

Finance Sub-Committee

Date of Meeting: 1st December 2021

Title: Care at Home Recommission

1. Summary

- 1.1. This Note provides information and recommendations for the Sub-Committee to approve in respect of a decision of the Children and Families Committee on 8th November 2021. The Committee referred a report relating to the redesign and recommissioning of a new Children's Care at Home Purchasing System, to the Sub-Committee for scrutiny.

2. Recommendations

- 2.1. The Sub-Committee:
- (a) Note the report (linked at 3.2 below) and recommendations (Appendix 1) of the Children and Families Committee meeting of 8th November 2021.
 - (b) Consider the additional briefing material provided at Appendix 2.
 - (c) Note that the Care at Home Recommission is not presented as a variation to the Budget Framework approved by Council.
 - (d) Present the matter back to the Children and Families Committee, together with Appendix 2 and the Sub-Committee's comments.

3. Background

The recommendations to the Children and Families Committee

- 3.1. On 8th November 2021, the Children and Families Committee (the Committee) met to consider a report relating to the redesign and recommissioning of a new Children's Care at Home Purchasing System; proposed to be operated from November 2022, with a contract term of 5 years.

- 3.2. The report which was presented to the Committee can be accessed by using the link below:
- [Agenda for Children and Families Committee on Monday, 8th November, 2021, 10.30 am | Cheshire East Council](#)
- 3.3. The report recommended that the Committee approve the redesign and recommissioning of the new System, with delegated authority to be given to the Executive Director of Children’s Services to award contracts to providers to enter the System.
- 3.4. The proposed new System is effectively a “framework agreement” which would not commit the Council to expenditure of itself but which would provide the means by which contracts could be awarded to individual care providers, always subject to the Council’s procurement rules, contained within the Constitution.
- 3.5. The recommendations of the report were considered by the Committee and put to the vote, but were lost.
- 3.6. The draft minutes of the Committee meeting (**Appendix 1** to this Briefing Note) have been published and (whilst still to be approved by the next meeting of the Committee) record the Committee’s extensive debate on this matter, with some Members expressing concern about supporting the recommendations of the report without having further information.
- 3.7. The Committee resolved that the report be referred to the Finance Sub-Committee for scrutiny, feeling the responsibilities of the Sub-Committee were relevant to clarify the implications. The Committee further resolved that the matter then be brought back to the Children and Families Committee for consideration. However, the service committees, themselves, are designed with responsibility for their own internal scrutiny so constitutionally this step was not required.
- 3.8. Although not constitutionally required to review the report, in the circumstances the Finance Sub-Committee is being provided with the opportunity to comment on the report, with additional briefing material also being provided before it is presented back to the Children and Families Committee for their next meeting.

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Children and Families Committee – 8 November 2021 - Care Home Recommissioning

The Committee received a report which sought approval for the redesign and recommissioning of a new Children's Care at Home Purchasing System.

There was extensive debate and concerns were raised by some Members about supporting the recommendations in the report without further detail. A number of Members expressed a view that this report required scrutiny from the Finance Sub-Committee before returning to the Children and Families Committee.

A motion was moved and seconded which sought to approve the recommendations outlined in the report and the motion was declared lost.

A further motion was moved and seconded to refer the item to the Finance Sub-Committee for scrutiny and for the report to be brought back to the Children and Families Committee following this. The motion was declared carried.

RESOLVED:

1. That the report be referred to the Finance Sub-Committee for scrutiny.
2. That the report be brought back to the Children and Families Committee for consideration following scrutiny at the Finance Sub-Committee.

Additional information provided in response to the meeting of the Children and Families Committee

This Briefing Note, and the report to the Sub-Committee is about the proposal to change the purchasing system for certain types of care for children to a more effective system. The proposal and recommendations in the report do not relate to the levels of demand / activity, or spend, being put through the system.

The Budget for this spend is held within the Children's Social Care Directorate and across two Head of Service areas with combined budgets of £38.1m for 2021/22. These budget lines are not subject to any reductions in the Budget Consultation exercise for the next 4 years.

