

Somerset County Council
Audit Committee 22 November 2018

Contract Management of Children's Independent Placements Audit 2017/18

Service Director: Julian Wooster, Director Children's Services

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Cabinet Member: Cllr Frances Nicholson

Division and Local Member: All

1. Summary/link to the County Plan

- 1.1.** Significant improvements have been made to contract management processes and effectiveness. A provider scorecard shows details of each residential and fostering provider's costs and performance. Residential and fostering providers are met twice a year individually, to discuss performance and cost. IPA reviews take place with the social worker, where outcomes are checked and refined. Spend in social care placements is now managed and reported from a single function, improving accuracy and providing a full understanding.
- 1.2.** Further work is required to bring education placements into the social care placements team, and thereby applying contract management improvements. IPAs in both teams are not always completed to a high standard, and are not always re-issued after a change. IT solutions are being explored to identify costs per child, and to improve the IPA process. Contract management tools show that resources are not sufficient to provide comprehensive contract management, so capacity is prioritised for areas of high risk.

2. Issues for consideration

- 2.1. Members are asked to consider the service's response to the audit recommendations as outlined in this report

Risk 1: Contract spend exceeds set budgets

- Processing, recording and monitoring social care independent placement spend is now held within one team. Weekly comparisons of spend are produced and shared with DMT. Forecasts are informed by live placement information, available within the same team, which creates a more realistic prediction. Individual Placement Agreements (IPAs) are in place for all social care placements, and are now uploaded to the children's case management system, ensuring all relevant staff have access to check prices. Social care IPAs are not always up to date, as placements regularly change and capacity in the team is limited. However, residential and semi-independent placements have recently been prioritised to enable the IPAs for significant and volatile spend to be updated regularly. Education IPAs are in place for some placements, but not all. This is being addressed, but due to capacity in the team, this has not yet been done. A plan to bring independent education placements into the remit of the social care placements team is being developed for March 2019, which will address these issues.
 - The Finance Team are working to dis-aggregate the placement budget by placement type and to remove the use of area codes. In the meantime, a separate spreadsheet is updated with spend by placement type, provider and child, enabling a full understanding of the budget. A technical solution is being explored to more efficiently provide spend by individual child and by provider – this is not yet confirmed. The base budget has been reset for children's services, following a review from an external organisation, PeopleToo. This has been completed as part of the council's financial imperative work to provide a realistic and deliverable budget on which to track spend.
 - Savings in independent placements have been agreed for 18/19, 19/20 and 20/21 and plans to achieve these are very much underway. These include strategic interventions in the market, reducing the use of residential placements, as well as improved contract management to bring down individual costs. The residential framework has recently been re-tendered and the impact of this will be reported to Cabinet in December. The education and 16-25 frameworks will not be re-tendered until 19/20 so no impact is expected from these in 18/19.
 - Commissioners have developed individual provider scorecards, which highlight key financial and performance data for each residential and fostering provider. The scorecard highlights providers whose costs are higher than the average, thereby identifying potential savings opportunities. This information now informs each contract monitoring meeting and enables Commissioners to identify providers who are high cost, not performing well, or who produce good outcomes for our children. This particularly addresses the Priority 5 outcome 1.2a.
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2.2. Risk 2: Contracted services fall below expected standards or are not delivered

- Officers regularly attend each contract manager's group meeting and feed back to the Children's Commissioning monthly team meeting on what they have learned. In this way, we intend all officers to be 'champions' of the toolkit. A SEND Commissioner is now part of the Children's Commissioning Team, enabling contract management to improve in this area.
- The Procurement Team have worked closely with the Commissioning Team to ensure our contracts register is up to date. The Corporate Contract Register update is almost complete.
- A process to produce and review IPAs annually is in place. This supports ensuring contracted services are delivered in line with the IPA. Education placement IPAs are being developed, capacity is being identified to review these. IPAs are not always updated quickly, so further work is required to create an effective and efficient process. A system which automatically produces an IPA upon a change is being considered. In the meantime, changes are highlighted in the placements team, and added to a list of IPA changes, which are then actioned by a Placements Officer.
- A process map for the purchase and contracting of independent social care placements has been produced and is being tested by the placements team. When education placements are incorporated into the social care placements team, this process map will be extended to include education.
- The placements team will need to be re-designed in order to join education and social care placements. Work completed with the LGA independent consultant will inform these plans. A re-design will happen in March 2019.
- This will include updating job descriptions where necessary, and creating capacity to ensure their functions can be fulfilled. Vacancies in the Commissioning and social care placements team have been deleted.
- The Tiering Tool has been applied to all independent placement contracts. This indicates staffing required to manage contracts effectively and shows the commissioning team operate at one-third of the recommended capacity. Resource is therefore focused on high risk areas, eg residential placements.
- A social care provider scorecard is in place (this replaces the 'provider on a page' document referred to in the audit). A summary, including a performance RAG rating for each provider, is supplied for Corporate performance monitoring. An education provider scorecard is in place, but not reported corporately. This will be included in the placement team redesign in 19/20.
- An operations manual is in development for the fostering framework and will be developed for the residential framework shortly.
- Commissioners now access a live report identifying each child's placement.
- All residential and fostering providers are met twice a year. Regular meetings have begun with education providers, but are not yet embedded. This will improve when education is incorporated into the placements team in 19/20.
- A standardised agenda is used for all provider meetings and includes the purpose of the meeting, prompting financial and performance discussions and providing rigor to the meeting to ensure all areas are covered.
- The provider scorecard includes performance measures, but often these are incomplete. This needs further work at a provider day in early 2019.
- All new social care IPAs include outcomes. Education IPAs refer to the Education Health and Care Plan (EHCP) where outcomes are given. Most outcomes include success measures and timescales, part of ongoing work to improve practice. Social Workers are required to attend IPA reviews, ensuring the CLA review and the IPA review are aligned.
- ~~Social care IPAs are uploaded to the case management system available to~~

3. Background Information

- 3.1. The Sufficiency Statement provides further information on independent provision for children looked after, including demographics and market analysis.

Somerset County Council Sufficiency Statement for Children Looked After and Care Leavers 2016-2019 <http://www.somerset.gov.uk/childrens-services/care-and-chaperoning/children-in-care/>

- 3.2. Further information on the wider work and achievements of Somerset's Children's Services is available in the Children and Young People's Plan, which is currently being re-written with children and young people.

Somerset Children and Young People's Plan 2016-2019
<http://www.somerset.gov.uk/policies-and-plans/plans/children-and-young-peoples-plan/>

4. Consultations undertaken

- 4.1. N/A

5. Implications

- 5.1. As above

6. Background papers

- 6.1. As above

Note For sight of individual background papers please contact the report author