The Role of Commissioning in Improving Services to Children in Need
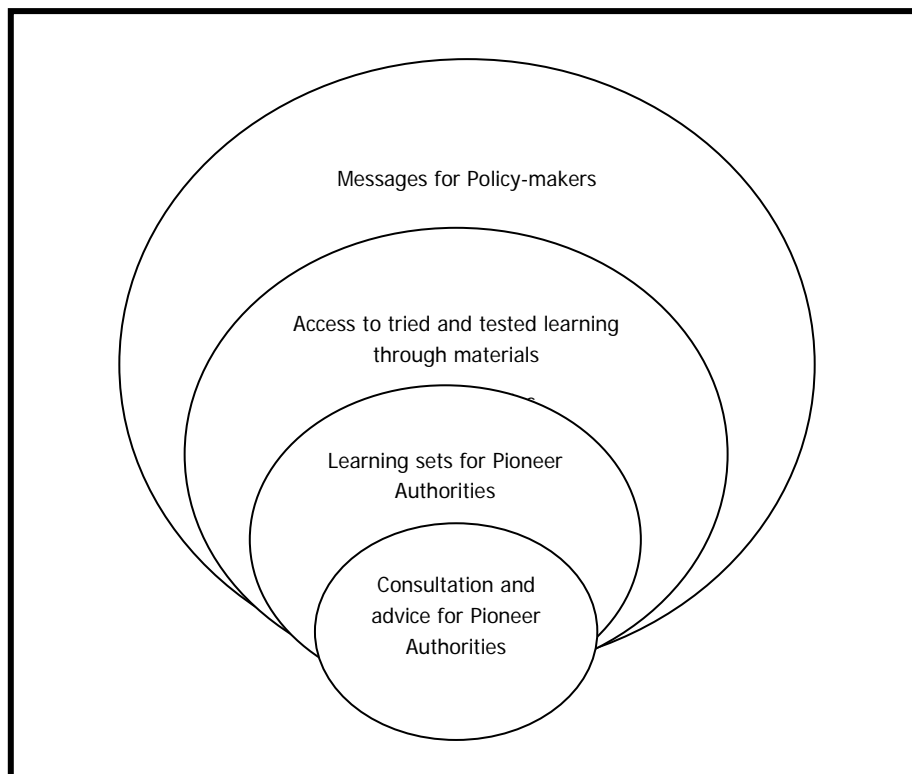

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The Role of Commissioning in Improving Services to Children in Need

Introduction

This paper has been prepared to support the commissioning of children in need services in Wales as part of the Better Outcomes for Children in Need Programme sponsored by the Social Services Improvement Agency (SSIA). The over-arching aim of the Programme is to achieve more cost effective and improved matching of services for children in need through effective strategic commissioning, focussing on areas such as:

- The overall distribution of resources and services across family support and substitute care.

- The targeting of services towards effective points and methods of intervention that meet the needs of children and young people at risk of entering the care system.

- Improved quality of placement and other services for looked after children and young people, leading to improved outcomes.

The Programme will be undertaken between January 2007 and March 2008, and comprises a series of four complementary activities co-ordinated by the Institute of Public Care (IPC) at Oxford Brookes University. These activities are outlined in the diagram below:

Messages for Policy-makers

Access to tried and tested learning through materials

Learning sets for Pioneer Authorities

Consultation and advice for Pioneer Authorities

This is one of a series of four background papers produced by IPC to inform the national programme. The full set of background papers is as follows:

- The role of commissioning in improving services to children in need.

- National trends for children in need services.

- What Works in Promoting Good Outcomes for Children in Need in the Community?

- What Works in Promoting Good Outcomes for Looked After Children and Young People?

The set will be further developed during the course of 2007-08, with the addition of detailed guides and tools, including on topics such as purposeful individualised planning, re-configuration of in house services, managing the market, commissioning information sets, and developing or monitoring contracts. It will also be complemented by a series of case studies outlining the progress of commissioning approaches that are being applied and tested during the course of 2007 by five Pioneer Authorities in Wales.

This paper considers the activities involved in commissioning and how they may be expected to contribute to improving public care services, particularly for children in need[1]. Specifically, the paper explores the following:

1. What is commissioning, and what does it involve?
2. National drivers for effective commissioning.
3. How commissioning has been applied as a tool for change and improved outcomes for children in need.

What is Commissioning and what does it involve?

A variety of definitions of commissioning are available. Perhaps the most commonly used and relevant definition for public care services, is that of the Audit Commission in their milestone publication 'Making Ends Meet'[2]:

"Commissioning is the process of specifying, securing and monitoring services to meet people's needs at a strategic level. This applies to all services, whether they are provided by the local authority, NHS or other public agencies or by the private or voluntary sectors"[3].

