

Children and Families Committee

Date of Meeting:	24 March 2022
Report Title:	Children's Care at Home Recommission
Report of:	Helen Charlesworth-May, Executive Director of Adults, Health and Integration
Report Reference No:	CF/48/21-22
Ward(s) Affected:	All

1. Purpose of Report

- 1.1. This report provides the background and vision that supports the redesign and recommission of a new Children's Care at Home Purchasing System that is envisaged will be operational from November 2022.
- 1.2. The report builds on the children's care at home report considered at the Children and Families Committee in November 2021 and further explains the background to the need to redesign, what a purchasing system provides and the finance and governance arrangements when the purchasing system becomes operational.

2. Executive Summary

- 2.1. The proposed Children's Care at Home Purchasing System will be designed specifically for children and families and break the ties to the current all-age approach to sourcing care at home, which is ineffective for children and families who require intensive edge of care support. The purchasing system will have a contract term of five years to promote consistency of care for children, sustainability for the market and innovation throughout the term. The children's care at home purchasing system will be redesigned to build on the excellent outcomes for children on the edge of care that are currently being achieved through different ways of working and will increase the scope of support to children with disabilities. Children's Social Care have seen success in safely supporting children at home with intensive packages of support and have maintained a cared for population which is below statistical neighbours

and the England average. We remain ambitious for our children and families and seek to recommission a robust and broad purchasing system that will continue to support this position. This will result in cost avoidance against the agency placement budget, which has been under pressure for several years. In essence this proposal is a cost avoidance proposition to maintain children safely and happily within their families of origin.

- 2.2. It is difficult to put a value to the estimated demand through the redesigned purchasing system, however based on current cases and a trajectory of new ways of working an estimated value of spend over the five-year term could be £22m. The cost of the places put through the new system will be made through existing children's social care budgets, in particular the agency placement budget.
- 2.3. The redesign and recommission of children's care at home will play an important part of the Children's Social Care demand management strategy and assist with the plans to deliver within budget as set out in the council's Medium-Term Financial Strategy. The new care at home purchasing system does not commit the council to new expenditure; it is money that we currently spend on more costly traditional ways of meeting children and young people's needs and ensures a framework for supporting children and families early to avoid higher costs being incurred later.
- 2.4. The continual review of the cared for children population and their journey into care has been considered to identify lessons learnt and the changes needed to alter the trajectory for many children on the edge of care and for those in care who are ready to step down from more intensive support. The primary drivers for this review, redesign and recommission are:
 - effective support to children with disabilities at home, early support to these families to bolster resilience and the best outcomes for children with disabilities
 - to prevent children from entering the care system; an outcome which we know can often lead to additional, albeit different, vulnerabilities in terms of their opportunities later in life.
 - to support the return of cared for children to their birth family / family network.
- 2.5. A redesigned children's care at home purchasing system will support the council to achieve the strategic aims and objectives as detailed in the council's Corporate Plan 2021-25, with a specific focus on:

A council which empowers and cares about people:

- Work together with residents and partners to support people and communities to be strong and resilient
- Reduce health inequalities across the borough

- Protect and support our communities and safeguard children, adults at risk and families from abuse, neglect, and exploitation
- Support all children to have the best start in life
- Increase opportunities for all children and young adults with additional needs.

3. Recommendations

- 3.1.** That committee:
- 3.2.** Approve the redesign and recommission of a new Children's Care at Home Purchasing System.
- 3.3.** Delegates authority to the Executive Director of Children's Services to award contracts to providers to enter the Children's Care at Home Purchasing System.

4. Reasons for Recommendations

- 4.1.** The current care at home (CAH) framework expires in November 2022, following a four-year contract term (2018-2022). Given the complexity of need of our children, the increased number and complexity of children going into care over recent years locally and nationally, and the reduction in resources, it is imperative that we ensure the right support can be offered to keep children at home, safely with their families.
- 4.2.** To modernise and stabilise the current offer so that it aligns to the council's priorities; those set out in the Corporate Plan and Children and Young People's Plan.
- 4.3.** To ensure that the right level of support is available to empower parents and families to care for their child safely, and to ensure that the child can remain in a place where they are both loved and looked after.
- 4.4.** To prevent children and young people from entering the care system when there can be other options to keep children safe at home. The investment in home-based support will result in cost efficiencies resulting from the prevention of long term, high-cost placements, and associated costs.
- 4.5.** The new purchasing system will be specifically for children's care at home. 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.
- 4.6.** By improving the care at home offer to reflect the ever-changing needs of our vulnerable residents, we give social workers the resources and options that best fit the needs of the children and families they are working with. A flexible 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).

