

	<p>London Borough of Hammersmith & Fulham</p> <p>CABINET</p> <p>30 MARCH 2015</p>
<p>CALL OFF FROM THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA MULTI-SUPPLIER FRAMEWORK AGREEMENT FOR THE DELIVERY OF FAMILY GROUP CONFERENCES</p>	
<p>Report of the Cabinet Member for Children and Education : Councillor Sue Macmillan</p>	
<p>Open Report</p>	
<p>Classification - For Decision</p> <p>Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
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<p>Report Author: Terry Clark, Lead Commissioner (Social Care)</p>	<p>Contact Details: Tel: 020 7938 8336 E-mail: terry.clark@rbkc.gov.uk</p>

1 EXECUTIVE SUMMARY

- 1.1 This report sets out recommendations to approve a call-off from the Multi-supplier Framework Agreement for the delivery of Family Group Conferences ('FGC').
- 1.2 The selected providers have been appointed to the Framework Agreement for the duration of 4 years, commencing on 12 January 2015 and expiring on 11 January 2019. The recommendation is to initially award the call off contract for 2 years with the ability to extend for a further 2 years (one year at a time) subject to satisfactory performance by the selected providers against agreed key performance indicators (KPIs).

- 1.3 As the London Borough of Hammersmith and Fulham were named as one of the participating authorities, the Council can call off this framework rather than undertaking its own procurement process.
- 1.4 By approving the recommendation to call off from the framework it will enable the Council to:
- Have a flexible arrangement for the commissioning of FGCs within Hammersmith and Fulham.
 - Provide FGCs on a rotational basis as required by Social Work teams.
 - Establish FGCs before court proceedings so that the agreed plans can feed into court decisions.
 - Support the FGC objectives of reducing the number of children that are accommodated, supporting family members and Connected Persons in the long-term care of the child and reducing the number and length of Care Proceedings.
 - Embed agreed FGC service principles in service delivery to improve quality and outcomes for the child and family as part of a new local FGC service model.
 - Ensure that high standards are consistently applied across local FGC services.
 - Implement a robust performance management framework for collecting data/information on the service outcomes, which will also assist in measuring care costs avoided through the use of FGCs.

2 RECOMMENDATIONS

- 2.1 That approval be given to access the Royal Borough of Kensington and Chelsea's framework contract for Family Group Conference services, which commenced on 12 January 2015.
- 2.2 That the Council enters into a call off contract for no-volume with the three providers named on the Multi-Supplier Framework Agreement for the delivery of Family Group Conferences from 20 April 2015 until 19 April 2017, for the prices contained in their tender submissions – namely in order of ranking:
- I. Family Plans Ltd
 - II. Forward4families
 - III. Your Family Matters
- 2.3 That the issuing of Individual Service Orders be delegated to the Executive Director of Children's Services up to a total value of £50,000 per annum as per projected annual cost set out in section 9 of this report.
- 2.4 That authority be delegated to the Cabinet Member for Children and Education to vary the annual spends by up to £100,000 if there is need to increase the number of Family Group Conferences required.

- 2.5 That the decision on whether to continue accessing the RBKC framework beyond the initial two-year period be delegated to the Cabinet Member for Children and Education.

3 REASONS FOR DECISION

- 3.1 The recommendations in this report will enable the new service model as describe in section 4.5 of this report to be implemented.
- 3.2 The recommendations will support the Council in delivering its statutory duties.

4 BACKGROUND

- 4.1 Family Group Conferences are decision-making meetings about the care of children that include and involve the extended family or friendship networks in the planning and decision-making process.
- 4.2 Following a referral by social workers, an independent FGC Co-ordinator will identify the extended family network and arrange and facilitate a conference with the child and family. The FGC Co-ordinator will ensure that clear decisions are made in regard to the child's welfare and that the family are provided with Private Family Time to discuss and draw up a Plan for the child. The Plan is then agreed with the child's social worker and is open to future FGC reviews to discuss progress and make any necessary adjustments.
- 4.3 Although FGCs are not a statutory requirement, the introduction of Public Law Outlines in 2008 and 2013 implemented a 26-week timescale for the completion of all Care Proceedings, and made it imperative that FGCs occur prior to Court Proceedings in order to identify and support family networks and assist the completion of assessments at the earliest stages of proceedings.
- 4.4 As part of the Child Protection and Child in Need Review, a Review of FGC provision within Hammersmith & Fulham started in December 2013. The Review explored current provision to identify best practice models for delivering FGCs, and, establish whether efficiencies could be gained across FGC Services by benchmarking current and alternative delivery arrangements.
- 4.5 The review recommended a new model of delivery within Hammersmith and Fulham which consists of the following roles and responsibilities:
- An FGC Champion who is responsible for the service and champions the use of FGCs across the Council – this person will have line management responsibility for the FGC Lead.
 - A FGC Lead who will work with social work teams to support their requests for an FGC and to co-ordinate the referral to framework providers. It is