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[1] Children in need are those defined by Section 17 of The Children Act 1989

[2] This definition has been used by the Welsh Assembly Government in the recent Guidance on Local Co-operation under the Children Act 2004 (July 2006)

[3] Making Ends Meet (2003) Audit Commission (www.audit-commission.gov.uk)

Key elements within this definition are:

- The emphasis on commissioning as a cycle rather than a 'one-off' activity, including a sequence of specifying, securing, and monitoring services.

- Commissioning being undertaken at a strategic level (rather than being limited to procuring or purchasing individual services at a micro level).

- The importance of applying commissioning activity and principles to *all* services regardless of whether they are provided 'in-house' or by other sectors.

There are important differences between commissioning, purchasing and contracting that begin to be teased out by the Audit Commission definition. The three words are often used interchangeably, which can be unhelpful in developing a common language within and across agencies. In contrast to commissioning, therefore, purchasing can be described as 'securing or buying of services', and contracting as 'putting the purchasing of services in a legally binding agreement'[4].

A Commissioning Framework

Based on the Audit Commission definition of commissioning, The Institute of Public Care (IPC) has undertaken work within public sector agencies and for national government to develop an approach to commissioning that takes account of the key elements outlined above as well as the particular characteristics of the public care sector. The IPC approach promotes commissioning as a tool to support improved performance and change management. This approach implies that, in order to be effective, commissioning activity must be based on comprehensive commissioning strategies which clearly specify what services are required, and which in turn drive purchasing and contracting arrangements and the re-configuration of in-house services.. It needs to have systems to ensure that strategies are implemented, and to make effective use of monitoring to assess and evaluate progress. Crucially, the framework recognises that the development of commissioning strategies may lead to change as much within local authority or other commissioning agency 'own' services as those which are purchased from other agencies, and that the market for services encompasses both types of provision.

A diagram demonstrating the IPC commissioning framework is shown below. The outside of the circle identifies detailed activities required within the overall commissioning process (developing, implementing and reviewing commissioning strategies). On the inside of the circle are the detailed activities required in the process of purchasing and contracting (specifying contracts through to contract monitoring).

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[4] Ibid

Some key principles underpinning the framework are that:

- In both the commissioning and the purchasing / contracting processes, all four stages (analyse, plan, do and review) are equally important and they follow sequentially.

- The commissioning strategy should drive contracting activity. A written commissioning strategy should be developed which draws upon on analysis of service purpose and priorities, guidance/best practice, population needs and demand for services, the market and its risks, and resources. The strategy should be regularly reviewed to judge its success in meeting the needs of the population.

- The contracting experience must inform the ongoing development of the commissioning strategy. Effective systems to bring together relevant data on finance, activity and outcomes should be used to monitor and review the success of contracts in meeting needs and commissioning priorities. Contracting and other data should be used to regularly review and amend the commissioning strategy.

- Children, young people and families should be actively involved in all aspects of the commissioning process.

The recently published Beecham Review of local service delivery in Wales has accurately summarised the challenge for commissioning and purchasing as[5]:

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[5] The Beecham Review of Local Service Delivery: Beyond Boundaries (June 2006) Welsh Assembly Government

'Doing the right things' – making the right policy choices and investment decisions, and getting the best balance of services to achieve policy outcomes.

'Doing things right' – getting the best value for money and achieving the desired impact from specific interventions.

Joint Commissioning

Joint commissioning can be described as the process by which two or more partner organisations act together to co-ordinate the commissioning of services, taking joint responsibility for the translation of strategy into action. There has been considerable interest both in Wales and England in the development of joint or integrated approaches to commissioning. The following 4 levels of integration have been noted in services to children and young people:

- Separate approaches, where actions and decisions are arrived at independently and without co-ordination.

- Parallel approaches, where objectives, plans, actions and decisions are arrived at with reference to other agencies.

- Joint approaches, where objectives, plans, actions and decisions are developed in partnership, but by separate agencies.

- Integrated approaches, where objectives, plans, actions and decisions are arrived at through a single organisation or network.

There is no absolute answer to what form of joint commissioning is appropriate for services for children in need. However, in attempting to improve the co-ordination and effectiveness of services, it is clear that having some degree of joint approaches between commissioning agencies can be very helpful in enabling:

- The establishment of a consensus around the implications of national and local strategies and drivers.

- A single approach to the collection and analysis of data relating to local needs and services across a number of client groups and levels of intervention.

- Common approaches to managing and shaping the market.

- Common approaches to specifying and collecting data about service quality and effectiveness from providers, including in-house providers.

