

**REPORT TO** Children, Young People and Families Policy and Performance Board

**DATE:** 6 January 2011

**REPORTING OFFICER:** Strategic Director – Children and Young People

**SUBJECT:** Commissioning Update

## **1. PURPOSE OF REPORT**

- 1.1 To provide an update on the development of a joint commissioning team and highlight the work undertaken by the team to assess the contracts which would be decommissioned or redesigned in the light of the funding cuts.

## **2. RECOMMENDATION: That**

- 2.1 PPB note the content of the report and ask for a further report to be provided on the impact of the budget efficiencies on commissioned provision in Halton; and**
- 2.2 PPB endorse the development of an outcome based accountability framework and cost based saving tool for all contracts.**

## **3. SUPPORTING INFORMATION**

- 3.1 The Commissioning and Contracts team is now fully staffed and has 4 Commissioning Managers with the following areas of responsibility, Parenting & Partnerships, Children & Families, Learning & Achievement and Targeted Youth Support (Teenage Pregnancy & Substance Misuse). To support the managers there are two contracts officers and two contracts assistants.
- 3.2 The team have responsibility for over 50 contracts plus the responsibility for the contractual function for Residential, Independent Fostering Agency placements and Leaving Care placements
- 3.3 The team have joined up with Halton & St Helens PCT commissioners to create a Joint Commissioning Unit (JCU) and meet once a month. All members of the JCU have attended a 3 day Commissioning Skills Training event hosted by the Commissioning Support Programme. The aim of this training was:
- 3.3.1 To explore the emerging health, education and social care commissioning agenda for children and young people.

3.3.2 To understand the essential good practise elements of planning and commissioning.

3.4 The five priority areas that have been identified by the Children's Trust have been allocated to commissioners within the Joint Commissioning Unit and individual action plans are currently being developed and will clearly show key elements throughout each stage of the project plan. Some of the elements that will be covered in the plans are as followed:

- 3.4.1 Review scope of current service provision and its performance
- 3.4.2 Map current service
- 3.4.3 Determine existing care pathways and service providers
- 3.4.4 Current performance/outcomes
- 3.4.5 Baseline capacity/costs/outcomes of existing services
- 3.4.6 Strategic needs assessment
- 3.4.7 Consultation with stakeholders including: providers, partners.
- 3.4.8 Consult on: objectives, needs, and services to be delivered.
- 3.4.9 Conduct gap analysis
- 3.4.10 Equality impact assessment

3.5 The action plans will be finalised early in 2011 and will evidence a move towards efficiency savings through reductions in duplication of services and support functions with clear recommendations to achieve this.

#### **4 RISK ASSESSMENT AND EQUALITY IMPACT ASSESSMENT EXERCISE**

4.1 The main focus for the Halton Borough Council Commissioning Managers has been to become familiar with all the current contracts and to meet service providers. 90% of the contracts that are in place have termination dates of March 2011 and therefore contract risk assessments have been completed in order to make recommendations to support decommissioning, re-commissioning or service redesign. The definition of risk is any event that could impact on the project/ service delivery and would have consequences on the capacity to deliver the agreed benefits if not managed appropriately.

4.2 The overall purpose of carrying out this exercise is to raise awareness of risks in a timely manner, assist the decision making process and to assist in identifying critical areas of the project. As some of these will be terminated this will increase demand on other service areas such as social care and it is essential that consideration is given as to how we manage this and the process of redesign services.

4.3 At the same time as carrying out the risk assessment the team completed a preliminary equality impact assessment and banded each activity. All the providers were officially informed that this process was being undertaken so that they understood that the rationale behind the tough decisions that have had to be made due to the current difficult economic climate.

4.4 Each contract was scored using the following banding:

- 4.4.1 **0** Several major concerns which needs to be addressed to ensure continuity of delivery
- 4.4.2 **1** Several issues including at least one major concern, which should be addressed
- 4.4.3 **2** Status seems satisfactory and we have a good relationships, plans in place to cover any emerging concerns
- 4.4.4 **3** Status looks good. There are no identified concerns at this time and risk of loss of delivery continuity is deemed as low

4.5 The equality assessment has been scored using the following banding:

- 4.5.1 **1 High** = Significant potential impact, risk of exposure, no mitigating measures in place or evidence available, urgent need for consultation
- 4.5.2 **2 Medium** = some potential risk, some mitigating measures in place but no evidence available on how effective they are, would benefit from consultation
- 4.5.3 **3 Low** = Almost bordering with non relevance to EIA process

