

Report Title: **Children's Service Spot Contracts (1<sup>st</sup> April 2005 – 31<sup>st</sup> March 2006)**

Forward Plan reference number (if applicable): **[add reference]**

Report of: **The Director of Children's Service**

Wards(s) affected: **All**

Report for: **Non Key Decision**

**1. Purpose**

1.1 To inform Members of the level of spot contracting for Children & Families over the period 1<sup>st</sup> April 2005 to 31<sup>st</sup> March 2006.

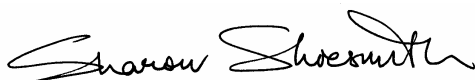
**2. Introduction by Executive Member**

2.1 [click here to type]

**3. Recommendations**

3.1 That Members note the contents of the report.

Report Authorised by:



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#### 4. Executive Summary

4.1 This report provides information on the number and value of spot contracts utilised by the Children's & Families Division of the Children's Service during the period 1<sup>st</sup> April 2005 to 31<sup>st</sup> March 2006. Contract Standing Orders require that an Annual Report be provided to the Executive Procurement Committee on the level of such contracts.

#### 5. Reasons for any change in policy or for new policy development (if applicable)

5.1 N/A

#### 6. Local Government (Access to Information) Act 1985

6.1 Report of Director of Social Services to Executive Procurement Committee of 12<sup>th</sup> July 2005 – Social Services Spot Contracts (1<sup>st</sup> April 2004 to 31<sup>st</sup> March 2005)

6.2 N/A

#### 7. Background

7.1 Contracts for individual are either 'block' contracts (where a set number of beds or places for services is provided by the contractor at a predetermined price to which the Council may refer users over the contract period), 'framework' contacts (with a predetermined price, which are similar to block contracts but with no guaranteed number of places) or 'spot' contracts (one off contracts meeting an individual's needs). Efforts are made to maximise the use of block and framework contracts where this represents best value for the Council.

7.2 Contract Standing Orders authorise the Director of Children's Services to award spot contracts whilst requiring that an annual report on the level of usage is provided to the Executive Procurement Committee

#### 8. Description

8.1 Block and framework contracts can have advantages in that it is sometimes possible to secure provision from selected providers at a more advantageous price.

8.2 It is not always appropriate or indeed possible to secure block or framework contracts as the residential home market can be a sellers market with providers often not willing to enter into this form of contract preferring to sell on the open market.

8.3 However in the case of Children's Services the Pan London Consortium works very successfully with the independent sector to secure quality care and control the price of these services by way of framework contracts.

8.4 The table below shows that there has been an overall decrease in both the number and cost of spot contracts for the period covered by this report.

| Summary:<br>Childrens' Service<br>Spot Contracts |                | 2005/2006  | 2004/2005  | Change   | Drop<br>% |
|--------------------------------------------------|----------------|------------|------------|----------|-----------|
| Asylum                                           | Number<br>Spot | 504        | 1,062      | -558     | -53%      |
|                                                  | Value £        | £3,763,702 | £4,515,063 | -751,361 | -17%      |

|                 |             |            |            |            |      |
|-----------------|-------------|------------|------------|------------|------|
| <b>Children</b> | Number Spot | 211        | 201        | 10         | 5%   |
|                 | Value £     | £2,894,035 | £3,187,295 | -293,260   | -9%  |
| <b>TOTAL</b>    | Number Spot | 715        | 1,263      | -548       | -43% |
|                 | Value £     | £6,657,736 | £7,702,358 | -1,044,621 | -14% |

### Reasons for percentage reductions

- Asylum Service client numbers reduced dramatically due to a Government amnesty which reclassified clients previously considered to be asylum seekers, these clients have now been transferred to other appropriate services such as Housing Service, Children's Service and other Adult Services.

A more detailed breakdown of the figures shown in the table above is attached at Appendix A.

### 8.5 Reporting Arrangements

Historically the Social Services report contained information with regard to spot contracts for Children and Families. Members were informed last year that due to the setting up of the Children's Service that future reports would be separate. This report therefore contains only information with regard to services for Children & Families, information with regard to services for Older People and Adults is contained in a separate report being presented to this Committee.

## 9. Summary and Conclusions

9.1 The purpose of this report is to inform Members of the level of spot contracting for the period of 1<sup>st</sup> April 2005 to 31<sup>st</sup> March 2006.

## 10. Recommendations

10.1 That Members note the contents of this report.

## 11. Comments of the Director of Finance

11.1 The Director of Finance has been consulted in the preparation of this report and has no further comments to make on the financial details included within it.

## 12. Comments of the Head of Legal Services

12.1 The Head of Legal Services notes the contents of the report and does not have any further comments.

## 13. Comments of the Head of Procurement

13.1 The Head of Procurement notes the decrease in spot purchases for 05-06. The decrease in spot placements is not reflected in the decrease in expenditure levels and this needs to be further explained.

## 14. Equalities Implications

14.1 The Council's Individual Placement Agreement which is utilised as a spot contract will shortly be updated and will contain the specific Equalities Terms and Conditions recommended by the Commission for Racial Equalities thereby mirroring the requirements of the Council's block contracts. This will have the effect of ensuring that both Clients and staff providing the services are better protected with regard to equalities issues.