5. Other Options Considered

- 5.1.** Allow the current purchasing system to lapse in November 2022 and not replace it. This would require the transfer of care at home for existing children to alternative spot purchasing arrangements that may not be with the existing providers. The potential risks faced would be inconsistency and poor quality support to children with disabilities and their families, and ineffective use of resources.
- 5.2.** Recommission the care at home purchasing system in its existing format. This would not resolve the issues around lack of effective services for families and would result in inefficient spot purchasing arrangements and lack of robust, auditable evidence of value.
- 5.3.** Both the options above would negate the ability to build on the innovative and highly positive impacts on children that have been secured through different ways of supporting children at home that are on the edge of care or those being discharged from specialist mental health beds.

6. Background

6.1. What is a Purchasing System?

- 6.1.1** The proposed new purchasing system is effectively a 'framework agreement' which would not commit the council to expenditure of itself, but which would provide how contracts could be awarded to individual care providers, always subject to the council's procurement rules, contained within the Constitution.
- 6.1.2** The establishment of a purchasing system will follow the restricted procurement procedure. The first stage is the selection process: all providers who meet the minimum requirements of the selection criteria would be admitted to the purchasing system. The selection criteria will be set to ensure a high threshold for quality and cost and will focus on outcomes for children and families, safe recruitment, and safeguarding training for example. This report recommends that the award of contracts at this first stage of entry to the purchasing system is delegated to the Executive Director of Children's Services.
- 6.1.3** In the second stage, all providers who have been admitted to the purchasing system will be invited to tender for each subsequent procurement. The specific (anonymised) support packages for one or more children and young people will be published to all providers admitted to the purchasing system to bid to provide the specific services for which they are registered.
- 6.1.4** A key benefit of a purchasing system is that there is no limit to the number of providers admitted to the system, and it opens frequently for new providers to

join or re-apply. This enables the purchasing system to develop and evolve to respond to changing demand for and supply of services, whereas a framework closes to any new providers, which limits its flexibility in responding to emerging needs, any market failure, and evolving commissioning intentions.

6.1.5 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.

6.1.6 The aggregate value of the 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. The service is engaging with Legal Services and the council's Corporate Procurement Team in this process.

6.1.7 There is a secure operating system for social workers to gain 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 in respect of awarding contracts are taken at a senior level and in line with the financial scheme of delegation. The use of the purchasing system, strategic overview and impact will be regularly reported to the new and to be formed Children's Transformation Board – Creating a Sustainable Future, to be chaired by the Executive Director of Children's Services.

6.1.8 There is a dedicated contract manager who monitors the framework and providers' performance against the specification. A key element of contract performance management is the setting and monitoring of key performance indicators (KPIs). The KPIs for this redesigned purchasing system will be set in line with the delivery of the specification for services and is likely to include areas such as outcomes for the child and their family, safeguarding and workforce recruitment, retention, and training. The social worker will also undertake an annual review to ensure the needs of the child/ young person are being met by the provider.

6.2 The origin and performance of the current Care at Home Purchasing System

6.2.1 The current care at home contracts for children have been commissioned through a purchasing system that mirrors the Adult Social Care system and is currently not providing the flexibility required to support children and families effectively. To date the current children's care at home purchasing system has supported a small number of children with a narrow range of disabilities.

There are many more families struggling with children that have behaviours that challenge, for example due to their autism or mental health. The current care at home purchasing system does not support discharge from Tier 4 mental health inpatient beds, step down from cared for children accommodation back to family / networks, or children on the edge of care.

6.2.2 The dominance of care at home for adults, 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 current children's care at home purchasing system and the referrals they pick up. This dilutes the confidence that our social workers and parents have in this avenue of support and adds pressures on the brokerage team and social workers when looking for good quality care that can meet the needs of the families through other routes.

6.2.3. Engagement with a range of providers, whether named on the current purchasing system or operating via a spot purchase, has been extremely positive in respect of supporting and delivering against a redesigned purchasing system. This will be built upon as extensive market engagement is undertaken to recommission.

