

From: Matt Dunkley, Corporate Director of Children, Young People and Education

To: Roger Gough, Cabinet Member for Children, Young People and Education

Decision No: 18/00013

Subject: **To Procure A New Contract For The Delivery Of Independent Adoption And Special Guardianship Order Support Services**

Classification: Unrestricted

Key Decision: Expenditure of over £1m

Past Pathway of Paper: Children, Young People and Education Directorate Management Team – 17th January 2018

Future Pathway of Paper: Cabinet Member decision

Electoral Division: All

Summary: The current KCC commissioning arrangements for Independent Adoption and Special Guardianship Order (SGO) Support Services are due to expire in September 2018.

A diagnostic analysis of the current commissioning arrangements, along with market and stakeholder engagement has taken place to inform the future commissioning plan. The results of this work have been used to inform the implementation of new commissioning and procurement arrangements for these statutory services. This report outlines the key findings from the work.

Recommendation(s):

The Cabinet Member for Children, Young People and Education is asked to:

a) AGREE to procure a new contract for Independent Adoption and Special Guardianship Order Support Services; and

b) DELEGATE authority to the Corporate Director of Children, Young People and Education, or other nominated officer, to undertake the necessary actions to implement the decision.

1. Introduction

1.1 This paper provides an overview on the planned future commissioning and procurement arrangements for Independent Adoption and Special Guardianship Order Support Services.

- 1.2 The proposed decision links to KCC's strategic outcome: Children and young people in Kent get the best start in life.
- 1.3 The current contract is due to expire on 30th September 2018 and agreement is sought to procure a new contract, ensuring that the learning from the diagnostic of the current service informs the future commissioned model.

2. Background

- 2.1 KCC's Independent Adoption and SGO Support Services have been outsourced for more than 10 years, and have previously been subject to 3 competitive tenders. The current provider is Barnardo's.
- 2.2 There are four individual elements to the overall contract and the following gives a brief description.

An independent support service to birth parents

To provide a support and counselling service to birth parents prior to an adoption taking place, where a child is (or children are) looked after by the Council, and for whom adoption has been identified as the permanency plan.

A service that provides access to birth records and intermediary services for adult adoptees

To assist adopted persons either adopted through the Council or who are resident in Kent, and who are aged 18 and over, to obtain information in relation to their adoption and to facilitate contact between such persons and their adult birth relatives.

Access to information and intermediary services for birth relatives and those with a prescribed relationship

To provide advice and support to birth relatives and those with a prescribed relationship aged 18 years and over, who require intermediary and counselling services and access to non-identifying information regarding their adoption.

In 2014 a change in legislation extended the provision of intermediary services to facilitate contact between persons with a prescribed relationship. This is defined as individuals who still have a relationship with the adoptee by blood, marriage or civil partnership.

Contact services (direct contact and letterbox contact)

To provide a direct and indirect contact service for children under the age of 18 who have been adopted or who are subject to a Special Guardianship Order and who have agreed contact with their birth relatives.

- 2.3 These are statutory services which all local authorities are required to make available for those meeting the relevant criteria.

3. Commissioning Approach

- 3.1 With the current contract due to expire in September 2018, KCC Children's Commissioning team were tasked with carrying out a full analysis of the current commissioning arrangement and to use the findings to inform the future commissioning plan.

- 3.2 The review covered Efficiency (utilisation), Effectiveness (quality and performance management) and Resources (spend).
- 3.3 Regular contract monitoring, and receipt of performance management data has enabled Children's Commissioning to base future needs and requirements on up to date evidence.
- 3.4 The key findings from the analysis were as follows:
- Change in legislation for those with a prescribed relationship had limited impact on referrals
 - Overall referral levels show some decline, but active caseloads are higher than anticipated
 - Waiting lists show significant improvement due to active contract management
 - The current performance and reporting arrangements are too onerous and there is an opportunity for simplifying the approach for collecting key performance data in the new contract
 - Cost/pricing model not linked to performance and productivity
 - Service is well regarded by service users

4. Stakeholder & Market Engagement

- 4.1 Feedback has been sought from a range of stakeholders on the current service to assist in determining future key issues that need to be addressed within the new contract.
- 4.2 Service users report that they feel well supported by the service with aspects of service delivery highly valued such as letter writing workshops and support groups.
- 4.3 These services can only be delivered by either a Local Authority or an Ofsted Registered Adoption Support Agency (ASA). Many ASA's are voluntary sector agencies, small in size, and focused on their immediate locality which has led to a limited response to previous tenders of this contract.
- 4.4 There has been some expansion in the market, but it has not been rapid or substantial. To stimulate further interest a notification was published on the Kent Business Portal inviting interested parties to attend a market event on 31st January 2018. The purpose of the event was to provide an opportunity for suppliers to find out about our independent adoption support services and for the Council to outline its future commissioning intentions and for suppliers to discuss ideas, views and suggestions directly with commissioners. A total of 7 supplier organisations expressed an interest in attending the event, and 4 suppliers attended.

