantee availability & fix costs.</p>	<p>Short-term: implement standard contract T&Cs for placements.</p> <p>Longer-term: include external placements within scope for IFA commissioning so we can call-off from quality-assured provider framework.</p> <p>Assess need & generate business case to develop more local/internal provision, including potential edge of care unit.</p> <p>Cost/benefit analysis of including Clophill home & CWD provision within scope for commissioning.</p>	<p>Short-term: Implement standard contract T&Cs for off-DPS placements. Longer-term: Review YP needs with a view to recommissioning. Potential to re-configure current lots (e.g. as mainstream/ UASC/ higher need) and commission blocks as forecast numbers are constant.</p> <p>Develop regulated provision that is appropriate and value for money that meets the needs of outlined above or standards for the commissioning of unregulated provision that have the same effect.</p>	<p>Short-term: implement standard contract T&Cs for placements.</p> <p>Longer-term: include within scope for IFA & residential commissioning so we can call-off from quality-assured provider framework.</p>

9. Financial context

9.1 Average placement costs

The table below details highest, lowest and average costs of CBC placements in different categories of accommodation over the last 3 financial years:

Provision type	Highest Cost (£)			Lowest Cost (£)			Average Cost (£)		
	2017	2018	Aug 18	2017	2018	Aug 18	2017	2018	Aug 18
In-house foster care	£814	£753	£753	£146	£143	£143	£388	£353	£357
IFA foster care	£1,942	£1,700	£1,500	£572	£621	£533	£826	£812	£825
Residential – block contract	£3,173	£1,918	£1,918	£1,918	£1,918	£1,918	£2,075	£1,918	£1,918
Residential – spot-purchased	£6,431	£6,600	£6,000	£2,754	£1,509	£1,509	£4,135	£4,144	£3,256
16+ Semi-independent	£1,022	£1,324	£890	£208	£225	£650	£326	£764	£760
Parent and baby unit	£3,061	£2,940	£2,940	£3,061	£2,940	£2,940	£3,061	£2,940	£2,940

Due to a combination of factors including complexity of young people's needs, competition for foster carers and the current combination of 'in-house first' and spot-purchase placement commissioning processes, the average cost of a foster care placement shows an in-year increase in 2018.

Semi-independent costs have increased as a result a reduction in the proportion of 16+ young people who are UASC (the average weekly cost of a UASC placement tends to be lower), shifting the balance of the 16+ cohort more towards CBC care leavers who have higher levels of support needs and whose placements are consequently higher-cost. The reduction is due to a Home Office cap placed on the number of UASC who can be accommodated by the local authority at any one time at 35, so is likely to remain the case in future.

9.2 Annual spend by CBC

Provision type	16/17 budget	16/17 actual	17/18 budget	17/18 actual	18/19 budget	18/19 actual (YTD)
In-house foster care	£1,578,810	£2,147,357	£1,702,810	£2,369,604	£2,539,250	£2,338,694
IFA foster care	£2,765,000	£2,744,222	£2,656,000	£3,126,465	£2,995,000	£3,187,872
Residential – block contract	£687,212	£687,871	£698,000	£712,056	£726,300	£726,300
Residential – spot-purchased	£1,490,194	£1,765,535	£1,334,190	£1,124,441	£874,190	£776,771
16+ Semi-independent (mainstream)	£536,940	£460,013	£536,940	£558,480	£291,940	£678,343

16+ Semi-independent (UASC)	No budget as Home Office funded	£477,790	No budget as Home Office funded	£464,149	No budget as Home Office funded	£324,136
Parent & baby unit	£45,000	£129,586	£45,000	£60,223	£120,000	£135,285

* Figures current as at 12/02/19

9.3 MTFP pressures

9.3.1 There was a commitment in the 2018/19 budget to make savings of 26% (£315,000) against the spot-purchased residential budget. This is currently on-track to be achieved.

9.3.2 There is a further commitment for 2019/20 to achieve efficiencies of 6% (£156,000) against the in-house fostering budget, and 4% (£109,000) against the IFA fostering budget.