- Common approaches to developing the workforce across all sectors to meet local needs.

- Agreement about the use of pooled budgets in commissioning services where there are common interests.

- The development of an integrated commissioning team, pooling skills and resources, and ensuring that overlapping commissioning activities cease.

- The shaping of commissioner skills relating for example to: procurement; market analysis; negotiation; participation, evaluation and data analysis; project management; and leadership.

National Drivers for Improved Commissioning for Children in Need

Commissioning has been given increased prominence across the United Kingdom in the last five years as part of the overall emphasis on delivering a more citizen-centred model of delivery across public care services. In 2003, the Wanless Report recommended the development of 'clear principles to drive evidence-based commissioning and delivery of health and social care services'[6]. This lead has been followed by more specific national directions, including within the following:

- The Children Act 2004 and associated guidance[7].

- The National Service Framework for Children and Young People[8].

- Key reports of The Care Standards Inspectorate for Wales[9].

- The National Assembly's Seven Core Aims for Children and Young People Services and the Children First Programme[10].

- The Beecham Review of Local Service Delivery[11] and Welsh Assembly Government Response 'Making the Connections'.[12]

All of the above emphasise the importance of considering how joint commissioning (across regions or public sector agencies within a single local authority area) can contribute to better and more cost effective outcomes for children and young people. The national guidance accompanying the Children Act states that 'Joint commissioning should be considered wherever identified need requires a contribution from more than one partner', including specifically 'where resources are scarce and costs or high, or where there are shared responsibilities across agencies, such as providing placements for looked after children'[13]. The guidance also sets out the Government's expectations for local organisations to construct joint needs analyses, joint commissioning strategies, shared budgets which demonstrate best use of resources, and a common review system for all services to enable monitoring against strategic priorities. The national emphasis for commissioning in the context of children in need services is on achieving the Welsh Assembly's 'Seven Core

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[6] The Review of Health And Social Care in Wales, June 2003, (Wanless Report)

[7] Children and Young People: Rights to Action: Guidance on Local Co-operation under the Children Act 2004 (July 2006) Welsh Assembly Government

[8] The National Service Framework for Children and Young People (September 2005) Welsh Assembly Government

[9] For example, The Care Standards Inspectorate for Wales Annual Report 2005-2006, CSIW

[10] http://new.wales.gov.uk/topics/childrenyoungpeople/childrenfirst

[11] The Beecham Review of Local Service Delivery: Beyond Boundaries (June 2006) Welsh Assembly Government

[12] Making the Connections – Delivering Beyond Boundaries (November 2006) Welsh Assembly Government

[13] Children and Young People: Rights to Action: Guidance on Local Co-operation under the Children Act 2004 (July 2006) Welsh Assembly Government

Aims' and the Children First objectives. The core aims emphasise 'access to' services, such as a comprehensive range of educational opportunities, or to play and leisure. The Children First Programme objectives emphasise the achievement of children in need-specific outcomes, such as better educational or health outcomes, through more effective commissioning.

Most recently, the Beecham Review identified the need for local authorities and other local commissioning agencies to extend key aspects of the citizen-centred model for public services more rapidly. The Review recognised the need to build local capacity to improve commissioning practice, and to lead the change agenda both within and across service boundaries. It emphasised that improving efficiency is:

"…not about cuts, but about finding new ways of providing services, either to improve performance or to make savings … which can be redirected for investment in other services[14]".

The Welsh Assembly Government's response to Beecham, 'Making the Connections – Delivering Beyond Boundaries'[15], proposed a range of approaches to speeding up the process of change, including in particular the development of Local Service Agreements (LSAs). LSAs will outline local priorities for service improvement agreed between the Welsh Assembly Government and key local organisations represented at a senior level within Local Service Boards (to be developed out of existing Community Strategy Partnerships). The Welsh Assembly Government also proposed an increased focus on joint performance appraisal and challenge to local leaders of public services to be delivered via Local Service Boards. A key local performance issue for all local partners is likely to be outcomes for children in need, in particular looked after children.

In addition to its response to the Beecham Review, The Welsh Assembly Government has proposed changes to the regulations and guidance for looked after children, emphasising the need for all local commissioners to meet the holistic needs of LAC through strengthened commissioning, and effective care planning for individual children and young people[16]. New arrangements for the planning of individual placements by statutory partners and for multi-agency panels to consider all proposed out of area placements are likely to be introduced during 2007. Under the planned regulations, the child's 'home' local health board will remain responsible for purchasing any secondary care provision agreed as part of an out of area placement, including mental health provision.

