

EXECUTIVE DECISION

made by a Council Officer




REPORT OF ACTION TAKEN UNDER DELEGATED AUTHORITY BY AN INDIVIDUAL COUNCIL OFFICER

Executive Decision Reference Number – *COD36 22/23*

Decision	
1	Title of decision: Commissioned Placement Sufficiency Plan 2022/23 – Award of contract for Peninsula Residential Children's Homes Flexible Purchasing System (FPS).
2	Decision maker (Council Officer name and job title): Sharon Muldoon, Director of Children's Services.
3	Report author and contact details: Emma Crowther, Strategic Commissioning Manager, emma.crowther@plymouth.gov.uk 01752 304009
4a	Decision to be taken: To award the contracts to the residential children's home providers listed in the Part I Report
4b	Reference number of original executive decision or date of original committee meeting where delegation was made: Cabinet 8 th March 2022 – agreed for procurement to proceed and for delegation of contract award to the Director of Children's Services
5	Reasons for decision: Plymouth City Council has a statutory duty to provide sufficient local placements of good quality for children and young people in the care of the local authority. These placements are sourced from a range of providers, including Ofsted registered residential children's homes. This decision relates to the outcome of a sub-regional tender for residential children's home placements from independent agencies, led by Devon County Council's procurement team, on behalf of Plymouth City Council, Somerset County Council and Torbay Council. The report describes the process used and recommends the successful providers for contract award.
6	Alternative options considered and rejected: Opening our own provision – this option is continuing to be explored, particularly for children where local provision is needed but not readily available. This option would not offer the range of locations or size of homes available through a Peninsula sub-regional approach. Ceasing the contract – as the need to commission placements from residential children's home providers is ongoing, this would mean reverting wholly to the spot purchase of individual placements. This would be at a higher weekly cost and also require quality assurance each time a new placement was made. The Peninsula contract is part of a long-standing Peninsula Commissioning Partnership with Devon County Council, Torbay Council and Somerset County Council enables the four local authorities to maximise their purchasing power and ability to negotiate with the market. The Peninsula contract is part of a wider approach to commissioning residential care placements for children. Plymouth City Council also commissions a block contract for children's homes which are

	within or close to the city. The Peninsula contract is used for when local beds are unavailable and/or a child's needs require a placement away from the city.			
7	<p>Financial implications and risks:</p> <p>Placement providers have for several months been signalling their increasing cost pressures in terms of their ability to attract and retain residential staff. Weekly wages for residential care staff are broadly comparable with those paid by larger supermarkets, and the COVID-19 pandemic also led to a number of the workforce reconsidering their work/life balance and career opportunities. Providers have also flagged the rising cost of travel and utilities in operating residential homes. Providers are fully aware of the financial challenges being faced by the local authority, but had signalled that weekly fees under any new contract would need to take account of the rise in costs during 2022.</p> <p>Residential care is a key part of achieving the Council's statutory sufficiency duty – for those children with the most complex needs linked to their experiences of trauma. Work is ongoing to only use residential care for those children and young people who need it, and only for the shortest period of time possible, to enable them to be able to return to living in a family based placement such as foster care.</p> <p>The financial implications of the award of contract are set out more fully in the Part 2 paper, but the new contract fees will only apply to new placements made from 1st February 2023 onwards and not to current placements. The contract contains a mechanism for considering future uplifts to fees, and those for the future years of the contract will be determined on a year by year basis. The current spend on the contract is £2.974m. It is likely that the Council will receive requests to review the price of existing placements on an ad hoc basis during the remainder of the financial year, for fees related to 2023/24. Where it is possible to negotiate these with Peninsula local authority partners this will be done.</p>			
8	<p>Is the decision a Key Decision? (please contact Democratic Support for further advice)</p>	Yes	No	<p>Per the Constitution, a key decision is one which:</p>
			x	in the case of capital projects and contract awards, results in a new commitment to spend and/or save in excess of £3million in total
		x		in the case of revenue projects when the decision involves entering into new commitments and/or making new savings in excess of £1 million
			x	is significant in terms of its effect on communities living or working in an area comprising two or more wards in the area of the local authority.
8b	If yes, date of publication of the notice in the Forward Plan of Key Decisions	22 September 2022		
9	Please specify how this decision is linked to the Council's corporate plan/Plymouth Plan and/or the policy framework and/or the revenue/capital budget:	This proposal links to the Child Poverty agenda for the city and also A Bright Future 2021 – 26 in supporting children to stay safe, and in having adequate provision of good quality local placements for children in the care of the local authority.		
10	Please specify any direct environmental implications of the decision (carbon impact)	By seeking to work with providers who can deliver high quality residential children's homes, children will be able to settle into their placements, engage with education and support services.		

Urgent decisions			
11	Is the decision urgent and to be implemented immediately in the interests of the Council or the public?	Yes	(If yes, please contact Democratic Support for advice)
		No	X (If no, go to section 13a)
12a	Reason for urgency:		
12b	Scrutiny Chair signature:		Date
	Scrutiny Committee name:		
	Print Name:		
Consultation			
13a	Are any other Cabinet members' portfolios affected by the decision?	Yes	
		No	X (If no go to section 14)
13b	Which other Cabinet member's portfolio is affected by the decision?	N/A	
13c	Date Cabinet member consulted	N/A	
14	Has any Cabinet member declared a conflict of interest in relation to the decision?	Yes	If yes, please discuss with the Monitoring Officer
		No	X
15	Which Corporate Management Team member has been consulted?	Name	Sharon Muldoon
		Job title	Director of Children's Services
		Date consulted	19 January 2023
Sign-off			
16	Sign off codes from the relevant departments consulted:	Democratic Support (mandatory)	DS94 22/23
		Finance (mandatory)	DJN.22.23.345
		Legal (mandatory)	MS/39670
		Human Resources (if applicable)	N/A
		Corporate property (if applicable)	N/A
		Procurement (if applicable)	PB/SC/018/ED/0123

Appendices									
17	Ref.	Title of appendix							
	A	Commissioned Placement Sufficiency Plan 2022/23 – Award of contract for Peninsula Residential Children's Homes Flexible Purchasing System (FPS).							
	B	Equalities Impact Assessment							
Confidential/exempt information									
18a	Do you need to include any confidential/exempt information?		Yes	<input checked="" type="checkbox"/>	If yes, prepare a second, confidential ('Part II') briefing report and indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box in 18b below.				
			No	<input type="checkbox"/>					
			Exemption Paragraph Number						
			1	2	3	4	5	6	7
18b	Confidential/exempt briefing report title: Commissioned Placement Sufficiency Plan 2022/23 – Award of contract for Peninsula Residential Children's Homes Flexible Purchasing System (FPS) – Part 2 report				x				
Background Papers									
19	Please list all unpublished, background papers relevant to the decision in the table below. Background papers are <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based. If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.								
Title of background paper(s)			Exemption Paragraph Number						
			1	2	3	4	5	6	7
N/A									
Council Officer Signature									
20	I agree the decision and confirm that it is not contrary to the Council's policy and budget framework, Corporate Plan or Budget. In taking this decision I have given due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not. For further details please see the EIA attached.								
Signature				Date of decision		20 January 2023			
Print Name		Sharon Muldoon							