**The table shows current contracts, budgets**

Provider	Service	Budget & Cost
5 Boroughs Partnership NHS Trust	CIC CAMHS Worker	CAMHS £63,959
5 Boroughs Partnership NHS Trust	Substance Misuse Service	CAMHS £34,244
Action For Children <i>Contract 2012</i>	Children's Rights and Advocacy Service and Independent Visitors Service	SS £110,186
Action For Children Kings cross Catholic Children's Society	PACT	WNF £125,000
Adult Learning	Adult Learning	CC £139,000
After Adoption <i>Contract 2012</i>	Adoptive Support Service (Tripartite service with St Helens and Knowsley)	SS £20,571
Arch Initiatives	0-12 Outreach Worker Family Services	£75,000
Barnardos	Befriending Service	AHDC £49,051

Barnardos	Brokerage Service	AHDC £90,000
Barnardos	Missing From Home Project	CF/ WNF £90,000
Canal Boat Adventure Project <i>Contract 2012</i>	Happy Ness Inclusion Project	CF £16,000
Catholic Children's Society	Children & Young People's Bereavement Service	CC £65,100( this is on 1year 8mths)
Citizens Advice Bureau	Ideal and Housing Careworker/Solicitor Service	CC £124,350
Citizens Advice Bureau	Extended Schools Service	CC £43,000
Community Safety	Youth Inclusion and Support Panel	CF £65,000
Connexions	Teenage Pregnancy and Sexual Health Service	TP Plus WNF £143,000
Crossroads	After School Clubs - Widnes	AHDC £45,310
Crossroads	Short Breaks	AHDC £48,960
FCA	Family Breaks	AHDC £45,376
HAFS	Family Breaks	AHDC £46,966
Halton Child Contact Centre	Child Contact Centre	SS £1,000
Halton Play Council	Cavendish After School Club	AHDC £25,304
Halton Play Council	Inclusive Play schemes	AHDC £28,052
Halton Speak Out	Planning for Life	AHDC £25,054
Halton Women's Aid	Children's Outreach	CC £12,586
Kings Cross	Community Parenting/ Breastfeeding Buddies	CC £51,912
Kings Cross	Young Persons Counselling Services	CAMHS £100,000 CF £50,000
NSPCC	Young Witness Support Contract with Warrington BC, Cheshire Police and Cheshire CC	CAMHS £15,000
PCT	Speech and Language	CC £178,254
PCT	Speech and Language (SEN)	OF £120,000
PCT	Teenage Midwife Service	TP £15,000

Phil Andrews Vending Services	Repair and Maintenance of Condom Machines	TP £2,000
PSIFX Networks	IT Support Maintenance - CIC	OF £3,700
YMCA	Emergency Bed Service	SS £13,802
Young Addaction	Mobile Outreach Service	CF/ YPSM £103,000
Young Addaction	Young Persons Substance Misuse Support Service	YPSM £154,000
Youth Media	Health Bytes Provision	CF £5,250
Action For Children	Young Carers Lead	WNF £49,949
Canal Boat	Making Waves	WNF £48,000
HBC	Independent Travel Trainers	WNF £25,000
Widnes Viking	Tackling Fitness	WNF £37,500
Action for Children	C Card	TP £ 24,000

4.6 The contracts that are funded under Aiming High have been looked at collaboratively around the proposed re working of Inglefield to support the requirements around service delivery and the Aim High for Disable Children team.

4.7 Other work is now being undertaken on identifying tradeable services and how commissioning can be undertaken in a more cost effective and efficient way. There are also developments around school services.

## 5 PERFORMANCE AND COST EFFECTIVENESS

5.1 The Commissioning and Contract team have also undertaken work to refresh the commissioning framework, redesign an outcome based performance framework and to undertake financial planning, looking to pooled resources in order to improve efficiency by creating a cost based saving tool.

5.2 With regard to the performance framework there are three simple performance measurement categories:

5.2.1 How much service did we deliver? - Quantity of effort.

5.2.2 How well did we deliver it? - Quality of effort.

5.2.3 Is anyone better off? This covers both bottom quadrants of quantity of effect i.e. how many service users are better off, and quality of effect i.e. how are they better off?

- 5.3 There needs to be effective performance monitoring which will look at:
- 5.3.1 Proportional investment in monitoring with levels of action based on risk
  - 5.3.2 Collate information from contract monitoring with other sources
  - 5.3.3 Make use of providers' quality assurance systems
  - 5.3.4 Agree protocols on intervention with underperforming providers
  - 5.3.5 Set-up systems to ensure action is taken
- 5.4 The Outcome Based Accountability model is summarised as:
- 5.4.1 **Outcomes** The conditions of well-being required for children and young people, families and the community
  - 5.4.2 **Indicators** How we measure these conditions
  - 5.4.3 **Baselines** What the measures show about past and future trends
  - 5.4.4 **Turning the curve** What success looks like if we do better than the baseline
  - 5.4.5 **Performance Measures** How we know if the service is working, e.g. how much? How well? Is anyone better off as a result?
- 5.5 Applying this model will give providers the tools that will enable them to be even more effective in improving children's outcomes, and in doing so, reduce costs across the spectrum of need from early intervention to intensive support.
- 5.6 An example of highlighting performance and cost effectiveness is showed below with the current Missing from Home service.
- 5.7 The service began during September 2008. Numbers of YP reported missing to Cheshire Constabulary reduced during the first 6 months of intervention (Sept 08 – Feb 09: 340) by 36% when compared to the same period the year before (Sept 07 – Feb 08: 530).
- 5.8 However since this point, numbers have risen most months (14 months out of 18 months) that the service has been delivered resulting in an overall increase of 21.28% (Sept 08 – Aug 09: 827 compared with Sept 09 – August 10: 1003).