Commissioning as a Tool for Change in Public Care Services

Successful commissioning invariably involves managing a change in existing service configuration or practice, and it is worth remembering some of the difficulties in achieving successful change. The Beecham Review summarised a range of barriers to change in the configuration of public services including[17]:

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[14] The Beecham Review of Local Service Delivery: Beyond Boundaries (June 2006) Welsh Assembly Government

[15] Making the Connections – Delivering Beyond Boundaries (November 2006) Welsh Assembly Government

[16] Towards a Stable Life and A Brighter Future: Consultation on measures to strengthen the arrangements for placement, health and wellbeing of looked after children and young people (2006) Welsh Assembly Government

[17] The Beecham Review of Local Service Delivery: Beyond Boundaries (June 2006) Welsh Assembly Government

- Attachment to and reliance on traditional models of provision and existing public facilities, including the 'bricks and mortar'.

- The political process, which tends to be driven by a motivation to protect local institutions rather than pursuing innovation.

- A lack of trust in the motives of organisations or leaders proposing change.

- The case for a new alternative model of provision not made convincingly enough.

- Local organisations divided on the case for change.

- Budget pressures in one organisation, leading to cost shunting.

- Insufficient ownership of the overall budget or understanding of the opportunity costs of failing to change.

Achieving change through commissioning requires effective leadership of the change process, and a robust commissioning strategy is usually an essential element. A commissioning strategy should be "a statement of commitment about the way in which (commissioning agencies) intend to purchase services for the population in the future. An effective strategy helps to establish the credibility of the commissioner as an honest and effective broker in achieving the optimum range of services to meet he needs of a particular population[18]". Moultrie, K has outlined a step by step guide to developing a commissioning strategy that specifically addresses the importance of managing change through the process[19].

Within the commissioning cycle more generally, the following have been found to assist in bringing about successful change:

- The development of effective plans for each commissioning project that clarify the roles of all participants, anticipate likely barriers to change, build an effective evidence base, and reflect the need to follow the process through to implementation and review.

- Ensuring that the likely leaders of change are involved as key stakeholders or steering group members in the development and implementation of commissioning strategies.

- Active attention to the development of consensus or commitment to change on a wider level from the earliest stages of activity, for example through regular written communication, interactive stakeholder events to share and debate early findings or to challenge proposed directions for change, or the development by stakeholders of 'hypotheses' about existing provision that need to be tested in the process of developing a strategy. The aim should be to ensure that all key leads are actively involved and 'signed up' to change by the time a strategy has been developed.

- Ensuring that those who are likely to be asked to deliver change on the ground (providers, including the voluntary and private sector, in-house providers, NHS trusts and other) are given an opportunity to contribute to the development process and are supported to respond to the change agenda in a timely way.

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[18] Developing a commissioning strategy in public care (2006) Moultrie K, CSIP Commissioning e-book (www.cat.scip.org.uk)

[19] Ibid

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- Attention to the formal decision-making processes, including how strategies and decisions will need to be signed off, and by whom.

- The development of detailed implementation, purchasing and market management plans that take forward more over-arching commissioning plans.

- Promoting greater awareness of the advantages of a mixed economy of provision where appropriate, to increase capacity and create new or innovative ways of meeting need. This includes promoting a greater openness to working creatively with the private and voluntary sectors.

Organisational factors that can also have a positive impact on the ability of commissioners to implement change within social care environments include:

- A political and corporate commitment by the local authority to social services and to investment in long term solutions rather than 'quick fixes'.

- Local authorities and partner commissioning organisations perceiving themselves as commissioners and 'enablers' of provision, rather than solely as providers.

- The development and maintenance of effective relationships with partner agencies, particularly Health and Education.

- The development of effective local arrangements to support and drive commissioning activity, including attention to governance or accountability for decision making. A review for the DfES recently identified the following indicators of better commissioning arrangements:

  - Based around an individual or commissioning team with the character, influence and skill sets to manage both contracts and relationships, closely influence provider choice for placements and regular communication with external providers.

  - A structural arrangement that creates a more commercial relationship between separate commissioner and in-house provider functions.

  - Based on constructive working arrangements with external providers, e.g. developing preferred provider arrangements.

  - Based on more open dialogue, two way communication and a sense of trust.[20]

Commissioning as a Tool for Change - Children in Need Services

Local authority social services departments have primary responsibility for commissioning services for children in need and their families. However, local authority education services and local health services also have existing and increasing responsibilities for commissioning aspects of service delivery for this group of children

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[20] DfES Children's Services: Children's Homes and Fostering (2006) Department for Education and Skills

and young people[21]. Local authorities achieving better outcomes for children in need can often demonstrate an ability to promote successful joint ownership of the agenda and partnership working to meet their needs.