10. Options for commissioning

10.1 Phase 1 – foster care

- Due to volumes of placements, MTFP pressures, issues with operating the IFA DPS and the commissioning timescales for this contract, it is proposed to prioritise fostering in the first phase of commissioning for this project.
- We will need to identify how best to utilise in-house and IFA provision to minimise competition with agencies for carers, influence IFA service development and improve sufficiency/availability, including a contingency plan with commissioning options in the event of not achieving our ambition to place 70% of fostered children in-house.
- Commissioning plans will need to align with the strategy for Fostering transformation. This strategy aims to bridge the gap between increasing numbers of Looked after Children and a national decline in the number of fostering households through a range of initiatives:
 - Foster carer incentives – potential increase in rates, increased recruitment bonus, similar financial packages/honouring current placement rates for carers who join from IFAs, home loan scheme to boost household capacity
 - Support for carers – in-house clinical psychologist, 24/7 support, smaller social worker caseload, respite offer, drop-in coffee mornings, encouraging 150 local businesses to become Fostering Friendly Employers, regional partnerships with neighbouring boroughs, Start Thinking About Fostering parties

- Therapeutic offer – training for carers and supervising social workers in Dyadic Development Practice (e.g. PACE) & Mockingbird models (investigate potential of Social Impact Bond to implement Mockingbird). It is estimated that fewer than 10% of children and young people would need specific ‘therapeutic’ foster placements.
- A new IFA contract could also include a Framework for spot-purchased residential/parent and child accommodation.
- For all options except B, there are variations for how we could commission
 - CBC only – greater control but fewer economies of scale
 - Consortium with Bedford and/or Luton – shared control but current relationships lack maturity, greater purchasing power
 - Consortium with other regional neighbours (e.g. CRAAG) – shared control and may need to pay membership fee, greater purchasing power and potentially lower rates

Option	Description	Desirability	Viability	Feasibility	Risk	Potential?
A	‘As is’/commission like-for-like (Mixed economy with same needs required from in-house & IFA; consortium with BBC & LBC)	Poor Does not currently offer value for money or sufficiency. Quality of placements can be variable, and due to frequent off-contract purchasing it is difficult to hold providers to account and evidence outcomes.	Poor Overspend on fostering budget esp. IFA Current consortium arrangement not delivering value for money	Moderate/Poor Resource needed for internal service development/new IFA specification is factored into service BAU Contract management requirements are not onerous However, neither internal pool nor external market can meet current need	H	N
B	All in-house	Moderate In-house foster placements offer good value for money, with carers often managing high-needs young people in lower-cost placements with positive outcomes. However, it is currently difficult to achieve sufficiency even at 70% aspiration and a move to in-house would stifle provider market & reduce local options.	Good At current average weekly rates this would give a total fostering cost (incl. F&F) of approximately: 19/20: £4,381,104 20/21: £4,566,744 We would also be able to keep more children close to home, have greater control over the service and flexibility to adapt to meet emerging needs	Poor Plans for increased carer recruitment detailed in the Fostering transformation strategy will take some time to deliver outcomes – we do not currently have a sufficient pool of in-house carers to implement this option. Would require extensive recruitment of supervising social workers to support fostering households	M	N (Not at current time but potential for longer-term development)

		Potential for longer-term planning as impact of Fostering transformation takes effect.		Increased management requirements (although less need for contract management)		
C	All IFA	<p>Moderate/Poor</p> <p>Better guarantee of meeting sufficiency if competition between LA & IFAs is reduced. This may increase pool of suppliers and reduce off-contract purchasing, as well as offer economies of scale. However, does not align with corporate aspiration to place 70% in-house and clear demarcation of need/commissioning strategy would be needed.</p>	<p>Poor</p> <p>At current average weekly rates this would give a total fostering cost (incl. forecast F&F) of approximately: 19/20: £10,124,400 20/21: £10,553,400 (with forecast F&F paid at in-house rate): 19/20: £9,394,320 20/21: £9,823,320</p> <p>We would also have limited control over locations of placements & cost fluctuations unless a block contract was in place (which may also lower some costs)</p>	<p>Moderate/Good</p> <p>Contract management would be more resource-intensive than present but new contract management posts are being recruited both in CBC (if we contract as single-agency) and Bedford BC (if we go into consortium as at present) – management responsibility is therefore viable and would help build closer relationships with providers.</p> <p>Provider market currently has difficulty meeting sufficiency due to ad-hoc nature of IFA commissioning and competition with LAs & other IFAs for carers. A larger framework/contract would require closer engagement with providers to develop (leading to better relationships), offer more guarantee of income and potentially increase pool of available carers. However, current in-house carers may not want to transfer out to private sector.</p>	H	M

