

CHILDREN'S RESIDENTIAL CARE FRAMEWORK AGREEMENT

CONSULTATION RESPONSE

January 2013

About CELCIS

CELCIS is the Centre for Excellence for Looked after Children in Scotland based at the University of Strathclyde. Together with partners, we are working to improve the lives of all looked after children in Scotland. Established in 2011, CELCIS has been committed to further improving the outcomes and opportunities for looked after children through a collaborative and facilitative approach that is focused on having the maximum positive impact on their lives.

Overview of response

We welcome the opportunity to respond to Scotland Excel's consultation on the national Framework Agreement for Children's Residential Care. Overall we agree strongly with the aims of the Framework; there is a need for greater transparency around costs, as well as information on the distribution and performance of services (particularly in reference to the outcomes achieved for children and young people). These are important prerequisites to the strategic commissioning of services. We also welcome the Framework's emphasis on matching children to placements on a 'needs and outcomes' led basis, and reducing the levels of placement disruption. However the absence of local authority provision from the Framework strategy document is a serious concern. A succession of reports – from the Scottish Government's 2006 Changing Lives to the Doran Review of 2012 - have stressed the need for change across all services; and for that change to be delivered by purchasers and providers working in partnership. We acknowledge that the Framework Agreement itself cannot accommodate local authority provision. But the strategy document is an important opportunity for local authorities to indicate their commitment to strategic commissioning and all it entails. A national Framework Agreement has the potential to improve both the procurement and quality of residential care services, but its success is dependent on there being a critical mass of providers opting into the system. We fear that unless their most pressing concerns are addressed, and local authorities make explicit their commitment to delivering the Framework's objectives for their own services (in respect to cost transparency, outcome data, etc.), independent providers will not participate in sufficient numbers to make the Framework viable. That will be a poor outcome for local authorities, but also for children and young people looked after in residential care.

Question 1 – Issues with current provision (relating to clause 4.5.1 of Strategy Doc.)

The draft service specifications address the operational issues identified with current services?

Strongly agree / Agree / Neither agree nor disagree Disagree Strongly disagree

Please suggest any additional issues that should be considered:

While the draft Framework does address some of the current operational issues experienced by local authorities and providers, its provisions may not be sufficient to resolve the problems satisfactorily. Moreover, there remain important issues about the commissioning and provision of residential care that are not addressed by the draft service specifications (and associated documents).

The Framework Strategy document lists eleven operational issues that it aims to address. Our specific concerns relate to:

Lack of information sharing, including opportunities to share knowledge and best practice.

The Framework Strategy rightly identifies a need for greater transparency and information sharing. The new reporting requirements within the Framework will go some way to addressing this need, providing greater clarity on costs, outcomes and models of service.

However the proposed Framework will not facilitate the information 'sharing' (a two-way process) that is essential for collaborative service development. The new reporting requirements fall only on independent providers, and local authorities – although responsible for over 40% of residential services – are under no obligation to collate and share equivalent data. But as the Audit Scotland report *Commissioning Social Care* concluded, 'councils and NHS boards need to do much more to improve how social care services are planned, procured and delivered through [...] better analysis and use of information on needs, costs, quality and their impact on people's quality of life' (2012, P.4). We appreciate that this problem cannot be resolved within the Framework's service specifications, so we urge local authorities to make an explicit commitment (through the Strategy document) to match all appropriate reporting requirements being introduced by the Framework. Such equality in information sharing would militate against the development of a two-tier residential care sector and, in turn, help preserve a mixed economy of provision.

Scotland Excel (and purchasers) should also be aware that increased levels of competition between independent providers may actually inhibit information and practice sharing, as organisations seek to protect their specific offering within the Framework. The introduction of a Framework Agreement for secure care has altered the dynamic between providers (albeit in the context of a much smaller sector), limiting progress on projects such as developing a common outcomes approach. As contract managers have emphasised the importance of having an outcomes approach, those providers who are further forward have been cautious about sharing their learning with providers who have invested less in developing the relevant systems and staff skills.

Inconsistent approach to measuring and reporting outcomes.

[See answer to question 6]

Provision of health services (issues relate predominantly to access to mental health services).

It is not clear how the current draft service specifications will improve children and young people's access to public health services. Information generated through Individual Placement Agreements and annual contract reporting may help illuminate the scale of the problem and assist Community Planning Partnerships in the allocation of resources. But the Framework itself will not address the primary issues associated with children's access and engagement with health services (in particular mental health services), such as the limited availability of services, fears over stigmatisation, restrictive referral procedures and NHS Board conflict over responsibility for 'out-of-area' placements. We would recommend that the IPA be amended to provide details of the child's assessed health needs and (where appropriate services are not offered by the provider) the specialist interventions / services agreed between the Purchasing Authority and relevant NHS Board, indicating clearly 'how' the service will be delivered, and 'who' is responsible for paying for it.