Successful approaches to commissioning children in need services make use of the generic levers for successful change management described in the section above. They are also often characterised by the following:

- A focus on longer term, 'Invest to Save'-type strategies. These strategies aim to break the cycle of high or rising spend on looked after children (LAC) through sustained investment in preventive or alternative placement services. Real savings often accrue once the number of LAC, or of high cost placements reduce. A wide variation in the ability of individual councils to implement Invest to Save strategies has been noted in the literature. A key feature of successful approaches appears to be a plan for the re-investment of savings from reduced use of high cost placements into targeted family support services or alternative placements clearly articulated in both the commissioning strategy and any subsequent purchasing plans. The reinvestment cycle is usually established for a 3 to 5 year period and may include a combination of pump-priming to develop new preventive or alternative services (often new investment is required to 'kick start' change), and a gradual reinvestment of savings made over time in preventive services.

- In relation to looked after children, the development of joint commissioning strategies for placement and other services (across Education and Social Care – sometimes also Health) and a shared understanding of the need to cluster support services and interventions around the placement to achieve good outcomes.

- Improved understanding or 'visibility' of the market, including the potential market, in and around the local area, and working to remove unnecessary barriers to entry into the market particularly where a service gap has been identified. National or regional resource databases, such as the Children's Commissioning Support Resource (CCSR) can have a dramatic impact on the ability of commissioners to view and select appropriate resources from as wide as possible market[22].

- Achieving improved transparency of costs and outcomes to ensure a level playing field across all sectors.

- Market management on regional, sub-regional *and* individual authority level as appropriate to build a supply of provision to meet local needs.

- Focus on achieving good outcomes and best value for money, including through outcome-based contracting, and the development of effective performance measures for providers.

- Active listening to the views of children, young people and families in shaping or re-shaping services.

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[21] In particular, through increased responsibilities outlined in The Children Act 2004 and the Government's Consultation on measures to strengthen the arrangements for placement, health and wellbeing of looked after children and young people (2006)

[22] CSSR can be accessed on line at: www.allwalesunit.gov.uk

What priorities do commissioners need to have for service to children in need?

In addition to the above, success factors underpinning two types of commissioning objectives for children in need services have been identified in the literature:

- **Type 1 Objectives –** To safely reduce the number of looked after children or the spend on LAC services and promote better outcomes for children in need living at home.

- **Type 2 Objectives –** To improve the choice, cost effectiveness, and quality of placement and other services for looked after children.

These are explored in turn below. Readers should note that many of the examples within this paper are from English authorities, as it is these mainly that have been cited in the published literature to date. Other examples of good practice in commissioning children in need services exist in Wales, but are as yet unpublished.

Type 1 Objectives: To safely reduce the number of looked after children or spend on LAC services and promote better outcomes for children in need living at home

Successful approaches have included a focus on all or some of the following:

- Rigorous gatekeeping approaches for access to care (for example: a change to the existing thresholds; improved application of thresholds within field work services; single or multi-agency panels for considering or re-considering placement and service suitability for children with high or complex needs).

- Quality assurance of assessment and planning work within fieldwork teams.

- Work with partner commissioning agencies to agree how core and any additional funding should be applied across preventive services, including at the higher tiers.

- Development of an improved range of family support services to meet the needs of children, young people and families and to reduce the need for them to become looked after or to rehabilitate them quickly and safely with families. This may involve stimulating the market (to grow, re-shape or accept new providers).

- A move away from a traditional pattern of 'grant giving' towards competitive tendering and formal contracting for support services to children in need, whilst recognising that de-commissioning may not provide the best solution for local services – working with existing providers to change the focus of their provision may be at least as successful.

- Support for voluntary sector providers to respond to a shift towards more outcome-based approaches, including by agreeing monitoring arrangements with partners where services are funded by multiple funding streams and helping organisations to build the capacity required.

- Formal or informal pooling of budgets for specific groups of children in need, for example: for children with disabilities or children with mental health needs.

A whole system perspective is crucial here. Initiatives targeted at only one aspect of the system may not deliver sustainable change. For example, some local authorities have managed to make short-term inroads into reducing their looked after population, including by returning some children or young people home, but have been less successful in driving forward required changes to their intensive family support provision to ensure that these children and young people can continue to live safely and satisfactorily at home. These very children and young people are vulnerable to re-entering the looked after system at some future stage.

