



REPORT TITLE: Implementing a Modified Dynamic Purchasing System (MDPS) for Professional Services in Childrens Social Care

Cabinet Date	10 th November 2021
Cabinet Member	Cllr Stephen Davies, Cabinet Member for Children’s Safeguarding and Early Years
Key Decision	Yes
Purpose of Report	To seek authorisation to procure a Modified Dynamic Purchasing System (MDPS) for the provision of Professional Services in Childrens Social Care to include; Independent specialist assessments, therapeutic and mentoring support and family support services.
Recommendations	<p>That Cabinet delegates authority to the Executive Director for Children’s Services, in consultation with the Cabinet Member for Children’s Safeguarding and Early Years to:</p> <ol style="list-style-type: none">1. Procure a Modified Dynamic Purchasing System (MDPS) for the provision of Professional Services in Childrens Social Care. The proposed MDPS shall continue for an initial period of 5 years and include an option to extend its term for a further period of not more than 2 years;2. Determine whether to exercise such option to extend on the expiry of the initial 5 year term;3. Admit or remove service providers to/from the MDPS during its term in accordance with the selection criteria thereunder;4. Procure contracts for the supply of independent specialist assessments, therapeutic and mentoring support services and family support services from service suppliers admitted to the MDPS whose combined aggregate value shall not exceed £10.5 million. In the event that the value of any single proposed contract under such MDPS will exceed £500,000, a separate Cabinet decision shall be required in order to authorise the award of such contract; and5. Report back to Cabinet on an annual basis throughout the term of the MDPS in order to provide details of the combined aggregate value of contracts awarded by the Council under the MDPS in the preceding 12 month period.

Reasons for recommendations	<p>Completing a successful tender process for the provision of professional services identified will enable the Council to:</p> <ul style="list-style-type: none"> - Improve outcomes for some of our most vulnerable children and young people through the provision of bespoke packages of support - The Local Authority has access to a high quality, independent and timely assessment service - Secure value for money and efficient use of public funds as well as ensuring compliance with GCC Accounting Instructions and procurement policies
Resource Implications	<p>Rates of Children in Need, Children subject to a Child Protection Plan and Children in Care coupled with the rate of referrals and the percentage of re-referrals into Children’s Social Care have been rising since 2013/14 and, with this increase, there is a growing demand for support from the councils services, commissioned services and an increase in financial support being offered. Growing demand has put pressure on the budget but more effective commissioning should address a significant part of this.</p> <p>Based on spend levels in children’s social care for the provisions to be outlined in the proposed MDPS, the spend last year was £1.3m. Estimated spend for the MDPS is expected to be in line with this cost with a slight increase for any anticipated increase in demand for the required services and for factors out of the councils control. Therefore, the estimated value of the MDPS is estimated to be £1.5m per year, hence the total value of a 5 year MDPS will be £7.5m. If the council elects to exercise its 2 year extension option under the MDPS, the total contract value will be £10.5m, and, at this level, can be covered from existing budgets</p>
Background Documents	None
Statutory Authority	<p>Childrens Act 1989</p> <ul style="list-style-type: none"> - Section 17 – Provision of services for children in need, their families and others; - Section 47 – reasonable cause to suspect a child is suffering or likely to suffer significant harm; - Section 31 – care and supervision orders; - Section 20 – duty to accommodate a child.
Divisional Councillor(s)	All
Officer	<p>Name: Wendy Williams, Assistant Director for Integrated Children and Families Commissioning Tel. no: 01452 328526 Email: wendy.williams3@gloucestershire.gov.uk</p>
Timeline	<ul style="list-style-type: none"> - November 2021: Cabinet decision - November 2021 – January 2022: Produce contract specifications and procurement pack

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| | <ul style="list-style-type: none">- February 2022: Provider/Market Engagement- March 2022: Undertake procurement- June 2022: MDPS operational |
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Background

1. Under the Children Act 1989, local authorities are required to provide services for children in need for the purposes of safeguarding and promoting their welfare. Local authorities must undertake assessments of the needs of individual children and must give due regard to a child's age and understanding when determining what, if any, services to provide. When assessing children in need and providing services, specialist assessments may be required.