D	<p>Mixed economy of in-house & IFA framework/DPS – clear demarcation of usage for each type</p>	<p>Moderate</p> <p>Better chance of achieving value for money & sufficiency by clearly identifying needs. As long as off-contract spend can be reduced (e.g. through increasing pool of suppliers), there is greater potential to hold providers to account and evidence outcomes.</p>	<p>Moderate</p> <p>At current average weekly rates and assuming 70% in-house aspiration is met, this would give a total fostering cost of approx.: 19/20: £6,108,960 20/21: £6,367,608 Assuming a 50-50 split: 19/20: £6,330,792 20/21: £6,638,112</p>	<p>Moderate</p> <p>Would reduce competition between IFAs & LA for carers and potentially improve sufficiency Resource needed for internal service development/new IFA specification is factored into service BAU Contract management requirements are not onerous</p>	M	Y
E	<p>Mixed economy of in-house & IFA framework/DPS plus IFA block(s) – clear demarcation of usage for each type</p>	<p>Moderate</p> <p>Better chance of achieving value for money & sufficiency by clearly identifying needs. As long as off-contract spend can be reduced (e.g. through increasing pool of suppliers), there is greater potential to hold providers to account and evidence outcomes. Block contracts will assist in this as contract management arrangements are more robust – likely to also result in better quality placements.</p>	<p>Good</p> <p>As option D but potential for additional savings through block contracting (must be balanced with potential need to pay retainer fees for empty beds)</p> <p>Benchmarking data indicate that block contracting does not immediately result in reduction in average weekly cost; however, Warwickshire’s block arrangement specifies reduction in cost to close to in-house rate within 2 years of placement – could be used well with VC as evidence for reduction of need.</p>	<p>Moderate/Good</p> <p>Resource needed for internal service development/new IFA specification is factored into service BAU Contract management requirements are slightly greater at present but could be absorbed by new contract manager posts Would reduce competition between IFAs & LA for carers and potentially improve sufficiency A block contract would require closer engagement with providers to develop (leading to better relationships), offer more guarantee of income to providers and potentially increase pool of available carers – this aligns with messages from sector. Would additionally guarantee</p>	M	Y

				placement when needed for specific needs – we would need to ensure correct balance between block & framework/DPS, and correct needs commissioned to block.	
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10.2 Phase 2 – 16+ semi-independent

- With the main 16+ DPS ending in 2021, there is a moderate time pressure on recommissioning for semi-independent provision. This element of the project could be phased so that work could begin while IFA contracts are out to tender (from September 2019)
- UASC SLA with Housing is a rolling contract, and arrangement with Athena will have potential for extension to align with end-date of DPS. This provision could therefore be considered for recommissioning as a whole.

Option	Description	Desirability	Viability	Feasibility	Risk	Potential?
A	'As is'/commission like-for-like (Mixed economy with DPS for 'local' YPs and separate contracts/SLAs for UASC housing)	Moderate/Poor When used effectively, current DPS supplements SLA with Housing well to give good options for sufficiency and includes placements within Bedfordshire and beyond; however, arrangements are too fragmented to ensure the right placement at the right time for YPs. Most DPS placements offer value for money (where system is used properly); however, there is a wide variation in costs between providers for YPs at same level of need.	Poor At current average weekly rates and assuming current composition (approx. 64% UASC), this would give a total annual 16+ cost for 19/20 and 20/21 of around £1,580,800. (Efficiency targets render this undesirable)	Moderate The DPS is currently used inconsistently due to a) frequent need to place YPs at short-notice, b) historical verbal agreements that it did not need to be used for UASC and c) aversion to change. This means contract management responsibilities are fragmented and onerous, and there are some non-compliant procurement practices. However, in contrast to other areas of the country, there is a burgeoning local 16+ market. The DPS gives us access to a framework of over 160 beds with 18 providers, and more	H	N