MONTH	2009/10			2010/11		
	CIC	Home	Total	CIC	Home	Total
April	34	26	60	27	23	50
May	37	28	65	37	36	73
June	40	30	70	84	39	123
Total	111	84	195	148	98	246

5.9 The service is commissioned at £ 90,000 per annum. Between October 2009 and September 2010 885 separate incidents were recorded and managed by Barnardos. This also equates to £101.81 per each reported MFH incident. The 885 incidents for this period actually relates to 248 individuals at a cost of £362.90 per each young person. The below table shows these costs and also the costs of each cohort – Halton CIC, Halton young people and non Halton young people (CICOLA). Further work needs to be carried out to show other costs i.e. social care to get a true reflective cost per MFH incident / young person and equally the care package that is put in place. These figures do show that incidents numbers have risen despite the introduction of the commissioned service. Once the cost based exercise is complete we know that the true costs to the LA will be high.

5.10 We have also asked the service provider to record better data and a break down of the number of Halton young people, number of CIC and number of CICOLA so we can have a more targeted approach for repeat runners. We are hoping that this more targeted approach will reduce the number of MFH incidents and initially reduce the large costs to the police but also ensure a better co-ordinated approach to problem solving the reasons behind the running with individual young people; this approach will also reduce costs to the LA and other services.

Total YP supported by Barnados <u>Oct 2009 - Sept 2010</u> inclusive	Number of recorded occasions runaway	Number of young people	Number of runners on more than 8 occasions	Commissioned service costs: Barnardos	Cheshire Constabulary costs per MFH incident (£1,000)	Total Costs
missing from <b>Halton CIC</b>	202	24	6	£20,542.37	£202,000.00	£222,542.37
missing from <b>home</b>	361	178	7	£36,711.86	£361,000.00	£397,711.86
no detail recorded	1	1		£101.69	£1,000.00	£1,101.69
<b>Total Halton YP</b>	564	203	13	£57,355.93	£564,000.00	<b>£621,355.93</b>
missing from <b>non Halton YP in care homes</b>	321	45	13	£32,644.07	£321,000.00	£353,644.07
<b>Total</b>	<b>885</b>	<b>248</b>	<b>26</b>	<b>£90,000.00</b>	£885,000.00	<b>£975,000.00</b>

## **6. NEXT STEPS**

6.1 Future development work will be concentrated in the following areas:

- Development of a commissioning framework;
- Development of a outcome based performance framework and cost based saving tool ;
- Completing service redesign on current contracts;
- Implementing tender processes with new services;
- Exploring income generation options;
- Develop closer links with adult services and GP commissioners;
- Cost analysis for out of borough placements efficiencies; and
- Implementation of a residential forum to promote the expectation of all providers meeting the requirements of Haltons policy and procedures on raising standards in all residential provision for all young people.

## **7.0 FINANCIAL IMPLICATIONS**

7.1 Decommissioning a range of contracts due to the reduced levels of funding available is likely to have an impact on the sustainability of some of the current providers. It is therefore essential commissioned services are given as much notice as possible of their position in terms of future service delivery so that they are able to plan their staffing and resources.

## **8.0 IMPLICATIONS FOR THE COUNCILS PRIORITIES**

### **8.1 Children and Young People**

A range of services are currently commissioned to support Children and Young People. Where this provision is being decommissioned work is being done to identify how support can continue to be offered to children and young people.

### **8.2 Employment Learning and Skills in Halton**

Decommissioning or redesigning service could have an impact on the

### **8.3 A Healthy Halton**

Services will continue to be provided to support and promote healthy lifestyles for



children and young people within the borough.

#### **8.4 A Safer Halton**

Safeguarding continues to remain a priority in the commissioning of all services for children and young people.

#### **8.5 Halton's Urban**

N/A

#### **9.0 RISK ANALYSIS**

9.1 A comprehensive risk assessment process has been undertaken on each of the commissioned services. The details of this process are summarised in paragraph 4 above.

#### **10.0 EQUALITY AND DIVERSITY ISSUES**

10.1 A comprehensive assessment has been undertaken on each commissioned service to understand and mitigate against any equality and diversity issues. For a summary of the process please see paragraph 4 above.

#### **11 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

11.1 There are no relevant background papers.