Current Situation

2. Children's Social Care, through assessments and legal planning meetings, identify support required for the child and their family.
3. The support needed is individualised and therefore there are a number of providers and organisations that are commissioned on a spot purchased basis.
4. Rates of Children in Need, Children subject to a Child Protection Plan and Children in Care coupled with the rate of referrals and the percentage of re-referrals into Children's Social Care has been rising since 2013/14 and, with this increase, there is a growing demand for support from our services, commissioned services and an increase in financial support being offered.
5. As part of the Sufficiency Strategy, Gloucestershire County Council introduced a range of newly formed panels with a view to increase efficiencies and to ensure adequate oversight and financial grip is applied to the allocation of resources.
6. The Access to Resources Panel has been set up specifically to ensure consistency of practice and decision making across children's social care and in response to the need to manage limited resources more effectively in relation to Section 17 and the children in care discretionary budgets.
7. Following the introduction of the Access to Resource Panel in Commissioning, there is a better understanding of the types of support that is being requested to support families.
8. The below tables highlight the top spends in Children's Social Care over the last two financial years

Financial Year 19/20

Request Category	Amount Requested by Teams	Amount Approved by Resources Panel
Specialist Assessments (PAMs, Cognitive, Psychological etc...)	£405,509.56	£321,332.73
Advocacy Services / Mentoring / Welfare Visits / Contact	£115,058.62	£71,507.12
DNA/Drug/Alcohol Testing	£158,528.60	£131,362.40

Therapies (Play, Art, Equine, Etc.) / Counselling	£139,986.39	£98,821.39
	£819,083.17	£623,023.64

Financial Year 20/21

Request Category	Amount Requested by Teams	Amount Approved by Resources Panel
Specialist Assessments (PAMs, Cognitive, Psychological etc...)	£716,168.64	£596,585.40
Advocacy Services / Mentoring / Welfare Visits / Contact	£254,795.04	£178,231.75
DNA/Drug/Alcohol Testing	£248,011.78	£226,421.16
Therapies (Play, Art, Equine, Etc.) / Counselling	£160,117.55	£101,743.75
	£1,379,093.01	£1,102,982.06

9. As a result of current arrangements, there is a lack of quality and oversight for Children's Social Care Professional Services providers being commissioned by social care teams directly, varied and differing costs amongst providers for the same provisions being offered and provider spend, individually and cumulatively, exceeds the procurement thresholds.

Proposed Action

10. The Council therefore intends to procure a Modified Dynamic Purchasing System (MDPS) for Professional Services in Children's Social Care under which it shall procure the following services under the following lots (which correspond with the council's main areas of spend);

- Lot 1 - Independent Specialist Assessments (included Drug and Alcohol Assessment)
- Lot 2 - Therapeutic Support
- Lot 3 - Mentoring support and family support services (contact, welfare visits)

Within the Public Contracts Regulations (2015) (PCR 2015), there is a Light Touch Regime (LTR) for certain education, health and social care contracts. This is where we have more flexibility to modify the procurement process to meet service needs.

In order to be clear where we are using a modified process, rather than the procedure defined in PCR 2015 the use term "pseudo" is used.

Options

11. Officers have considered different options when establishing the best route to market for professional services:

Option Number	Option Description
<p>Option 1: Establish a Modified DPS on the basis set out in the Recommendations above</p> <p>Recommended option</p>	<ul style="list-style-type: none"> - The proposed MDPS providers can easily join the MDPS throughout the year which means providers will be able to join at any time; this will give Gloucestershire greater flexibility to deliver these services. - If a court instructs a specific provider, officers can encourage them to join the MDPS therefore reducing repeated spot purchasing of experts. - There is no guarantee of demand, so the local authority would only be paying for the services it uses - Providers can be monitored/audited in a systematic way - Effective contract management, as providers will be required to comply with our quality standards and minimum service standards - Upfront agreed costs with providers for the assessments and any other associated costs, along with volume discounts - If the demand in care proceedings does not reduce, GCC will be covered through the MDPS.
<p>Option 2: Establish a pseudo framework agreement</p>	<ul style="list-style-type: none"> - Procurement law prohibits new suppliers from being admitted to Framework agreements post-commencement, hence if the Court were to instruct a specific provider, who is not on the framework, to undertake a specialist assessment, it would lead to spot-purchasing because they would be prohibited from joining the framework.
<p>Option 3: Block contracts</p>	<ul style="list-style-type: none"> - Financial consequences may arise from under-used capacity if the anticipated demand for the block contracted service is not realised (demand is not guaranteed) - There is a risk that the chosen providers will not be able to meet the need and/or demand to cover assessment services across Gloucestershire and support needs for children - Assessments and support are bespoke to individual circumstance and so a block contract may not provide the flexibility required for the service.
<p>Option 4: Continue to spot purchase</p>	<ul style="list-style-type: none"> - If there are no contracts for professional services in place the council would continue to spot purchase such services. This could negatively affect the quality of assessments and support as the council could potentially be purchasing from providers who are not fully compliant with the required standards needed to undertake the work (i.e. Safeguarding Checks, Appropriate registration with regulatory bodies). It could also negatively impact on care planning timeframes and even the Courts timeframes. - Spot purchasing does not ensure the best value for money and due to the level of spend is unsuitable for these services. - Such purchases would be in breach the council's Contract Standing Orders, and potentially public procurement law