Example approaches to addressing this objective are outlined in examples A to D below:

Example A:

Invest to save approach to commissioning children in need services, including the development of improved family support options and better gatekeeping arrangements

A commissioning support team has been established by Bedfordshire County Council, the role of which is to commission all services to looked after children and children in need, including specialist child and adolescent mental health provision and adoption support services[23]. A key aspect of the team's initial work has been to construct a re-focusing strategy for children in need services based on the Audit Commission's 'Virtuous Circle' outlined below:

Children Services - Sustaining a 'virtuous circle' – Audit Commission[24]

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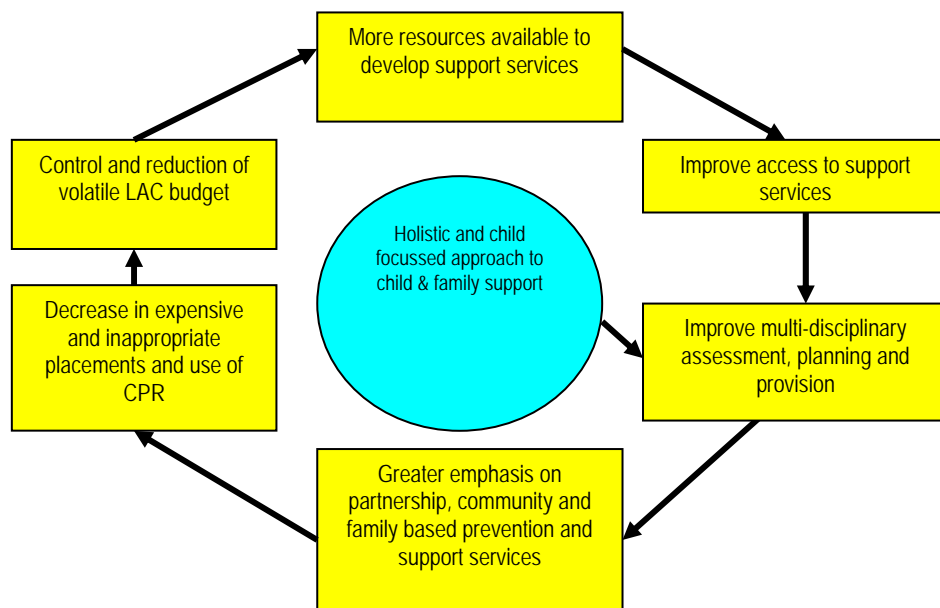
[23] Reported in 'Change for Children: emerging practice in the East of England Region (2006) DfES

[24] Reproduced from the Audit Commission website 'Making Ends Meet' (www.joint-reviews.gov.uk/money/children)

As a result of the strategy, a sustainable range of preventative services have been re-designed to enable more young people to remain at home where appropriate. Another key outcome of the strategy has been the development of multi-disciplinary 'Access to Resources' panels which identify and procure all accommodation and family support services, including for children with high level needs. An improvement in the consistency of decision making and increased access to preventive services has led to a radical reduction in the numbers of looked after children, generating an estimated £1 million for subsequent re-investment in family support services.

Example B:

Joint commissioning and purchasing arrangements for children with disabilities

Commissioning agencies in Brighton and Hove have developed a service re-design and commissioning strategy for children with disabilities[25]. The over-arching priority of the strategy was the development of a new service model including the following key features:

- Three over arching outcomes to be used in prioritising what services should be provided and commissioned by health, social care and education over time. These outcomes were: empowering parents; providing timely interventions which meet the therapeutic needs of individual children; and supporting families to look after their children.

- The adoption of an integrated care pathway for child development services.

- The establishment of a new co-located and integrated child development service.

- Implementation of a workforce development strategy to drive forward the required changes to the organisational culture and structure of specialist and mainstream services.

The work undertaken to build this commissioning strategy has been important in securing the commitment of all stakeholders to a shift in the configuration of services to children with disabilities locally towards a more preventative and enabling model.

Example C:

Attracting new suppliers to provide effective family support services

Local authority C identified a gap in local services to support families with parental substance misuse, particularly those where parenting is neglectful[26]. There were no obvious suppliers operating locally. Prior to developing a competitive tender, commissioners:

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[25] Reported in 'Pathways to Success: Good practice guide for children's services in the development of services for disabled children: Evidence from the pathfinder children's trusts (2006) Wheatley H for DfES and Council for Disabled Children

[26] This case study has not yet been reported in the literature.

- Undertook research into existing 'best practice' models of service delivery.

- Sourced potential new suppliers by approaching other providers in neighbouring areas.

- Talked to agencies commissioning similar services in other local authority areas to identify existing suppliers with a good performance record and the potential to deliver what was required.

- Organised capacity building activities for potential providers, including events designed to build clarity about the service specification (and desired outcomes), and subsequent support to develop a tender and to find sources of business development funding.

These activities have enabled commissioners to build a good understanding of what is likely to be required to meet local needs and the potential local market leading to a well-researched specification upon which to base the competitive tender.

