

# Finance and Resources Committee

**10am Tuesday 5 September 2017**

## **Adoption of the Scotland Excel Fostering and Continuing Care Framework**

<b>Item number</b>	7.16
<b>Report number</b>	
<b>Executive/routine</b>	
<b>Wards</b>	

### **Executive Summary**

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This report seeks the approval of the Finance and Resources Committee for the award of the Scotland Excel Fostering and Continuing Care Framework for the provision of fostering services.

The term of the framework will be two years, with the option to extend for a further 24 months.

The estimated value of the framework to the Council, including extensions, is a maximum of £32,400,000 over a four year period.

## Adoption of the Scotland Excel Fostering and Continuing Care Framework

### 1. Recommendations

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- 1.1 It is recommended that the Finance and Resources Committee approves award of the Scotland Excel Fostering and Continuing care framework for the provision of fostering services. The framework started on 25 March 2017 and will operate for two years, with the option to extend for a further 24 months.

### 2. Background

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- 2.1 The City of Edinburgh Council requires flexible fostering placements for children and young people looked after by the Council. There are currently 10 incumbent suppliers who provide the service under the previous Scotland Excel framework.
- 2.2 The Council has a statutory requirement to ensure support for vulnerable young people and provide foster care for those children in need up to the age of 18. This has been updated recently with the Children and Young People (Scotland) Act 2014 which has extended this until the age of 21. The City of Edinburgh Council are committed to ensuring that every child in Edinburgh has the best start in life.
- 2.3 The overall requirement of this framework is to ensure placements to children in need of foster homes. The new specification will be outcome focussed intervention in line with the “Getting it Right for Every Child”.
- 2.4 The Council currently provides 65% of foster placements through the in-house fostering service which is an increase from 55% in March 2013. Over the same period the number of new placements that are made with in-house foster carers has increased from 72% to 87%. The service is confident these figures will continue to be improved upon, however, in order to provide vulnerable children and young people with the care needed, the Council will at times find it necessary to look for alternative providers. The Scotland Excel framework has enabled a range of successful providers to be utilised by the Council over the previous four years and the large majority of the forecast expenditure for the new framework relates to the continuation of existing placements.
- 2.5 The new framework also includes additional services such as enhanced services, specialist services and short breaks which provide further variety and options for the Council. The National Scotland Excel framework will be used to supplement the Council’s own fostering provisions when they are over capacity. It will enable the

Council to purchase fostering placements from both voluntary and independent providers of foster care.

- 2.6 The Scotland Excel Framework has been developed in light of changes made to national policy and legislation. It has taken outputs of the Scottish Government's Foster Care review into consideration as these are likely to come into effect during the lifetime of the framework.

### 3. Main report

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- 3.1 As this is a Social Care service, it was tendered in accordance with the 'light touch' regime and the Procurement Reform (Scotland) Act 2014, Public Contracts (Scotland) Regulations 2015, the 2016 Regulations and the Procurement of Care and Support Services 2016 (Best Practice). The requirements for Best Practice; openness, transparency and fair and equal treatment, has also ensured that the requirement will comply with the Council's Standing Orders.
- 3.2 A PIN was published in July 2015 relating to consultation on the framework development. A further PIN was issued in May 2016 to determine the availability and invite the input of other possible providers. Discussions were held regarding the specification development and with the Centre for Excellence for Looked After Children in Scotland (CELCIS). The PIN indicated 15 possible providers.
- 3.3 Evaluation of the tenders was in two stages. At stage one (qualification), offers were examined to ensure that the bidder met basic financial, technical and business robustness criteria, using the new European Single Procurement Document (ESPD)(Scotland). Only those bidders passing stage one had their commercial and quality/technical offers evaluated. The minimum selection criteria providers were required to meet were:
- appropriate registration with the Care Inspectorate;
  - Care Inspectorate quality grades of 4 or above for all quality themes;
  - no current inspection requirements set by the Care Inspectorate where there is a lack of evidence of improvement or plans to improve;
  - satisfactory foster care agreement documents;
  - minimum levels of insurance cover or the ability to obtain the required levels; and
  - satisfactory financial stability.
- 3.4 To ensure new entrants to the market were not disadvantaged, provision was included for any bidder who did not hold the relevant registration or quality gradings to be recommended for award, which award will be deferred until satisfactory evidence has been supplied of achieving registration and/or quality grades,

provided this is within 12 months (or such other period determined by Scotland Excel) of the start of the framework (deferred award).