6.2.4 The current care at home contracts for children have been commissioned through a purchasing system that has nine providers, covering three Lots for adults' and children's care at home as detailed below:

- Lot 8: Personalised care and support delivered by children's nurses for children with complex health/ clinical medical needs. This Lot currently has seven providers within it, and a range of hourly rates between £15 and £22.
- Lot 9: Personalised care and support delivered by highly skilled care workers. This Lot currently has nine providers within it, and a range of hourly rates between £15 and £18.
- Lot 10: Personalised care and support delivered by support workers. This Lot currently has eight providers within it, and a range of hourly rates between £15 and £18.

6.2.5 Overall, since the purchasing system went live in November 2018, there have been 43 children with disabilities referrals sent through brokerage for children's care at home. Of these, 18 (42%) packages of support have been picked up by providers on the purchasing system and 25 referrals (58%) have resulted in packages of support being sourced through spot purchasing arrangements with providers.

6.3 Redesign Principles

6.3.1 The primary drivers for the review, redesign and recommission are:

- effective support to children with disabilities at home, early support to these families to bolster resilience and the best outcomes for children with disabilities.
- to prevent children from entering the care system; an outcome which we know can often lead to additional, albeit different, vulnerabilities in terms of their opportunities later in life.
- to support the return of cared for children to their birth family or family network.

6.3.2 The redesign of the care at home purchasing system will ensure that the existing service categories (Lots) would remain in place to support children with disabilities and ensure that there is no loss of services, but rather an increase in the offer. The existing Lots would be refreshed to address identified gaps in current provision, including at-home support for children with autism.

6.3.3 The new purchasing system will extend the service offer to a broader range of children in need. A resilient network of providers will offer a graduated response to need which can respond to complex care requirements whilst also offering early intervention and support to minimise the need for more intensive / high-cost support and on some occasions preventing entry into care.

6.3.4 Across Cheshire East there are approximately 2,100 children and young people who are supported by social workers at any one time to ensure they are safe in their families and in their communities. Working with other agencies, the council's social care teams protect children and young people from the risks they face including domestic violence, substance misuse and more complex safeguarding issues such as county lines.

6.3.5 During the autumn 2021 Ofsted focussed visit on Child in Need and Child Protection, Ofsted summarised that since their last inspection in November 2019 the quality of social work with these children and their families has improved and senior leaders are successfully embedding a child-centred culture. The council's '@ct team', who provide support for children at risk of exploitation or family breakdown, were also praised for the positive impact they have on these children to ensure that they remain with their families when possible and when it is appropriate. The redesigned purchasing system will support @ct and other social work teams to support families effectively and work innovatively with them to improve outcomes for children and families.

6.3.6 The proposed new way of working would target support towards families who are at a crisis point and are struggling to de-escalate risk, and families who may be reunited with a bespoke package of care and support. The model would be home-based and without the traditional limitations of in-house

services (such as operating hours), offering help at the time families need it most - which could be overnight or at weekends.

6.3.7 As part of the commissioning process, full consultation with parents, children, staff, stakeholders, and providers will take place alongside robust market testing. A new specification will be developed to encourage greater provider uptake of packages of support required, providing greater flexibility and choice; ultimately resulting in service improvement and better outcomes for children and families. Health colleagues will be consulted to explore whether a collaborative purchasing system can be designed. The redesigned care at home purchasing system will be renamed to better describe its coverage and ensure a fresh start for this important vehicle for supporting families.

6.3.8 The proposed Lots that will form the key part of provider and stakeholder engagement prior to commissioning are as follows:

Lot 1	Lot 2	Lot 3	Lot 4 (new)	Lot 5 (new)
Low level Support Worker	Highly skilled Support Worker	Nurse	Edge of Care/ Step Down (Family Support)	Innovation
Low level medical needs including physical disability and learning difficulty	Moderate level needs including physical and learning disability	Life limiting or complex care	Harmful sexual behaviour, mental health – parent and/or child, attachment and trauma, family breakdown, parental alienation, Autism - whole family approach, substance misuse.	Bereavement, education participation, returning home from care, adoption support, mental health, contextualised safeguarding, child criminal exploitation, gang violence or affiliation, suicidal ideation, LGBTQ+.