envisaged that such a role will improve the quality and outcomes of FGCs as demonstrated through the review benchmarking.

- FGC providers who will deliver the actual FGC with the family and submit a family plan to the Council within the KPIs set out in the specification.

This report relates to the call-off from the framework to implement point three above of the service model.

4.6 The current FGC service in Hammersmith and Fulham has been delivered via a spot purchasing arrangement with Forward4Families since April 2014. Forward4Families were successful in being appointment to the Framework. Previous to the spot purchasing arrangement being implemented the service was delivered in-house.

4.7 These proposals set out in 4.5 will reconfigure the service model to a mixed in-house resource for the FGC Lead post (ensure effective oversight of the FGC) and an outsourced FGC plan delivery. Commissioners believe that delivering the FGC plan via an outsourced service will deliver the following:

- Improve the quality of FGCs and plans developed
- Offer independent support to the family as part of the process – which will ensure they own the plans outcomes.
- Deliver improved outcomes for children and young people by ensuring engagement of the family at an early stage.
- Improve service resilience, by having a pool of providers to deliver FGCs on a needs basis.
- Allow for a fluctuation in service need – up or down
- Deliver service efficiencies and cost avoidance as set out in this report.

4.8 Utilising national benchmarking data, through the delivery of high quality family plans, the Council could benefit from a cost avoidance rate of £18,000 per FGC that is conducted, as set out in the tables below:

	Cost ¹
Unit Avoidance cost of 1 set of Court Proceedings	25,000
Approx. Cost of LAC per year	46,500
Connected Person average Cost	(16,244)

Potential savings 1 full year net – (Approx cost of LAC per year minus connected person)	£30,256
Potential savings 0.6 of a full year net	£18,153

¹ * Note: Loughborough University 'cost calculator' approximates cost of LAC per week is £895 (£46,500 per year) and cost of a child placed with Connected Persons is £312 (£16,224) saving £583 per week/ £30,316 per year for every child that goes to live with Connected Persons as opposed to foster care). According to The Review of Childcare Proceedings (DfES, 2006) every set of proceedings costs £25 000, preventing 1 set of proceedings with a FGC can save on average £25,000.

5. PROCUREMENT PROCESS

- 5.1 The market for Family Group Conferences consists of a small number of specialist providers. The majority of which are Small and Medium sized enterprises. Commissioners engaged with the Family Group Conference Network as part of the procurement process.
- 5.2 A Multi-Supplier Framework Agreement for Family Group Conferences was tendered by Children's Services. Following agreement from the Cabinet Member for Children and Education in Hammersmith and Fulham, the Council was named as a Participating Authority on the contract notice. As the Council was named in the advert, it allows the Council to access the Framework via an access agreement, should the Council choose to exercise the option of calling-off from the Framework at any stage.
- 5.2 If the Council decided to call off from the framework, it would be responsible and liable for its own contracts.
- 5.3 The procurement process was conducted as a PART B service in full compliance with EU Procurement Regulations.
- 5.4 The Framework was let on a 60% quality and 40% price award criteria.
- 5.5 The following organisations were successful in being appointed on to the Framework; this includes the incumbent provider currently delivering FGCs for the Council:

Family Plans Ltd
Forward4Families
Your Family Matters

- 5.6 All three providers have extensive experience of delivering Family Groups Conferences and have experience of delivering these for a range of different local authorities. The providers demonstrated through the tender and clarification questions their ability to delivery FGCs to the Council's required levels.
- 5.7 Two of the three providers that were successful in gaining appointment to the framework are London based, located in the Royal Borough of Kensington and Chelsea and the London Borough of Hillingdon. The other provider is based in Manchester but plans to establish a delivery hub in London.
- 5.8 Under the framework the following call-off process would be followed:
- The appointed providers will be fully responsible for the operational management and administration of the service as set out in the terms and conditions of the Framework Agreement and the key performance indicators and standards contained in the service specification.