- 3.5 The quality section assessed elements including managing placement crisis, quality of staff and quality of foster carers, and implementation of national indicators. Bidders were also asked to provide details of the community benefits they would offer during the framework and information relating to the Living Wage and Fair Employment.
- 3.6 Bidders were invited to offer for one or both of the service options, and to offer weekly agreed fees in each service option for which they wished to be considered. An agreed fee for each of four age bands (0-4, 5-10, 11-15 and 16-17) was required in Service Option 1 and for the purposes of evaluation a single agreed fee for all ages was required in Service Option 2 - Enhanced Services. Weightings based on spend on the current framework were applied for the age bands. Bidders were also invited to offer discounts defined in the tender for specific aspects which were weighted based on spend in the current framework and scored in both service options.
- 3.7 Bidders were able to submit prices for optional additional services (not scored) which will be available to the Council to assist with setting up tailored services for individuals. The agreed fee for Service Option 1 covers delivery of the core service.
- 3.8 The agreed fee for Service Option 2 covers three elements: delivery of the core service; delivery of additional key specified minimum requirements for an enhanced service; and the elements of service additional to these which comprise the specific service as detailed by each bidder.
- 3.9 Fifteen organisations submitted a tender. All met the criteria to be accepted onto the framework. These providers are:

Barnardo's
Carevisions Fostering Limited
Carolina House Trust
Core Assets Scotland Limited (trading as Foster Care Associates Scotland)
Dean and Cauvin Trust
Foster Care Connect Ltd
Fostering People Scotland Ltd
Fostering Relations Limited
Fostering Solutions (Northern) Ltd
Fosterplus (Fostercare) Ltd
Quarriers
St. Andrew's Children's Society Ltd

Swiis Foster Care Scotland Ltd
The Adolescent and Children's Trust
The National Fostering Agency (Scotland) Ltd

- 3.10 The tender was evaluated on the basis of most economically advantageous tender (MEAT), weighted 70:30 for quality and price. Quality being of greater importance due to the nature of the service.
- 3.11 Quality: Price scores for each service offered by each Provider is detailed in Appendix 1.
- 3.12 Due diligence has been carried out with regard comparative low scores for some enhanced services. Some providers opted to provide similar answers across all of their services thereby attracting lower scores for specific services. All providers of enhanced services have been rated 4 (Good) or 5 (Very Good) by the Care Inspectorate.
- 3.13 A summary of the tender process is provided within Appendix 2 of this report.
- 3.14 The designated Contract Manager within Communities and Families will be responsible for contract and supplier management.

#### 4. Measures of success

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- 4.1 As part of the procurement process, the providers confirmed that they pay staff a minimum of Scottish Living Wage rates. Six organisations are accredited with the Living Wage Foundation.
- 4.2 This procurement has adhered to policy on Sustainable Procurement and Implementing Community Benefits. Specific Community Benefits have been obtained and delivery of these benefits will be monitored by Communities and Families.
- 4.3 Providers will have the ability to request a price review on an annual basis however; any requests will be limited to a 2% increase resulting in price stability for the Council.
- 4.4 All bidders were required to submit statements detailing their approaches towards fair working practices including salary related, additional and contractual benefits.
- 4.5 The framework also offers opportunities for further understanding of specialist and enhanced services and comprehension of how the needs of young people in continuing care services differ from those in fostering services.
- 4.6 The framework will allow support for the purchase of individual services as well as the provision of discounts for sibling and long term placements.

## **5. Financial impact**

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- 5.1 The cost of this service is estimated to be £8,100,000 per year, the majority of which relates to the continuation of existing placements made under the previous framework agreement. This cost is within the approved budget for foster care.
- 5.2 There is an estimated maximum cost of £32,400,000 over a four year period.

## **6. Risk, policy, compliance and governance impact**

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- 6.1 Fostering for children and young people is an essential service. The providers will therefore be required to show evidence of acceptable arrangements in regards to business continuity.
- 6.2 The National Contract aims to help raise the quality of care and standardise the price of foster care placements across Scotland. The risk attached to the Council's involvement is low.
- 6.3 Using the Framework in conjunction with the Council's own mitigates the risk of under-capacity.
- 6.4 Working collaboratively on one national contract is beneficial in terms of resources for the Council as it frees up resources and combines expertise.

## **7. Equalities impact**

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- 7.1 The contents of this report contribute to the Equality Act 2010 public sector equality duty by advancing equality of opportunity and fostering good relations and a full Equalities Impact Assessment was not required.