If there is any increase in demand in relation to care at home activity, then that will be subject to a separate business case and consideration process for inclusion in the Council's Medium Term Financial Strategy.

The current Care at Home (CAH) Framework expires in November 2022, following a 4-year contract term (2018-2022). Given the complexity of need of our children, the increased number of children going into care over recent years, and the reduction in resources, now more than ever it is imperative that we ensure the right support can be offered to keep children at home, safely with their natural families

By improving the Care at Home offer to reflect the ever-changing needs of our vulnerable residents, it will enable Social Workers to have the resources and options that best fit the needs of the children and families they are working with. A flexible, dynamic and innovative Purchasing System will support child centred planning in response to assessments, finding the most appropriate way to improve the child's outcomes and welfare, aligning to Working Together to Safeguard Children (2018) and The Children Act (1989).

The new Purchasing System will be specifically for children's Care at Home.

By separating adults and children's support will ensure the Purchasing System is designed specifically for children and families; creating a new way of delivering Care at Home and supporting a new approach for children on the edge of care or stepping down from care/crisis and will enable a more personalised and flexible approach.

Currently the dominance of care at home for adults and the narrow scope of needs and small packages of hours put out to the market to support children at home is impacting negatively on the number of providers joining the Children's Care at Home Purchasing System and the referrals they pick up. Market engagement has informed this proposed approach.

A Dynamic Purchasing System is a fully electronic procurement instrument. The establishment of a Dynamic Purchasing System follows the restricted procedure. The

first stage is the selection process: all providers who meet the minimum requirements of the selection criteria would be admitted to the Dynamic Purchasing System. In the second stage, all providers who have been admitted to the Dynamic Purchasing System will be invited to tender for each subsequent procurement. The specific (anonymised) support packages for one or more service users will be published to all providers admitted to the Dynamic Purchasing System to bid to provide the specific services for which they are registered.

A key benefit of a Dynamic Purchasing System is that there is no limit to the number of providers admitted to the Dynamic Purchasing System, and it remains open for new providers to join or re-apply. This enables the Dynamic Purchasing System to develop and evolve in order to respond to changing demand for and supply of services, where as a framework closes to any new providers, which limits its flexibility in responding to emerging needs, any market failure and evolving commissioning intentions.

The new service specification and contract will contain a negotiation stage to ensure that we achieve best value for money on all future packages of care and therefore ensure compliance with procurement rules and financial regulations.

This procurement strategy provides an opportunity to explore a more personalised approach, and to improve choice and value for money.

The aggregate value of the Dynamic Purchasing System is such that these services must be procured in accordance with the Public Contracts Regulations 2015 and in compliance with the Council's Finance and Contract Procedure Rules. This will require a fully OJEU compliant procurement exercise. The Service is engaging with Legal Services and the Council's Corporate Procurement Team in this process.

To set up a purchasing system we are required to estimate the potential spend through it. This is not new expenditure; it is money that currently we would spend on more costly traditional ways of meeting children and young people's needs.

The Children's Care at Home Purchasing System will be re-designed to build on the excellent outcomes for children on the edge of care being achieved through different ways of working currently being applied and will increase the scope of support to children with disabilities. This means that it is difficult to put a value to the volume through the redesigned Purchasing system. However, based on current commitments and a trajectory of new ways of working, an estimated value of spend over the five-year term would be £22m, broken down as follows:

	2021-22 £000
Children with disability – provision on the current Purchasing System	375
Children with disability – provision through a spot purchase	650
Child in Need / Child Protection and Cared for Children – provision through a spot purchase and different ways of working	3,375
Annual total	4,400
Over a 5-year term	22,000

There will be secure operating systems for Social Workers who will need auditable authorisation before any individual agreements are progressed. Children's Services have an effective Resource Allocation Panel and a Children with Disability and Short Breaks Panel that provide the assessment / challenge of individual need and the best route to support the child's outcomes, whilst delivering value for money. Financial decisions are taken at a senior level and in line with the scheme of delegation.

There is a dedicated contract manager who will monitor the framework and providers performance against the specification, and the social worker will undertake an annual review to ensure the needs of the child/young person are being met by the provider.