5. Procurement

- 5.1 The results from the Diagnostic Report together with the consultation carried out with the market and the in-house adoption service, has enabled us to identify what improvements need to be made in the new contract and how efficiencies can be sought as part of the procurement and contracting process.

5.2 The procurement options considered were:

1. Do Nothing

These are statutory services which all Local Authorities must make available to those meeting the established legal criteria.

2. Bring the Services In-House

This option would require significant issues to be managed including the TUPE of staff from the existing provider, decisions on location and office accommodation, managing the transition of a significant number of archive adoption files and mobilisation of the service.

3. Re-Tender Service

The Adoption Service already has a track record of working with external providers of this service. Keeping to this type of arrangement will represent the least change and impact to the in-house team. This option also allows time for future planning with Medway Council and the London Borough of Bexley regarding the development of a Regional Adoption Agency and its jointly commissioned services.

5.3 The recommendation endorsed by Children, Young People and Education Directorate Management Team was to re-tender the services for a 5 year contract. This decision has also been endorsed by Strategic Commissioning Board.

5.4 This opportunity will be published as a competitive tender utilising a Light Touch Regime as described within the Public Contracts Regulations 2015. It will be issued through the Kent Business Portal to ensure that the market access the same information, at the same time, and that transparency of process is demonstrated.

5.5 The contract will run for a 3 year term with the ability to issue a 2 year contract extension.

5.6 It is anticipated that the Invitation to Tender will be published during April 2018 with the new contract effective from 1st October 2018.

6. Financial Implications

6.1 These services are currently funded from the Specialist Children's Services Adoption budget. The current contract has a 4 year life value of £1,505,100.

6.2 As part of the commissioning and procurement of a new contract an alternative cost/pricing model will be applied that will link performance levels to payments made. Future demand has also been modelled showing reduced referral levels. This combination of reduced referrals and a pricing model more closely linked to the amount of activity delivered provides an opportunity for efficiencies of up to £15,000 to be made through the procurement process.

7. Legal implications

- 7.1 The services which are delivered under this contract are subject to specialised additional legislation and guidance which provides a comprehensive framework within which adoption agencies are expected to operate and deliver the services.
- 7.2 The following is some of the legal framework applicable to accessing adoption information:
- Adoption Agencies Regulations 1983
 - Adoption and Children Act 2002
 - The Adoption Information and Intermediary Services (Pre-Commencement Adoptions) Regulations 2005
 - The Disclosure of Adoption Information (Post commencement Adoptions) Regulations 2005
- 7.3 As part of any procurement, process checks will be carried out to ensure that the successful Contractor is either a registered Adoption Support Agency or is able to register with Ofsted to become a registered Adoption Support Agency before the contract start date.
- 7.4 The Treaty of Rome, EU directives and UK legislation require that competition will be part of an overall procurement approach to securing goods and services. It is anticipated that there will be no legal implications as a competitive procurement process will be undertaken.

8. Equalities implications

- 8.1 An Equality Impact Assessment regarding this service is currently being undertaken and any findings will be incorporated into the new service specification.

9. Other corporate implications

- 9.1 The services which will be covered by this new contract fully complement the current activity delivered by the Adoption Service. Discussions are continuing regarding the progression towards a Regional Adoption Agency with Medway Council and the London Borough of Bexley. As this development continues, a diagnostic analysis will be carried out across all three Councils looking at their commissioned adoption services with a view to joint commissioning when contracts are due for renewal.

10. Governance

- 10.1 The results from the diagnostic analysis of the current services along with proposed commissioning strategy has already been considered by Specialist Children's Services Divisional Management Team, Children, Young People & Education Directorate Management Team and Strategic Commissioning Board. They have all endorsed the recommendation to procure a new contract for Independent Adoption and Special Guardianship Support Services. Agreement is sought from the Children's Young People and Education Cabinet Committee to endorse this decision.
- 10.2 The Children's Young People and Education Cabinet Committee is also requested to give delegated authority to the Corporate Director for Children, Young People and Education to award the contract following a competitive procurement process.

An award report on the outcome of the procurement process will be reported to the Cabinet Committee.

10.3 Due to the approximate value of the new arrangement it does mean that the contract will require Sealing by our Legal department in line with the Council requirements.

11. Conclusions

11.1 Strategic Commissioning, on behalf of Specialist Children's Services, has undertaken a robust diagnostic analysis, market and stakeholder engagement to inform the future commissioning requirements for an Independent Adoption and Special Guardianship Support Service. The new contract will offer a range of statutory services for all those living in Kent (excluding Medway), who meet the requirements under the relevant legislation.

12. Recommendation(s):

The Cabinet Member for Children, Young People and Education is asked to:

- a) **AGREE** to procure a new contract for Independent Adoption & Special Guardianship Order Support Services; and
- b) **DELEGATE** authority to the Corporate Director of Children, Young People and Education, or other nominated officer, to undertake the necessary actions to implement the decision.

Contact details

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