Example D:

Re-provisioning approach to children with disabilities services

On becoming a Unitary Authority, Derby inherited resources originally intended to provide county-wide services, including a number of residential units for disabled children. Some families had become used to large amounts of respite care. Others had difficulty in accessing sufficient short break services.

As a result of a strategic commissioning approach emphasising a more equitable allocation of resources to need, one residential unit was closed, freeing up resources to develop a new range of outreach services including after school and play schemes, and support for disabled children to access mainstream services. More families were also supported through the development of a new range of more flexible short break services providing a direct alternative to residential care[27].

Type 2 Objectives: To improve the choice, cost effectiveness, and quality of placement and other services for looked after children

Successful approaches have included a focus on all or some of the following:

- Attention to the holistic needs of children looked after, including: the importance of promoting their mental health, physical health, and educational needs as well as issues relating to placement choice and quality.

- Emphasis on reducing the number of out of area placements and re-investing in local services (particularly fostering). Some authorities have developed 'recovery plans' to bring back children and young people already placed out of area into pre-arranged local services, although these approaches have sometimes been criticised where they have involved the disruption of ongoing successful placements.

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[27] Reported by the Audit Commission 'Making Ends Meet – Children's Services' on their website: www.joint-reviews.gov.uk/money/children

- The development of direct alternatives to residential care or 'expensive' foster placements, including through fee-paid specialist carer schemes. These schemes may be provided in-house or through the independent sector.

- Increased emphasis on family and friends or kinship care (including through the assessment process as well as through tailored support to carers).

- Improved multi-agency 'wrap around' support for residential and foster care services, including focused education, health and mental health services. Some councils have developed specific posts designed to promote child mental health (including support to carers as well as direct work with children and young people), and to improve educational outcomes.

- Reduced use of spot contracts and obtaining better rates for services, including through block contracts or preferred supplier agreements which can deliver better value, either by rewarding quality, attracting discounted rates, or reducing overall costs through volume / rebate arrangements. Case studies illustrated in the recently published DfES report seem to show that commissioning approaches designed specifically to reduce the costs of foster and residential care services need not have a detrimental impact on service quality[28].

- The development of agreements with partners in Education and Health to jointly commission placements for children and young people with complex needs (bi-partite or tri-partite placements).

- The development of arrangements to ensure that plans for the care of individual children looked after are well developed, include contingency plans, and are regularly reviewed with a view to avoiding unexpected turbulence and promoting permanence.

- Contracts for service provision which reflect the outcomes specified in individual children's care plans.

- Increased emphasis on the monitoring and review of the quality of placements (including specifically their ability to meet the needs of individual children and young people).

Example successful approaches are outlined in examples E to J below:

Example E:

In-house alternatives to residential or independent sector foster placements

The City of York[29] developed an evidence-based commissioning strategy for looked after children. The strategy identified a priority need to reduce reliance on independent placements, particularly those at a distance, and improve local matching of needs and services. This was achieved through:

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[28] DfES Children's Services: Children's Homes and Fostering (2006) Department for Education and Skills

[29] Reported in The Joint Planning and Commissioning Framework for Children, Young People and Maternity Services – Emerging Practice Case Study (2006) DfES

- Developing a local professional fostering scheme providing 16 full-time fostering posts.

- Providing increased training and support to all in-house foster carers, including dedicated support workers from Health, CAMHS and I.T.

- Increasing allowances to in-house foster carers, funded by the 'significant savings' generated by meeting needs locally (50% reduction in use of independent sector placements reported to yield approximately £300K savings).

- Simultaneously tightening gate keeping procedures to ensure that only those children who really need to be looked after come into care.

Example F:

Block contracts for local placements for children and young people with very challenging behaviour

Both Southampton and Wiltshire have issued tenders for block contracts of locally provided independent foster care for between 10 and 20 children and young people with very challenging behaviour. The children and young people who have benefited from these placements include mostly those who were previously placed in out-of-area high-cost placements. Savings in the region of £1,000 per child per week are noted[30]. Even when contracting with the independent sector, these schemes are often not a 'quick fix'. Wiltshire reported a relatively long lead in time for the commencement of the service, to enable suitable carers to be recruited.

Example G:

Working in Collaboration with Service Providers

Brighton and Hove Council has developed a positive working relationship with service providers in the private and voluntary sectors to improve the quality and cost effectiveness of services. Features of this relationship are reported to be:

- A consistent and practical regime for all contract setting and contract compliance activities.

- A 'fair rate' strategy agreed with providers.

- An independent provider forum supported by a full-time post.

- A formal newsletter regularly sent to all providers.

- Contracts and service specifications developed collaboratively with providers.