- The FGC Lead will award or ‘call-off’ the required services from the appointed providers via Individual Service Orders which will detail the work to be completed for each FGC in support of the children and their families.
- The Individual Service Orders will be made via Direct Award to the selected providers (i.e. without re-opening the tender exercise or undertaking a mini-competition) in one of two ways: Rotational call-off – issuing orders to providers in turn or through the appointment of a specific provider that meets the needs of the individual family. This will provide the Council with choice and control over who delivers the FGC in order to meet the individual requirements of each family.
- The appointed providers will be paid per Family Group Conference and per Review held in line with the KPIs and target timeframe as set out in the service specification.

6 OPTIONS AND ANALYSIS

6.1 There are three main options arising from the report:

6.2 Option 1: To agree the recommendation set out in this report.

6.3 Option 2: Do nothing

6.4 Option 3: Procure an H&F only Framework

6.5 Option 1 is recommended because it allows the Council to ensure it is obtaining best value competitive bids and is compiling with its Contract Standing Orders. Alternative contractual solutions for the delivery of FGCs were considered and evaluated in the options paper presented to Children’s Services Contract and Commissioning Board. The report recommended calling off from the framework as the most cost-effective procurement route on the basis of service level flexibility, access to a wider pool of suppliers and cost-effectiveness.

6.6 Option 2 is not recommended for the following reasons:

- Calling-off from the framework will deliver the agreed service model.
- The Council would be in default for compliance with Public Law Outlines in 2008 and 2013 which implemented a 26-week timescale for the completion of all Care Proceedings, and made it imperative that FGCs occur prior to Court Proceedings in order to identify and support family networks and assist the completion of assessments at the earliest stages of proceedings etc.
- The Council would not be compliant with its Contract Standing Orders.

6.7 Option 3 is not recommended for the following reasons:

- From April 2015 the Council's delivery model will mirror that in the tender specification. Therefore accessing the framework will meet the needs of the Council.
- Accessing the framework will deliver improved value for money for the Council, through the collective buying power of the named participating authorities on the framework, offering cost and volume discounts.
- The Council will still retain sovereignty of the service and provider delivering the FGC. In addition the Council will own its own contracts and be able to terminate the call-off contracts if it so decided.

7. IMPLICATIONS FOR BUSINESS

7.1 Comments contained within the main body of the report.

8. CONSULTATION

8.1 The Director of Family Services has been consulted on these recommendations.

8.2 The Children's Service Commissioning and Contract Board have been consulted on these recommendations.

8.3 The Contract Approval Board has been consulted on these recommendations.

8.4 Legal Services, Finance and Procurement have been consulted on these recommendations.

9. TUPE IMPLICATIONS

9.1 There are no TUPE implications for the London Borough of Hammersmith and Fulham.

10. FINANCIAL AND RESOURCE IMPLICATIONS

10.1 Tenderers submitted their prices (excluding VAT) for providing the Service in line with the Terms and Conditions of the Framework Agreement and the service specification. Tenderers also submitted cost-and-volume discounts.

10.2 The FGC rate will incorporate all associated costs for the provision of staff and the services in general, including but not limited to account management, internal processes and provision of management information, and will be inclusive of food, refreshments, travel and related expenses for the provision of FGCs. No additional charges will be payable by the Authority unless where any entitlement is explicitly stated in the Framework Pricing Schedule or Letter of Appointment and Call-Off Terms, following agreement by the FGC Leads.

- 10.3 The Framework unit price will be fixed for the duration of the Framework Agreement.
- 10.4 The selected providers are collectively expected to deliver 36 FGCs per annum for the Council (approx. 144 FGCs over the 4 years).
- 10.5 The projected cost to the Council based on the average cost £1,293.33 per FGC is shown in Table 3:

Table 3

2014/15 projected costs	2015/16 projected costs	Variance 2015/16
£52,200	£46,559	-£5,641

- 10.6 The projected costs set out in table 3 do not include any potential cost and volume discounts that may be applied.
- 10.7 Efficiencies –The appointed providers have submitted prices below the current calculated FGC unit cost of £1450, offering potential savings per FGC of £156.67
- 10.8 The appointed providers will be paid per Family Group Conference and per Review held in line with the KPIs and target timeframe as set out in the service specification.
- 10.9 Comments Provided by: Alex Ward, Finance Officer, Children’s Services, tel. 020 8753 5040.

