



Report for:	Corporate Parenting Advisory Committee 3rd October 2013	Item Number:	
Title:	Review of the Children and Young People's Service (CYPS) Fostering Service		
Report Authorised by:	Marion Wheeler Assistant Director CYPS		
Lead Officer:	Paul McCarthy – Interim Head of Service Resources and Commissioning		
Ward(s) affected: All	Report for Non Key Decision		

1. Describe the issue under consideration:

1.1 The Fostering Service was rated 'adequate' in the last inspection by OFSTED in August 2011. Several measures have been undertaken to address the concerns raised including the development of an Improvement Plan against which progress was tracked. In summary, performance in this service has not been of a consistent high quality standard in terms of its outcomes for children and young people.

1.2 An Internal Audit Review carried out in January 2013 identified concerns regarding a lack of progress on the Plan as well as identifying areas where compliance against practice standards were not being met. These performance issues raised concerns regarding the quality of safeguarding provision and the ability of the Fostering Service to provide adequate supervision and support to its foster carers.



1.3 In addition, the Service has been facing growing external pressure and increasing demand for in-house foster carers. The demand has exceeded supply, resulting in a disproportionate use of expensive Independent Fostering Agencies. As of March 2013, there were 411 Looked After Children (LAC) in foster care placements, 60% of which were with external agencies and spend in 2012/13 was just under £10.5 million.

1.3 The culmination of this is a Service that is costing too much money and not delivering on the required high quality service outcomes for Children and Young People.

2. Cabinet Member introduction:

2.1 London Borough of Haringey's Children and Young People's Service (CYPS), engaged iMPower to support them in a review of the Fostering Service and specifically a review of the recruitment and assessment process of the carer's journey. There was also a wider review of the Service which included a review of the current commissioning arrangements and a wider analysis of capacity within the Service.

2.2 The project was carried out over a 12 week period and included the following activities:

- Baseline measurement of current performance relating to recruitment and retention of foster carers and a detailed analysis of the issues causing difficulty in this area.
- Research into the values and motivations of foster carers and their experience of Haringey Fostering Services. The research comprised of a telephone survey and focus groups that segmented carers by their Values Modes Profile.
- A capacity analysis of the Service.
- Opportunity analysis and options appraisal for future delivery models.
- Development of recommendations and implementation plan.

2.3 The full report is attached as Annex 1.



3. Recommendations:

3.1 The Committee is asked to comment on the proposal to outsource the recruitment and assessment function to an External Recruitment Provider. This would have a number of benefits including:

- A faster recruitment and assessment process to attract, assess and train new prospective in-house foster carers. The contract would be based on a 'payment by results' arrangement;
- Improved recruitment of new foster carers through a targeted and joined up marketing strategy, but maintaining Council branding on all marketing communications;
- Reduced costs through improved performance management arrangements and implementing robust commissioning strategies; and
- The recruitment process would be informed by a comprehensive needs analysis for Haringey.

3.2 The timescale for implementation is estimated at five months. This would enable a contract to be in place for the new financial year and for savings to start to be realised. There are several activities that need to start as soon as possible to enable this ambitious timescale to be achieved.

These include:

- Project initiation activities, including confirming project timescales, completing the sufficiency and placements strategy informed by the needs analysis and liaising with key Haringey stakeholders including procurement and Human Resources;
- Mapping out in more detail the implications for service processes, implications for the service structure, staff and ICT;
- Engagement with staff and carers on the changes and co-producing the implementation plan;
- Designing a well informed marketing strategy to recruit new in-house foster carers that utilises the Value Modes insight to inform a new marketing strategy that is joined up across the carer journey; and
- Ensuring a robust governance structure is in place to monitor progress, performance and risk.



4. Other options considered:

4.1 An options appraisal was carried out to assess whether some or all of the functions of the Service could be improved (and costs reduced) by finding alternative provision in the market place. The options assessed were as follows:

- a) Do nothing;
- b) Implement a new recruitment strategy informed by our Value Modes insight;
- c) Externalise the assessment and recruitment function, but retain the support team; and
- d) Outsource the Service in its entirety.