	<ul style="list-style-type: none"> - Spending levels could continue to rise if no intervention or formal commissioning arrangements are established. - Quality of services will vary and the council will be unable to manage poor performance.
Option 5: Do nothing	<ul style="list-style-type: none"> - This is not an option as under Section 11 of the Children Act (2004) or Sections 17, 31, 20 and 47 of the Childrens Act 1989. GCC must safeguard and promote the welfare of children.

Risks

12. The following key risks and issues associated with the contract and contract award have been identified, along with mitigation activities:

Risk Description	Mitigation Activity
Providers may not want to sign up to the proposed MDPS and therefore, a level of spot purchasing outside the MDPS may continue.	<ul style="list-style-type: none"> - The MDPS will be open continuously to allow new providers to join. - The tender process will be simplified as much as possible so that sole traders will not be deterred from submitting a bid. - Market engagement events will be undertaken in order to take providers through the full tendering process and documentation ensuring they are aware of how to submit a compliant bid. - Running market engagement events throughout the lifetime of the MDPS to encourage the market to join the MDPS.
Internal compliance from social care teams to follow the process in requesting support and as a result, unauthorised spot purchases	<ul style="list-style-type: none"> - Children and Families commissioning hub to be 'custodians' of the Section 17 budget for a period of time so that full accountability/spend can be managed

Financial implications

13. This report seeks authorisation for the Council to go out to tender for a 7 year (5+2) contract for providers to deliver bespoke targeted and time limited intervention packages to Children in Need, Children in Care and Children subject to a Child Protection Plan as well as specialist assessment needed to inform planning. Evidence suggests that these types of intervention work can achieve tangible cost savings due to their effectiveness which would have a long-term benefit against the Children's placement budgets if we were to bring children in the care of the local authority.

14. The majority of spend derives from existing social care budgets and it is envisaged, through the continuation of Access to Resources Panel, there should be cost savings and cost avoidance to bring costs back to budget. Through having the Dynamic Purchasing System, it provides an opportunity to manage costs more effectively and over time a reduction in costs by fixed costs, seeking volume discounts and increased scrutiny regarding need for the support.

Climate change implications

15. Carbon emission implications on this project are neutral, and the project is not vulnerable to climate change.

Equality implications

16. Has an Equalities Impact Assessment (EIA) been completed? Yes

17. Equality Impact Assessment (EIA) indicates that there are no significant impacts identified in respect of protected characteristics

18. Where potential impacts have been identified, through regular monitoring, these can be maximised or minimised to ensure there are no negative impacts.

19. Cabinet Members should read and consider the Equalities Impact Assessment in order to satisfy themselves as decision makers that due regard has been given

Data Protection Impact Assessment (DPIA) implications

20. Due to the nature of information that will be shared with and received from providers, and the sensitive nature of the work that is being carried out with Gloucestershire's most vulnerable children and families, there will be a need for a DPIA. This will be produced as part of the development of the service specification and relevant officers will be consulted to ensure that the DPIA is robust and meets the needs of the service as well as our duties as a local authority which will have high regard to the safeguarding of children and families.

Social value implications

21. Provision of support packages for Gloucestershire's most vulnerable individual children and young people will improve their quality of life. It will also increase opportunities for disadvantaged young people and families and increase children's and young people's safety or well-being

22. The tender process will invite providers to include how they would deliver increased social value as part of their bid submission.

Consultation feedback

23. Direct engagement with children, young people and families did not take place because it was not deemed appropriate to engage with residents that are currently going through court proceedings.

Officer recommendations

24. The Officer recommendations to Cabinet are to;

Authorise Option 1 set out in paragraph 11 of this Report

Performance Management/Follow-up

25. Providers will have to submit performance reports and 6 monthly contract monitoring will take place.

26. The Access to Resource Panel will report on activity to the Childrens Services Leadership Team