11. CONTRACT MANAGEMENT AND EVALUATION

- 11.1 The contract will be managed by Children’s Social Care Commissioning, with the FGC Lead playing a vital role in overseeing the delivery of FGCs by the appointed providers.
- 11.2 Providers will be managed in line with the key performance indicators and expected outcomes as stated in the service specification. Appropriate measures will be taken to ensure that the providers deliver all the activities and services that are agreed upon and that appropriate levels of quality will be maintained via regular activity reporting, contract monitoring and service evaluation processes.

12. EQUALITY IMPLICATIONS

- 12.1 A full Equality Impact Assessment was undertaken and is available in Appendix 2. The impact assessment has been carried out with due regard to the Councils' statutory duties under the Equality Act 2010.
- 12.2 The decision to award FGC services via the Framework Agreement will on the whole have a positive impact on all of the protected characteristics. It is not anticipated that the services received by children and young people will vary significantly from what is currently received by awarding this contract. Eligibility for access to these services is not affected under this process; rather, it is hoped that by working collaboratively and focusing on outcomes across service areas and the three Councils (whilst ensuring local needs continue to be met) service users and the wider resident population will receive both better quality and value for money from the services procured.

13. LEGAL IMPLICATIONS

- 13.1 The Proposal to call off for the FGC services from the RBKC Framework would be in compliance with the Council's obligations under the Procurement Laws and its own CSOs. The recommendations are accordingly endorsed.
- 13.2 Comments provided by: Babul Mukherjee, Solicitor (Contracts), Legal Services. Tel. 020 762 3410.

14. RISK MANAGEMENT IMPLICATIONS

- 14.1 The proposals contribute positively to the management of the following strategic risks on the Tri-borough risk register. Market testing is noted as risk number 4 on the strategic risk register, delivering high quality commissioned services at the best cost to the taxpayer. The recommendation in this report ensures a continuation of service delivery also noted on the register, risk number 6 – Business Resilience and Information Management risks and issues noted as risk number 7. The Tri-borough Children's Services Department have an established risk management framework through which all risks are managed.
- 14.2 Comments Provided by Michael Sloniowski, Bi-borough Risk Manager, tel. 020 8753 2587.

15. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 15.1 The report seeks approval to access a Family Group Conference services framework contract tendered by RB Kensington & Chelsea on behalf of Children's Services, and prior approval to delegate award of individual service orders called-off from the framework to either the Executive Director for Children's Service or the Cabinet Member for Children and Families. The

financial value of the delegated call-offs being sought are in accordance with the Council's Contracts Standing Orders (CSOs) for these sums.

- 15.2 The services to be provided fall under Part B of Schedule 3 of the Public Contract Regulations 2006 (as amended). Part B services are subject to the Regulations only to a limited extent, but procurements for them must nonetheless observe the Treaty Principles of equal treatment and transparency. Contracting authorities must consider the likelihood of both cross-border interest and domestic interest in order to determine appropriate advertising of the contract.
- 15.3 Taking into account the nature of the services, the fact that they will not be delivered in close proximity to any international border and the market for suppliers, it is highly unlikely that there would be any cross-border interest [despite the relatively high value of the contracts]. It follows from this conclusion that advertising of the contract opportunity can be confined to the UK.
- 15.4 Procurement of the framework has been carried out in a transparent, fair and robust manner via the capitalE-sourcing tendering portal, consistent with H&F's own CSOs. The framework should help deliver service improvements for vulnerable children, their families and support networks, and improved value for money for the Council. The Director for Procurement & IT Strategy supports the report's recommendations.
- 15.5 Comments provided by John Francis, Principal Procurement Officer, H&F Corporate Procurement Team, FCS, tel. 020 8753 2582.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name / Ext of holder of file / copy	Department / Location
1	JSRB Review and Options Paper – June 2014	Terry Clark/x8336	Children's Services/ Kensington Town Hall
2	CoCo Board Gate 1 Procurement Strategy – August 2014	Terry Clark/x8336	Children's Services/ Kensington Town Hall
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