		<p>Even with Quality Assurance input, quality of placements can be variable as providers are acquiring accommodation and not always notifying commissioning team of new provision.</p> <p>This results in variable outcomes for young people.</p>		<p>suppliers are applying to join all the time (although placements are not always guaranteed at the right time and place due to ad-hoc nature of purchasing). The Housing service is also consistently developing provision for our use.</p>		
B	All in-house (i.e. delivered through Housing)	<p>Moderate/Good</p> <p>Opportunities to work in partnership with other Council services to keep our most vulnerable YPs close and facilitate local connections for move-on to 18+ housing. Placements are good value for money and high-quality, and Housing has good links with commissioning & corporate parenting, ensuring good outcomes.</p> <p>However, current stock cannot guarantee sufficiency, and a move to in-house would stifle provider market & reduce local options.</p>	<p>Good</p> <p>Properties offered through Housing deliver good value for only at £350 per placement per week. This would give a total annual cost for 19/20 and 20/21 of around £728,000. However, this is based on the cost of unstaffed houses – the need for 24/7 staffing in some properties would increase costs.</p>	<p>Moderate</p> <p>This option is a positive move for future expansion, but currently would require double the amount of provision offered by Housing – no guarantee that sufficient properties would be available within timescales or that the service would want to take on full delivery responsibilities for 16+.</p> <p>Additional resource would need to be identified to offer 24/7 staffing in some properties, as well as keywork support for around 40 young people at any given time (current provision is for 18 LAC beds and 3 care leaver beds, with 5 hours floating support per placement per week).</p>	M	N
C	All outsourced	<p>Moderate/Poor</p> <p>Provider market gives good options for sufficiency and</p>	<p>Moderate</p> <p>Costs are variable depending on commissioning process and needs of young people</p>	<p>Moderate/Good</p> <p>Contract management would be more resource-intensive than present but new contract</p>	M	M

		<p>includes placements within Bedfordshire and beyond.; Most external placements offer value for money; however, there is a wide variation in costs between providers for YPs at same level of need – some standard contract/banding would need to be introduced. Even with Quality Assurance input, quality of placements can be variable as providers are acquiring accommodation and not always notifying commissioning team of new provision.</p> <p>This results in variable outcomes for young people and would require more robust contract management than present to maximise use of commissioning arrangements.</p>	<p>(workings exclude specialist high-needs placements): Spot-purchased from non-DPS provider: average £620 per placement per week - £1,289,411 total p/a.</p> <p>*Spot-purchased from DPS provider: average £549.10 per placement per week - £1,142,133 total p/a.</p> <p>Awarded through DPS contract: average £577.31 per placement per week - £1,200,805 total p/a.</p> <p>Additional savings could potentially be made through block contracting (must be balanced with potential need to pay retainer fees for empty beds).</p>	<p>management posts are being recruited – management responsibility is therefore viable and would help build closer relationships with providers</p> <p>Viability is dependent on consistent use of any DPS/framework arrangement and effective utilisation & matching of any block-contracted beds – i.e. best match to meet young people’s needs rather than filling bed spaces. Valuing Care can support with this.</p> <p>In contrast to other areas of the country, there is a burgeoning local 16+ market. The DPS gives us access to a framework of over 160 beds with 18 providers, and more suppliers are applying to join all the time (although placements are not always guaranteed at the right time and place due to ad-hoc purchasing).</p>		
D	Mixed economy of in-house & framework/DPS – clear demarcation of usage for each type	<p>Good</p> <p>Reducing fragmentation of contracting arrangements would streamline placements process.</p> <p>Better guarantee of sufficiency by reducing competition</p>	<p>Moderate</p> <p>Costs would be dependent on what each type of provision was used for and balance of in-house to outsourced requirements.</p>	<p>Good</p> <p>Would reduce competition between providers and LA for some types of placement (e.g. UASC) and allow greater specialism/scope for development. This may</p>	L	Y