## **8. Sustainability impact**

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- 8.1 No significant environmental impacts are expected to arise from this contract.
- 8.2 Community benefits which the City of Edinburgh are expecting to receive include work placements, student placements and apprenticeships as well as training in a variety of foster care related subjects for non-employees. The designated Contract Manager will be responsible for monitoring delivery and reporting of community benefits by individual providers.

## 9. Consultation and engagement

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- 9.1 The current framework specification took into consideration the views of children and young people. CELCIS and local authorities have acknowledged that these views are still applicable. These views were taken into consideration and formed the basis for the development of the new framework. Prior to any awards onto the framework being made, research was carried out taking on board the ideas and concerns of young people and foster carers.
- 9.2 The service area engages with the providers on a six monthly basis. They meet with the high risk suppliers based on performance and financial risk.

## 10. Background reading/external references

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- 10.1 None.

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## 11. Links

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**Coalition Pledges**

**Council Priorities**

**Single Outcome  
Agreement**

**Appendices**

1 Summary of scores

2 Summary of Tendering and Tender Evaluation Processes

## Appendix 1 - Summary of scores

Scotland Excel Fostering and Continuing Care Framework- CT2220

SERVICE OPTION	SERVICE NUMBER	BIDDER NAME	SERVICE NAME	COMMERCIAL SCORE	QUALITY SCORE	TOTAL
1	STANDARD	Barnardo's	STANDARD	25.1	45.9	71.0
2	1.1	Barnardo's	1. Complex Needs	25.0	41.6	66.6
2	1.2	Barnardo's	2. Solo	14.6	41.6	56.2
2	1.3	Barnardo's	3. Short Breaks	9.2	39.4	48.6
2	1.4	Barnardo's	4. Parent and Child	17.6	30.6	48.2
1	STANDARD	Carevisions Fostering Limited	STANDARD	24.2	40.8	65.0
2	2.1	Carevisions Fostering Limited	1) Parent and Child Placement	19.7	32.1	51.8
2	2.2	Carevisions Fostering Limited	2) Intensive Support Placement	19.7	29.9	49.6
1	STANDARD	Carolina House Trust	STANDARD	17.5	41.6	59.1
2	3.1	Carolina House Trust	1. Short Breaks	22.8	32.8	55.6
2	3.2	Carolina House Trust	2. Parent and Child	19.2	37.2	56.4
2	3.3	Carolina House Trust	3. Augmented Placement	18.7	30.6	49.3
1	STANDARD	Core Assets Scotland Limited trading as Foster Care Associates Scotland	STANDARD	25.8	48.1	73.9
2	4.1	Core Assets Scotland Limited trading as Foster Care Associates Scotland	Team Parenting	24.8	48.1	73.0
2	4.2	Core Assets Scotland Limited trading as Foster Care Associates Scotland	Parent and Child	17.0	43.8	60.7



2	4.3	Core Assets Scotland Limited trading as Foster Care Associates Scotland	Solo Placements	17.3	45.9	<b>63.2</b>
2	4.4	Core Assets Scotland Limited trading as Foster Care Associates Scotland	Placements for Children and Young People with Disabilities	17.3	45.9	<b>63.2</b>
2	4.5	Core Assets Scotland Limited trading as Foster Care Associates Scotland	Step Down Placements	13.7	45.9	<b>59.6</b>
2	5.1	Dean and Cauvin Trust	Parent and Child	15.7	35.0	<b>50.7</b>
2	5.2	Dean and Cauvin Trust	Young People with Complex/ Challenging Behaviour	18.1	32.8	<b>50.9</b>
2	5.3	Dean and Cauvin Trust	Intensive Support	18.1	30.6	<b>48.7</b>
2	5.4	Dean and Cauvin Trust	CYP who has suffered severe Trauma	18.1	30.6	<b>48.7</b>
1	STANDARD	Foster Care Connect Ltd	STANDARD	24.1	37.2	<b>61.3</b>
2	6.1	Foster Care Connect Ltd	Children and Young People who have suffered trauma	20.6	30.6	<b>51.2</b>
2	6.2	Foster Care Connect Ltd	Children and Young People who present complex and challenging behaviour	20.6	30.6	<b>51.2</b>
2	6.3	Foster Care Connect Ltd	Children and Young people who require intensive support	20.6	30.6	<b>51.2</b>
1	STANDARD	Fostering People Scotland Ltd	STANDARD	26.8	50.3	<b>77.1</b>
2	7.1	Fostering People Scotland Ltd	Disability	17.3	45.9	<b>63.3</b>