- Incentive payments made on top of agreed baseline fees designed to further improve the quality of services.

- A robust monitoring regime that is perceived to be 'fair and helpful'[31].

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[30] Reported in DfES Children's Services: Children's Homes and Fostering (2006) Price Waterhouse Coopers for DfES

[31] Reported in CSCI 'The State of Social Care in England 2005-2006' (December 2006) Commission for Social Care Inspection

Example H:

Common Regional Contracts

Local authorities within many regions across the UK have come together to develop support tools for commissioning placement and other services. Standard contracts for placements have recently been developed for use across Wales from January 2007. Similar standard contracts have successfully been developed to improve the cost effectiveness and quality of placements across London (Pan London Contract) and the West Midlands in England. Regional consortia have also subsequently expanded their sphere of interest to include:

- Agreements about pre-placement quality checks (to reduce duplication of effort in assessing placements across the region).

- Databases allowing users to search for pre-accredited providers and check the availability of placements on-line (In Wales, this is the Children's Commissioning Support Resource).

- Pricing mechanisms / guidelines that allow authorities to compare national data on the average cost of care as a starting point for negotiation with providers.

- Commissioning fora, to allow local authorities and providers to share innovative ideas and practice.

The advantages of these kinds of arrangements can include an ability of consortia members to jointly secure better bargaining power and / or better value for money from providers as well as a more efficient use of commissioning resources, for example to manage the market or understand trends in need or the market.

Example I:

A strategic approach to improving outcomes for looked after children and young people

The London Borough of Ealing[32] has been successful in improving a range of outcomes for looked after children through a commissioning approach that specifically recognises the change management process required. Key aspects of the development and implementation of a more strategic approach have included:

- Involving a range of stakeholders early on to develop a common vision (for improved outcomes).

- Robust needs analysis to provide a strong evidence base for change (including gaps and best practice).

- Involvement of the strategic partnership in identifying looked after children as an area-wide and cross-agency priority.

- Involvement of the Corporate Parenting Committee, chaired by the leader of the Council, with significant and regular input from young people receiving services.

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[32] Reported in The Joint Planning and Commissioning Framework for Children, Young People and Maternity Services – Emerging Practice Case Study (2006) DfES

This more strategic commissioning approach has led to a number of service innovations, such as: a dedicated education support team; a corporate parenting group to scrutinise the educational progress of all LAC; a one stop shop and outreach team comprising social care, youth service and education support to LAC not in education, employment or training; and a scheme to support young people through university. These innovations have led to significantly improved educational outcomes including high numbers of LAC achieving a university education, reduced offending rates, improved self-esteem, and lower teenage pregnancy rates.

Example J:

Joint commissioning of tri-partite placements to achieve better value for money

Three local authority areas in West Mercia[33] have developed arrangements to commission and purchase tri-partite placements for children and young people with complex needs including health, social care and education. The arrangements are called 'The Tri-Partite Agreement' and aim to reduce the costs of negotiating and providing these placements, including a single framework to specify all financial contributions required by each agency. It is anticipated that children and young people will benefit from a single contract between the commissioners and the provider that is able to meet all of their specialist needs in a more local setting.

The partner agencies have agreed a shared specification for the provision of 12 local placements over an initial period of five years. Pro-rata contributions will be made on the basis of the allocation of places (initially proposed at 6/4/2). Each authority will then apply their own protocols for joint funding to determine respective contributions from each agency. Major issues for the successful implementation of this project were described as: securing and maintaining the confidence and commitment of all nine agencies; engaging at a very early stage with potential providers; and breaking the cycle of ad hoc purchasing which propels children into external provision at a distance.

Conclusion

Generic public sector commissioning approaches and principles are capable of effective application within children in need services. However, as with all specific user groups and service tiers, care needs to be taken in developing tailored approaches that are likely to lead to effective service change through understanding and working with:

- Market strengths and limitations, including the potential to grow, reconfigure, or start a new market.

- The political and financial implications of change, including being able to make a 'strong case' for change.

- The processes through which existing service patterns are supported (such as the social care and other staff who assess for need and plan services on an individual basis).

- The potential for local innovation, often building on existing successful service provision and what is known to work effectively, but in the absence of a clear cut 'best practice model' capable of direct application locally.

[33] Reported in 'Developing Commissioning of Services for Looked After Children' Report of the work of the Looked After Children Taskforce and Choice Protects 2004-05 (www.dfes.gov.uk/choiceprotects)

- The potential for partner commissioning agencies to commit to sustainable alternatives to existing provision.

These issues will be explored in more detail in subsequent papers to be produced by IPC for the Better Outcomes for Children in Need Programme in 207-08, and in the case studies produced by Pioneer Authorities.

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