		<p>between LA & providers for some types of placements, while maximising use of external market (building capacity). More robust contract management could maintain value for money and ensure consistent quality of placements.</p>	<p>Likely to be somewhat lower than present due to better commissioning/contracting arrangements & better matching as a result of Valuing Care.</p>	<p>improve sufficiency although ad-hoc purchasing does not guarantee the right placement would be available at the right time for YPs. Resource needed for internal service development/new specification is factored into service BAU Contract management requirements would be similar to present and not onerous.</p>		
E	<p>Mixed economy of in-house & framework/DPS plus external block(s) – clear demarcation of usage for each type</p>	<p>Good Better guarantee of sufficiency by reducing competition between LA & providers for some types of placements, while maximising use of external market (building capacity). As forecast 16+ numbers are stable and consistent and UASC numbers are capped, it would make sense to block-commission some of this provision and work together with the local market to develop accommodation to meet needs. More robust contract management could maintain value for money and ensure consistent quality of placements.</p>	<p>Good Costs would be dependent on what each type of provision was used for and balance of in-house to outsourced requirements. Likely to be somewhat lower than present due to better commissioning/contracting arrangements & better matching as a result of Valuing Care. Potential for additional savings through block contracting (must be balanced with potential need to pay retainer fees for empty beds) – Warwickshire’s 16+ block is more than 50% cheaper than framework costs.</p>	<p>Good Would reduce competition between providers and LA for some types of placement (e.g. UASC) and allow greater specialism/scope for development. This may improve sufficiency. A block contract would require closer engagement with providers to develop (leading to better relationships), offer more guarantee of income to providers and potentially increase provision. Would additionally guarantee placement when needed for specific needs – we would need to ensure correct balance between block & framework/DPS, and correct needs commissioned to block.</p>	M	Y (marked as ‘moderate’ risk because we have not done this before, but similar process is working well in statistical neighbour authorities)

				Resource needed for internal service development/new service specification is factored into service BAU. Contract management requirements would be slightly greater and more fragmented than present but could be absorbed by new contract manager posts.	
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* As placements commissioned outside of InTend have better average weekly rates (although on average, are not as long-lasting), and as the DPS system is not currently well-used, it may be more efficient to implement a standard Framework from which placements officers can call-off at need and short notice. This would also be the case for options D & E.

10.3 Phase 3 – residential

- As the Clophill home has recently transferred in-house, there is no time pressure on residential commissioning at a strategic level (although it would be useful to implement placement contracts for spot-purchased placements in the short term).
- Longer-term, residential provision needs could be reviewed in conjunction with the ongoing SEND placement strategy with a view to developing a potential capital bid programme to meet sufficiency needs for mainstream and CWD young people.

Option	Description	Desirability (finance)	Viability (resource)	Feasibility (market)	Risk	Potential?
A	'As is'/commission like-for-like (Mixed economy with 5 mainstream beds in-house and 4 spot-purchased out of area)	Poor There are not sufficient placements in-area to meet potential residential need, and those there are mainstream – not suitable for more complex SEMH needs. This results in spot-purchased out of area placements, which do not represent value for money and can be of variable quality.	TBC (Need to add financial implications of bringing Clophill in-house – pension/management liability etc) Reduction in use of spot-purchase means lower costs overall, but rates and numbers of YP needing placement are not guaranteed.	Poor Loss of Bunyan Road home means 3 fewer in-house beds and reduced choice of internal placements. No placements are currently made with local external market, so uncertain whether these providers can meet need – hence placements out of area.	H	N

		<p>Young people may lose local networks as a result of being placed out of area, reducing opportunities for participation and risking stability when they transition to adulthood.</p>		<p>Maintaining Clophill in-house requires CBC to ensure registration of home, manager & responsible individual (this has already resulted in issues & delays) – this gives better control of service, but also additional management responsibility.</p> <p>CBC will be responsible for ensuring staff recruitment & training at Clophill and will bear ultimate responsibility for any safeguarding issues.</p> <p>In addition, out of area placements require further levels of contract management & QA oversight.</p> <p>Time taken to broker a placement for spot-purchase.</p>		
B	<p>All in-house (Develop 2nd mainstream/SEMH home)</p>	<p>Moderate/Good</p> <p>Clophill home currently offers safe and stable local placements for vulnerable young people – more complex YPs would benefit from similar arrangement.</p> <p>Streamlined placements process – more timely placements.</p> <p>Would ensure sufficiency and potential for income generation by letting out unused beds, and a move to</p>	<p>TBC</p> <p>(Need to add financial implications of bringing Clophill in-house – pension/management liability etc)</p> <p>No guarantee we would use all beds, but excess could be offered to other LAs as income generation (however, this may mean placements are unavailable when we need them).</p>	<p>Moderate</p> <p>Maintaining Clophill in-house requires CBC to ensure registration of home, manager & responsible individual (this has already resulted in issues & delays) – this gives better control of service, but also additional management responsibility.</p> <p>CBC will be responsible for ensuring staff recruitment & training at Clophill and will bear ultimate responsibility for any safeguarding issues.</p>	M	M