2	7.2	Fostering People Scotland Ltd	Parent & Child (P&C)	17.0	48.1	<b>65.1</b>
2	7.3	Fostering People Scotland Ltd	Singleton	20.8	41.6	<b>62.4</b>
2	7.4	Fostering People Scotland Ltd	Specialist	26.0	41.6	<b>67.6</b>
2	7.5	Fostering People Scotland Ltd	Transitions	13.3	45.9	<b>59.3</b>
1	STANDARD	Fostering Relations Limited	STANDARD	17.2	37.2	<b>54.3</b>
2	8.1	Fostering Relations Limited	Other - Solo	17.7	32.8	<b>50.5</b>
2	8.2	Fostering Relations Limited	Children/Young People with disabilities	17.7	32.8	<b>50.5</b>
2	8.3	Fostering Relations Limited	Parent and child	16.9	37.2	<b>54.1</b>
1	STANDARD	Fostering Solutions (Northern) Ltd	STANDARD	29.4	39.4	<b>68.7</b>
1	STANDARD	Fosterplus (Fostercare) Ltd	STANDARD	18.3	35.0	<b>53.3</b>
2	10.1	Fosterplus (Fostercare) Ltd	Enhanced Service - Complex	20.2	28.4	<b>48.6</b>
2	10.2	Fosterplus (Fostercare) Ltd	Enhanced Service - Parent and Child	15.7	21.9	<b>37.6</b>
2	11.1	Quarriers	Foster Care Services for Children with Disabilities including Learning Disabilities, Autism, Challenging Behaviours and Physical Disabilities	20.6	35.0	<b>55.6</b>

1	STANDARD	St Andrew's Children's Society Ltd	STANDARD	24.9	28.4	<b>53.3</b>
1	STANDARD	Swiis Foster Care Scotland Ltd	STANDARD	25.4	48.1	<b>73.6</b>
2	13.1	Swiis Foster Care Scotland Ltd	Enhanced Service	20.0	50.3	<b>70.3</b>
2	13.2	Swiis Foster Care Scotland Ltd	Permanence Service	22.0	48.1	<b>70.1</b>
2	13.3	Swiis Foster Care Scotland Ltd	Parent & Child Service	18.7	48.1	<b>66.8</b>
1	STANDARD	The Adolescent and Children's Trust	STANDARD	28.2	41.6	<b>69.8</b>
2	14.1	The Adolescent and Children's Trust	Child and Parent	17.5	21.9	<b>39.4</b>
2	14.2	The Adolescent and Children's Trust	Solo	23.4	30.6	<b>54.1</b>
2	14.3	The Adolescent and Children's Trust	Complex Needs	27.0	30.6	<b>57.6</b>
1	STANDARD	The National Fostering Agency (Scotland) Ltd	STANDARD	24.5	39.4	<b>63.9</b>
2	15.1	The National Fostering Agency (Scotland) Ltd	Parent and Child	17.4	35.0	<b>52.4</b>
2	15.2	The National Fostering Agency (Scotland) Ltd	Children / Young People with Disabilities	18.6	41.6	<b>60.1</b>
2	15.3	The National Fostering Agency (Scotland) Ltd	Children / Young People with Complex / Challenging Behaviour	18.6	35.0	<b>53.6</b>

Appendix 2 - Summary of Tendering and Tender Evaluation Processes  
Scotland Excel Fostering and Continuing Care Framework- CT2220

Contract Period	Commencement will be 25 March 2017 for a period of 2 years, with the option to extend for up to a further 24 months.
Estimated value of contracts	Maximum £32,400,000(including extensions)
Standing Orders observed	2.4 EU Principles have been applied 2.7 Commercial and Procurement Manager provided resource to undertake tendering 3.2 Director has responsibility for all contracts tendered and led by their Directorate 5.1(b) Tenders evaluated on basis of most economically advantageous tender
Governing UK Regulation	Procurement Reform (Scotland) Act 2014, Public Contracts (Scotland) Regulations 2015, the 2016 Regulations and the Procurement of Care and Support Services 2016 (Best Practice).
Tenders Returned	15
Tenders fully compliant	15
Recommended Provider	National Scotland Excel Framework 2017 – 2019; providers detailed in Appendix 2.
Primary Criterion	Most economically advantageous tender to have met the qualitative and technical specification
Evaluation criteria and weightings and reasons for this approach	Quality (70%) Price (30%)  Quality was of greater importance due to the nature of the services to be provided
Evaluation Team	Scotland Excel
Consideration of procurement methodology and processes to ensure SME friendly	Prior Information Notice (PIN) published prior to procurement to inform the strategy.