4.2 The options were appraised against a number of criteria which were agreed at the Fostering Review Group.

These were as follows:

- **Quality:** Likelihood to achieving the best outcomes possible for LAC in Haringey;
- **Cost:** Likelihood to achieve a balanced budget for placements from 2014/15 onwards and ability to demonstrate Value for Money;
- **Pace:** Likelihood to implement the changes and demonstrate improvements within the next 6 months;
- **Risk:** ensure that the delivery model has an acceptable level of risk associated with it; and.
- **Brand:** A view on what impact the 'brand' of the council may have on the delivery model.

4.3 A summary of the results from the options appraisal can be found in the final report attached as an Annex to this paper.

5. Comments of the Chief Finance Officer and financial implications

Significant progress has been made in reducing both the numbers of looked after children and particularly looked after children placed in residential settings in order to deliver savings during 2012-13 and 2013-14. The placements budget will reduce by a further £2.25m in 2014-15 to meet corporate savings targets. In order to deliver against this challenging target, managers are increasingly focusing on unit costs. An independent foster placement currently costs £798 a week, compared to £357 a week where a child is placed with in-house foster carers. The strategy recommended in this report will support balancing the placements budget during 2014-15 and beyond and deliver better value for money.



6. Head of Legal Services and legal implications

- 6.1 The Head of Legal Services has been consulted on this Report.
- 6.2 This Report broadly outlines the findings of the review of the Fostering Service and recommends outsourcing the recruitment and assessment function to an External Recruitment Provider. The Fostering Services (England) Regulations 2011 as amended by The Care Planning, Placement and Case Review and Fostering Services (Miscellaneous Amendments) Regulations 2013 and The Children Act 1989 Guidance and Regulations Volume 4: Foster Services (as amended) provides the regulatory framework for the provision by the local authority of a fostering service of which include recruitment and assessment of prospective foster carers.
- 6.3 Subject to the public law principles of reasonableness, procedural impropriety and illegality, the Council has some discretion in the way it decides to discharge the recruitment and assessment function. The recommended service option (i.e. outsourcing) is within the Council's legal powers.
- 6.4. The Council should ensure that the recommended option enables it to effectively discharge its statutory obligations to looked after children, in particular, the obligation under Section 22G of the Children Act 1989 to take steps to secure, so far as is reasonably practicable, sufficient accommodation to meet the needs of looked after children in its local area ('sufficiency duty').
- 6.5 The recommended option is intended to deliver better value for money services for the Council. Under the Local Government Act 1999 (as amended), the Council is under a general duty of best value "to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". For the purpose of deciding how to fulfil this duty, the Council must consult service users, partners, voluntary sector, staff and other interested parties about the proposed changes and its implications. The Council should have regard to the Best Value Statutory Guidance 2011.
- 6.6 In making a decision on the recommendation, the Council must have due regard to the public sector equality duty set out Section 149 of the Equality Act 2010 i.e. the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between persons who share a relevant protected characteristics and persons who do not. The duty covers the following protected characteristics: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex and sexual orientation. Having due regard to advancing equality involves considering the need to: remove or minimise disadvantages suffered by people due to their protected characteristics; meet the needs of people with protected characteristics; and encourage people with protected characteristics to participate in public life or in other activities where their participation is low. The outcome of any



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consultation undertaken and Equality Impact Assessment should be considered before making a decision on the recommendation.

- 6.7 In order to comply with the Council's Contract Standing Orders and relevant legislation the procurement of an External Recruitment Provider will need to be undertaken by following a competitive tendering process. For the purposes of the Public Contracts Regulations 2006 (as amended), the recruitment and assessment of foster carers are Part B services and are not subject to the full European procurement regime. Where the contract value is at, or above, the relevant EU threshold, the Council must comply with the relevant, less comprehensive requirements of the Regulations. Legal Services should be consulted on the procurement process going forward.

7. Equalities and Community Cohesion Comments

8. Head of Procurement Comments

9. Policy Implication

10. Use of Appendices

11. Local Government (Access to Information) Act 1985