		<p>in-house would stifle provider market & reduce local options. Represents better value for money than current arrangement, but until cost implications of maintaining Clophill in-house are fully understood, it is not known whether VFM would be greater than commissioning out.</p> <p>Quality could be guaranteed through current monitoring arrangements.</p> <p>However, it is likely that some YPs will always need to be placed out of area due to specific needs.</p>		<p>Further human resource will be needed to develop additional in-house provision to meet sufficiency. Capital bid will be required to secure funding to develop an additional mainstream/SEMH home.</p>		
C	<p>All outsourced (Either as block contract, framework/DPS or spot-purchase)</p>	<p>Good</p> <p>Previous contracts have shown that if suppliers are properly managed, it is possible to achieve good levels of sufficiency by commissioning out provision.</p> <p>Streamlined placements process – more timely placements.</p> <p>Block contracts offer better guarantee of value for money than other external options (on current costs, by approx. £2,226 per placement per week) – benchmarking identifies that authorities</p>	<p>Moderate</p> <p>All block contract – At average weekly rate for block commission of £1,918 and assuming 2/3 of forecast LAC are non-CWD, estimated total annual mainstream residential costs would be approximately: 19/20: £997,360 20/21: £864,379</p> <p>No guarantee we would use all beds, but surplus could be offered to other LAs as income generation (however, this may mean placements are</p>	<p>Moderate</p> <p>If all placements are commissioned on a block, a Capital bid will be required to secure funding to develop an additional mainstream/SEMH home – alternatively, responsibility could be shifted to a potential provider, but this may increase contract costs.</p> <p>No placements are currently made with local external market, so uncertain whether these providers can meet need if all spot-purchased.</p>	M	Y

		<p>operating framework arrangements for residential pay in excess of £3,000 per placement per week. Quality could be guaranteed through robust contract management.</p>	<p>unavailable when we need them).</p> <p>All spot-purchase – At average weekly rate for spot-purchased placement: 19/20: £1,693,120 20/21: £1,467,371</p> <p>Clophill as block contract and remainder spot-purchased: 19/20: £1,345,240 20/21: £1,119,491</p>	<p>Resource needed for new service specification is factored into commissioning BAU.</p> <p>Contract management requirements are slightly greater at present but could be absorbed by new contract manager posts.</p> <p>Potential for disputes with providers – resolution is resource-intensive.</p>		
D	<p>Mixed economy of in-house, spot-purchase & framework/DPS – clear demarcation of usage for each type</p>	<p>Poor</p> <p>Fragmented placements/commissioning process – would reduce guarantee of sufficiency, prohibit development of economies of scale and potentially delay YPs’ placements – risk to stability & outcomes.</p> <p>Little potential for value for money as placement costs would be extremely variable depending on provision type – although demarcation of need would offset this to an extent.</p> <p>Risk of variable quality of provision in spot-purchased placements, as there are no clear performance measures to hold providers to account.</p>	<p>TBC</p> <p>(Need to add financial implications of bringing Clophill in-house – pension/management liability etc)</p> <p>Some spot-purchased placements will likely always be necessary to match young people to the most appropriate setting.</p>	<p>Moderate/Poor</p> <p>Loss of Bunyan Road home means 3 fewer in-house beds and reduced choice of internal placements.</p> <p>No placements are currently made with local external market, so uncertain whether these providers can meet need. However, a residential framework (either single agency/regional) may provide greater sufficiency.</p> <p>Maintaining Clophill in-house requires CBC to ensure registration of home, manager & responsible individual (this has already resulted in issues & delays) – this gives better control of service, but also additional management responsibility.</p>	M/H	N

