
**PROCUREMENT OF 3 BLOCK PLACEMENT IN AN INDEPENDENT CHILDREN'S
RESIDENTIAL HOME**

Responsible Cabinet Member – Councillor Hughes, Children & Young People Portfolio

Responsible Director – Murray Rose, Director of People

SUMMARY REPORT

Purpose of the Report

1. To seek permission from Council to waive Contract Procedure Rules under Rule 17 to allow officers to award a 3 block residential children's placement contract with St Cuthbert's Care.

Summary

2. The current residential provision for three of our Looked After Children comes to an end on 26 July 2012. The award of a three block placement would provide the Council with significant savings on the single spot purchase price. St Cuthbert's Care has a home local to Darlington that has recently been inspected by Ofsted as good, with a record of working well with young people to promote placement stability especially where young people have had multiple placement breakdowns.
3. A Tees Valley procurement tendering exercise is being undertaken, led by Middlesbrough but with Darlington's officers full involvement, to procure provision of spot and block purchasing of mainstream and specialist residential provision and residential school provision. This exercise should deliver efficiencies (including reducing the amount of expensive spot purchasing) on a joint authority basis as well as a robust supply. This process is intended to be in place by the end of October 2012.
4. A waiver is sought to allow the direct award to St Cuthbert's Care for provision of a three block placement from 27 July 2012 until 26 July 2013, when the contract can move to the new Tees Valley Framework. The value of the contract for this period will be approximately £312,000.

Recommendation

5. It is recommended that Council agree to waive the contract Procedure Rules under Rule 17 to allow for the award of the contract to St Cuthbert's Care.

Reasons

6. The recommendation is supported for the following reasons:
- (a) In order to enable young people who are resident to continue their placement.
 - (b) To enable procurement of specialist provision at the best 'value for money' rate.

Murray Rose
Director of People

Background Papers

No background papers were used in the production of this report

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S17 Crime and Disorder	This decision will not have an impact on Crime and Disorder
Health and Well Being	This decision will impact on the health and well-being of three Looked After Children
Carbon Impact	This decision will not decision will not impact on the carbon footprint
Diversity	This decision will not impact on Diversity
Wards Affected	This decision will not impact on any Wards
Groups Affected	This decision will impact on our Looked After Children
Budget and Policy Framework	This decision is within the current framework
Key Decision	Yes
Urgent Decision	Yes
One Darlington: Perfectly Placed	The services procured will contribute to the delivery of the Sustainable Community Strategy
Efficiency	This decision will enable efficiencies through the procurement of a cost/volume contract

MAIN REPORT

Information and Analysis

7. At any one time Children's Services have approximately 16 young people who are Looked After Children that require a residential placement. Of these 9 young people are placed in our in-house residential provision within the three Children's Homes. Some young people need a very specialist provision that is identified on an individual basis to meet the particular needs of those young people, this provision is purchased on a spot purchase basis.
8. There is an additional need for a more specialist mainstream provision which has increased staffing to meet some of the challenges of the young people's behaviours and there are a number of independent homes within Darlington that offer this provision. We have three young people in such a provision which is run by St Cuthbert Care, and this placement is due to end on 26 July 2012. This residential provision has been home for these three young people for varying lengths of time.
9. The Contract Procedure Rules for a contract value of £312,000 would require Children's Services to carry out a procurement exercise through an open tender. However in this case it is not possible to do so because the three young people who reside in this particular provision consider this to be their home and it is of paramount importance that they are allowed to remain there as it would be disruptive to move them to another provider. Consequently Children's Services are asking Members, in accordance with Rule 17, to waive the requirement to go out to tender and to make a direct award to St Cuthbert's Care of a contract with a value of £312,000 for the period 27 July 2012 until 26 July 2013.

Business Case

10. The Tees Valley Commissioners have, through the Tees Valley Directors, been tasked to look at how working in a collaborative way could bring efficiencies to the services that are required for Looked After Children. Each of the local authorities in the sub-region has experienced a significant increase in the number of Looked After Children and it was felt that working with each other in a consortium could produce price reduction through the economies of scale.
11. One of the areas of work that the Tees Valley task and finish group are reviewing is residential care, including spot and cost/volume purchasing in mainstream provision as well as spot purchasing in specialist provision and residential school provision. The aim is to develop a framework agreement that will allow provision to be purchased on a call-off basis. It is anticipated that this framework will be in place by the end of October 2012.
12. This process will not only offer the opportunity for cost reductions, it will also enable the market to be managed in a more robust way, with shared processes around accreditation of providers as well as monitoring the quality of service.
13. It is intended that provision after the contract period has ended will be obtained subject to the new framework terms.