6.4 Potential impact on children entering care

6.4.1 The children’s care at home purchasing system will be redesigned to build on the excellent outcomes for children on the edge of care currently being achieved through different ways of working.

6.4.2 Although in some cases a child needs to become cared for by the local authority to keep them safe, there are other cases where children are living at home with a family who have the ability to provide safe care but are at crisis point and require temporary support as they do not have the existing support,

experience, resilience or resources to care for them in that moment. When we need to safeguard children by bringing them into care, we are placing them into a home where they are appropriately looked after but sometimes at the detriment of long-standing life-long relationships. The ambition is to empower parents to effectively safeguard their children and help them to thrive, keeping children in an environment where they are both loved and looked after. This may mean that they need longer term support, including out of hours.

6.4.3 There were 524 children in care in Cheshire East as of 11 February 2022. Children’s Services assess that there is scope for more children to be reintegrated back into the family home or “stepped down” from residential small group homes into foster care or back to their family. The redesign of the care at home purchasing system will support children to return / remain at home where appropriate, thus achieving more sustainable permanency plans for children and young people and impacting positively upon the Medium-Term Financial Strategy.

6.4.4 The table below is for information only and aims to illustrate the main types of accommodation for cared for children and provides an indication of the costs incurred when a child becomes cared for. The aim of the redesigned purchasing system is to have a positive influence on the cost of care, in particular those children that are placed in residential accommodation.

Financial Year	Average Number of Children in External Foster Placements	Average Cost of External Foster Care Placement Per Client Per Week (£)	Average Number of Children in In-House Foster Placements	Average Cost of CE Foster Care Placement Per Client Per Week (£)	Average Number of Children in Residential Placements**	Average Cost of Children’s Residential Placement Per Client Per Week (£)	Cost of residential and fostering based on averages for the financial year	Cared for children in other types of accommodation (adoption, relative / friend, supported accommodation etc.)	Total cared for children numbers (average across the year)
2016-17	92	£800	147	£525	35	£3,058	£13,405,860	135	409
2017-18	111	£807	153	£502	44	£3,164	£15,891,148	151	459
2018-19	119	£791	147	£503	46	£3,046	£16,025,672	183	495
2019-20	142	£803	130	£497	44	£3,140	£16,473,392	191	507
2020-21	148	£850	117	£608	48	£3,820	£19,775,392	221	534

** includes residential special school placements

6.4.5 The different ways of working with children on the edge of care that have been implemented over the last year have stopped approximately 10 young people coming into care (annual cost avoidance of approx. £950,000). The providers supporting these young people will be invited to market engagement sessions to encourage high quality providers to enter the redesigned purchasing system.

6.4.6 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. It is difficult to put a value to the potential 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:

	Number of children	Average spend per week	Estimate of Purchasing System activity £000 (no. of children x average weekly cost x 52)
Children with disability – provision on the current purchasing system	18	£400	374
Children with disability – provision through a spot purchase	25	£231	300
Children with disability – provision through a Direct Payment	37	£182	351
Child in Need / Child Protection and cared for children – provision through a spot purchase	6	£593	185
Child in Need / Child Protection and cared for children – provision through different ways of working**	24	£2,556	3190
Annual total			4,400
Over a 5-year term			22,000

**An estimate of 24 children on the edge of care, discharged from Tier 4 mental health beds or step down from their cared for children accommodation.

6.4.7 Any of the spend through the purchasing system will go through a secure operating system for social workers to gain 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 in respect of awarding contracts are taken at a senior level and in line with the financial scheme of delegation.

7. Consultation and Engagement

- 7.1.** Local and national research identifies a range of negative impacts that entering the care system and being separated from family and community connections can have on children and young people.
- 7.2.** Through engagement with social workers, attachment specialists, health colleagues, parents, commissioners, heads of service, and by learning from case studies, it is evident that a new approach is required to help keep families together.

- 7.3. Next steps would be to engage in formal consultation and market engagement to support the redesign of the framework. Consultation will take place sensitively with parents, children and young people, care leavers, cared for children, foster carers and residential providers.
- 7.4. Key stakeholders will be consulted and engaged with including health and education colleagues, other local authorities, Adult Services, SEND Services, private sector, providers, police and other interested parties.