				<p>CBC will be responsible for ensuring staff recruitment & training at Clophill and will bear ultimate responsibility for any safeguarding issues.</p> <p>Contract management requirements for external placements would be similar to present and not onerous.</p> <p>There is not enough volume of need for residential to warrant the human resource of managing this arrangement.</p>		
E	<p>Mixed economy of in-house, spot-purchase & framework/DPS plus block(s) – clear demarcation of usage for each type</p>	<p>Poor</p> <p>Even greater fragmentation of placements/commissioning process – would reduce guarantee of sufficiency, prohibit development of economies of scale and potentially delay YPs’ placements – risk to stability & outcomes.</p> <p>Little potential for value for money as placement costs would be extremely variable depending on provision type – although demarcation of need would offset this to an extent.</p> <p>Risk of variable quality of provision in spot-purchased placements, as there are no clear performance measures to hold providers to account.</p>	<p>TBC</p> <p>Costs are dependent on the number & type of placements to be brought in-house, contracted as blocks and spot purchased/purchased through frameworks</p> <p>(Need to add financial implications of bringing Clophill in-house – pension/management liability etc)</p> <p>Some spot-purchased placements will likely always be necessary to match young people to the most appropriate setting.</p> <p>Potential for additional savings through block contracting</p>	<p>Poor</p> <p>Loss of Bunyan Road home means 3 fewer in-house beds and reduced choice of internal placements. This could be compensated for by block-purchasing beds/a further home (but see option C).</p> <p>No placements are currently made with local external market, so uncertain whether these providers can meet need. However, a residential framework (either single agency/regional) may provide greater sufficiency.</p> <p>Maintaining Clophill in-house requires CBC to ensure registration of home, manager & responsible individual (this has already resulted in issues & delays) – this gives better</p>	H	N

			(must be balanced with potential need to pay retainer fees for empty beds).	control of service, but also additional management responsibility. CBC will be responsible for ensuring staff recruitment & training at Clophill and will bear ultimate responsibility for any safeguarding issues. Contract management requirements would be slightly greater and more fragmented than present but could be absorbed by new contract manager posts. There is not enough volume of need for residential to warrant the human resource of managing this arrangement.	
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11. Recommendations

11.1 *Foster care: Option E* – current CBC placement costs and messages from the market indicate that the widely-used ‘in-house first’ system and commissioning arrangements that are essentially spot-purchasing from frameworks cannot guarantee sufficiency, represent poor value for money due to variable costs, and can result in poor quality placements and outcomes. This is unsustainable both for the LA and for providers. Where other authorities are trialling block-contract IFA models to meet specific needs, these have the potential to reduce costs dramatically in the longer term. While volumes of throughput are not guaranteed, the potential risks of using this model could be managed; i.e. by ring-fencing accommodation for the most complex and high-needs children and young people while maintaining a framework/DPS arrangement for placements at lower levels of need. A block contract could be let on a 3-year basis to offer some stability, while giving a manageable timeframe for review.

11.2 *16+ semi-independent: Option E* – current in-house placements offer good options for keeping vulnerable young people close as they transition to adulthood, while the local market offers enough placements to meet need – however, these need to offer greater variety to support young people’s move-on housing aspirations. This model would result in a more diverse commissioning arrangement than others

(i.e. in-house provision, block contracting and a potential framework/DPS for at-need placements); however, it would give greater guarantee of placement availability, is working well in statistical neighbour authorities and offers potentially much greater opportunity for cost savings.

11.3 *Residential: Option B* – although the exact cost implications of bringing the Clophill home in-house are yet to be fully understood, the current trend towards lower numbers of residential placements mean that it is not cost-effective to maintain a mixed economy locally for this accommodation type. As Central Bedfordshire’s homes for Children with Disabilities are also in-house, a single management model for this type of provision would be more efficient and enable the Council to develop residential provision holistically to meet future needs. This option would also allow staff and young people at Clophill to stabilise following the recent transition, and if a further mainstream home were to be developed, enable income generation through letting out unused beds to other LAs. Additional out of area placements are always likely to be required, and a framework of national providers could be developed to meet this need.