## 15. Use of Appendices / Tables / Photographs

15.1 Appendix A – Breakdown of numbers and value of spot contracts by Service

### APPENDIX A

#### Children's Services Spot Contract Comparison 2004-05 & 2005-06: Detail

|                                | 2005-06<br>Spot No | 2005-06<br>£     | 2004-05<br>Spot No | 2004-05<br>£     | Change<br>Spot<br>No | Change<br>£     |
|--------------------------------|--------------------|------------------|--------------------|------------------|----------------------|-----------------|
| <b>Asylum</b>                  |                    |                  |                    |                  |                      |                 |
| C&F Bed & Breakfast            | 124                | 897,570          | 466                | 2,224,696        | -342                 | -1,327,126      |
| C&F Rent                       | 102                | 517,217          | 194                | 844,660          | -92                  | -327,443        |
| S/Adults Bed & Breakfast       | 129                | 577,798          | 240                | 909,610          | -111                 | -331,811        |
| S/Adults Domiciliary           | 0                  | 0                | 1                  | 1,047            | -1                   | -1,047          |
| S/Adults Rent                  | 37                 | 147,613          | 60                 | 131,045          | -23                  | 16,568          |
| UNM Bed & Breakfast            | 0                  | 0                | 1                  | 90               | -1                   | -90             |
| UNM Fostering                  | 25                 | 686,919          | 7                  | 46,637           | 18                   | 640,282         |
| UNM Hostel                     | 7                  | 38,899           | 0                  | 0                | 7                    | 38,899          |
| UNM Mother & Baby              | 1                  | 37,538           | 0                  | 0                | 1                    | 37,538          |
| UNM Rent                       | 0                  | 0                | 2                  | 212              | -2                   | -212            |
| UNM Residential                | 6                  | 224,703          | 1                  | 474              | 5                    | 224,229         |
| UNM Semi-Independent Accom.    | 1                  | 200              | 31                 | 83,868           | -30                  | -83,668         |
| UNM Supported Housing          | 14                 | 71,196           | 6                  | 44,730           | 8                    | 26,466          |
| LC/UNM Fostering               | 8                  | 204,663          | 3                  | 16,324           | 5                    | 188,339         |
| LC/UNM Hostel                  | 8                  | 73,218           | 0                  | 0                | 8                    | 73,218          |
| LC/UNM Mother & Baby           | 1                  | 10,139           | 0                  | 0                | 1                    | 10,139          |
| LC/UNM Rent                    | 7                  | 16,530           | 5                  | 11,431           | 2                    | 5,099           |
| LC/UNM Semi-Independent Accom. | 3                  | 18,548           | 43                 | 195,486          | -40                  | -176,938        |
| LC/UNM Supported Housing       | 31                 | 240,950          | 2                  | 4,752            | 29                   | 236,198         |
| <b>Total Asylum</b>            | <b>504</b>         | <b>3,763,702</b> | <b>1,062</b>       | <b>4,515,063</b> | <b>-558</b>          | <b>-751,361</b> |
| <b>Children</b>                |                    |                  |                    |                  |                      |                 |
| Children Bed & Breakfast       | 0                  | 0                | 1                  | 13,104           | -1                   | -13,104         |
| Children Boarding School       | 8                  | 473,892          | 11                 | 567,023          | -3                   | -93,131         |
| Children Day Care              | 17                 | 28,488           | 4                  | 1,443            | 13                   | 27,045          |
| Children Domiciliary           | 0                  | 0                | 1                  | 943              | -1                   | -943            |
| Children Emergency             | 3                  | 86,146           | 0                  | 0                | 3                    | 86,146          |
| Children Fostering             | 33                 | 527,658          | 32                 | 517,005          | 1                    | 10,653          |
| Children Hostel                | 0                  | 0                | 0                  | 0                | 0                    | 0               |

|                                     |            |                  |              |                  |             |                   |
|-------------------------------------|------------|------------------|--------------|------------------|-------------|-------------------|
| Children Mother & Baby              | 8          | 94,848           | 1            | 11,265           | 7           | 83,583            |
| Children Residential                | 50         | 540,197          | 53           | 1,306,255        | -3          | -766,057          |
| Children Respite                    | 0          | 0                | 0            | 0                | 0           | 0                 |
| Children Secure Accom. Total        | 3          | 367,377          | 0            | 0                | 3           | 367,377           |
| Sub-Total                           | 122        | 2,118,606        | 103          | 2,417,038        | 19          | -298,432          |
| Children LC Bed & Breakfast         |            |                  | 8            | 25,524           | -8          | -25,524           |
| Children LC Boarding School         | 1          | 28,541           | 3            | 51,204           | -2          | -22,663           |
| Children LC Fostering               | 6          | 181,872          | 1            | 30,106           | 5           | 151,766           |
| Children LC Hostel                  | 0          | 0                | 0            | 0                | 0           | 0                 |
| Children LC Independent Accom.      | 7          | 103,669          | 8            | 11,466           | -1          | 92,203            |
| Children LC Residential             | 14         | 335,008          | 10           | 400,498          | 4           | -65,490           |
| Children LC Semi-Independent Accom. | 61         | 126,338          | 68           | 251,459          | -7          | -125,121          |
| Sub-Total                           | 89         | 775,429          | 98           | 770,257          | -9          | 5,171             |
| <b>Total Children</b>               | <b>211</b> | <b>2,894,035</b> | <b>201</b>   | <b>3,187,295</b> | <b>10</b>   | <b>-293,260</b>   |
| <b>Total Children's Services</b>    | <b>715</b> | <b>6,657,736</b> | <b>1,263</b> | <b>7,702,358</b> | <b>-548</b> | <b>-1,044,621</b> |