8. Implications

8.1. Legal

- 8.1.1. The outcome of the formal consultation and market engagement will feed into the redesign and recommissioning of the proposed purchasing system.
- 8.1.2. Once the recommissioning and procurement of services has been approved, the procurement should be undertaken in accordance with the relevant provisions of the Public Contract Regulations 2015 and the council's Contract Procedure Rules.

8.2. Finance

- 8.2.1. The budget for this spend is held within the Children's Social Care Directorate and across two head of service areas with combined annual budgets of £38.1m for 2021/22. These budget lines are not subject to any reductions in the MTFs 2022/23 to 2025/26 approved at February 2022 Council.
- 8.2.2. The proposed purchasing system will ensure the efficient and effective use of existing budgets. The new Transformation Board will track performance and make appropriate adjustments across our whole system approach to children's social care and the different ways of working we apply.
- 8.2.3. The long-term impact of a redesigned and recommissioned care at home purchasing system should provide an additional tool to manage demand effectively and avoid high-cost placements.
- 8.2.4. There are no additional system costs to introducing a redesigned children's care at home purchasing system.
- 8.2.5. There will be a robust system in place to look at cases individually and determine the best value offer for each child. There will be secure operating systems for social workers who will need auditable authorisation before any individual agreements are progressed. This will not add unnecessary layers into the system as the current way of working will be streamlined and spot purchasing will be reduced significantly.

8.3. Policy

- 8.3.1. The recommended care at home purchasing system will support the corporate vision to create an open, fair and green council. Children and families will be supported to thrive with children receiving the best start in life and growing up

in a safe environment. Meanwhile the model will support a sustainable financial future by investing in families and reducing the need for high-cost placements. Open and transparent engagement facilitates a two-way conversation with our residents and the dynamic purchasing system provides opportunities for the local care sector to work with the council, supporting market growth.

8.3.2. There is an opportunity to create a ‘golden thread’ to align care at home with the all-age carers’ offer, looking at a pathway for referrals into the carers service to ensure that those who are entitled to extra help receive it in the right place at the right time.

8.4. Equality

8.4.1. An Equality Impact Assessment has been completed and included at Appendix 1.

8.5. Human Resources

8.5.1. There is no direct impact on Cheshire East employees and no TUPE arrangements.

8.6. Risk Management

8.6.1. Risks associated to this re-commission are:

- Supporting a vulnerable cohort of children and their families at risk of a number of factors – poor education and training, health, safeguarding, poor home conditions, lack of family stability and transition into adulthood
- Lack of engagement from the provider market meaning a failure to deliver effective services
- Failure to use council resources in the most effective way
- Reputational damage to the council if services are not delivered and/or a serious incident occurs.

8.6.2. The above risks will be managed through a risk register.

8.7. Rural Communities

8.7.1 The recommission will benefit rural communities as the offer will reach all areas within the borough.

8.8. Children and Young People/Cared for Children

8.8.1. The purchasing system will be developed with children and young people at the heart of the offer. Ongoing audits and quality assurance measures will ensure that all providers continue to meet and exceed our minimum standards. Every child in receipt of care will be open to a key worker who will work directly with the child to capture their voice and will also be subject to the standard supervision process to ensure safe practice.

8.8.2. Contractual arrangements will ensure that the council has oversight of quality and value for money with control measures in place to address any concerns.

8.9. Public Health

8.9.1. Supporting families in their home environment gives them the best opportunity to effect positive change, reducing risk and supporting sustainable, safe outcomes. It is well understood (Marmot 2010,2020) that supporting children to have the best start in life is a significant determinant of health outcomes across the life course. The proposed purchasing system ensures inclusivity so that all children and young people are given the opportunity to thrive. It is well documented that a stable, secure childhood provides the foundation for fulfilling adulthood and this model strives to narrow the gap in inequality by supporting families to grow together.

8.10. Climate Change

8.10.1. This is an exciting opportunity to work with local providers to increase local employment, reducing travel from out of borough services to deliver Cheshire East services.

8.10.2 If more children are supported to remain at home, key people working with the child will usually be assigned based on location and therefore reduce the carbon footprint by remaining local. We would also reduce the number of children who are placed at a distance and reduce the associated travel for contact or statutory visits.

Access to Information	
Contact Officer:	Dave Leadbetter, Head of Children’s Commissioning dave.leadbetter@cheshireeast.gov.uk 07794 059581
Appendices:	Appendix 1 – Equality Impact Assessment
Background Papers:	None