• The number of placement breakdowns.

Without a detailed description of the placement matching mechanism it is difficult to assess whether the Framework will help reduce the number of placement breakdowns. The placement procedures described in the draft service specifications should – if completed as intended – reduce the number of non-emergency placement breakdowns. But success will still depend on there being a proper assessment of the child's needs made prior to placement, an issue which this Framework cannot address directly. We acknowledge, however, that published statistics on "number of Individual Placement Agreements submitted with needs and outcomes indicated" (for instance) could have a positive effect on local authority care planning.

There are a number of operational issues not addressed by the draft Framework strategy. These include:

- Services located (geographically) far from children's home / communities.
- The lack of detailed assessments / analysis of population need (current and projected).
- Collation and analysis of information on needs, costs and outcomes for local authority provided residential care.
- Developing commissioning (as opposed to procurement) skills among purchasers and providers.

Consultation Question 2 – Relating to clause 4.5.2 – Framework scope

Short breaks should be included within the Framework scope?

Strongly agree / Agree / Neither agree nor disagree / Disagree / Strongly disagree

Please feel free to use the comments box below to support your opinion:

No further comment.

Consultation Question 3 – Relating to clause 4.5.2 – Framework scope

Day education should be included within the Framework scope?

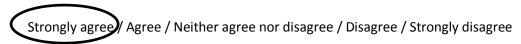
Strongly agree / Agree / Neither agree nor disagree Disagree Strongly disagree

Please feel free to use the comments box below to support your opinion:

The inclusion of day education within the Framework would introduce unnecessary (and significant) complications. Scotland Excel would have to monitor two very distinct service types, each operating under different quality assurance structures. In view of Scotland Excel's limited capacity — and the aim of the Framework to improve procurement of 'residential' care — it would be preferable if attention was focused purely on services with a residential element (i.e. short term planned breaks, crisis provision and mid to longer term care), where models of care and outcomes are more directly comparable.

Consultation Question 4 – Relating to clause 4.5.3 – Capacity and models of service

The number of places and models of care available on the Framework should remain flexible and responsive to need?



Please feel free to use the comments box below to support your opinion:

No further comment.

Consultation Question 5 – Relating to clause 4.5.3 – Capacity and models of service

85% is a reasonable benchmark for effective service occupancy?

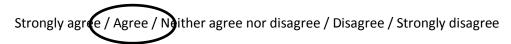
Strongly agree / Agree / Neither agree nor disagree / Disagree / Strongly disagree

Please feel free to use the comments box below to support your opinion:

While we agree with the proposed benchmark of 85% we would urge Scotland Excel to keep the figure under review.

Consultation Question 6 – Relating to clause 4.5.5 - Outcomes

The Framework should be able to accommodate the later inclusion of an agreed outcomes reporting framework.



Please feel free to use the comments box below to support your opinion:

In light of the statutory requirements that will follow enactment of the Children and Young People's Bill, the Framework should be able to accommodate an agreed outcomes reporting framework structured around the *Getting it Right* SHANARRI indicators. However, everything must be done to harmonise this reporting Framework with existing reporting structures – in particular those managed by the Care Inspectorate. A forthcoming review of Care Inspectorate Annual Returns is an important opportunity to align reporting mechanisms, minimising any unnecessary administrative burden on providers.

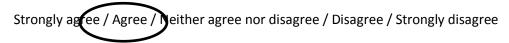
While we support the move to a greater focus on 'outcomes' achieved for children and young people, any reporting framework needs to be flexible enough to accommodate the wide variety of services that will be covered by the Framework Agreement. Moreover, the process of developing 'performance related' outcomes must be done in collaboration with children, young people, families, practitioners and providers. For instance it is critical that practitioners (i.e. social workers) use the same terminology and outcome descriptors when drafting IPAs as providers will use to report on performance. Extensive work will need to be done with providers to ensure their staff are able to articulate – and measure progress on – outcomes.

It is also important to note that the 'contribution' of services (towards improved outcomes) may only become evident years after the fact. The challenges involved in tracking the progress (towards certain outcomes) of a young person over a potentially limited period of time should not be underestimated or ignored. Any outcomes framework will need to take into account the factors that militate against immediate indications of progress (such as those associated with expected physical and emotional development) and acknowledge that 'attributing' progress (or lack thereof) to specific interventions is difficult. Development of a reporting framework should make reference to the existing research evidence, particularly the work to identify proxy measures for improved outcomes.

Finally, any future reporting framework should remain high level, simply describing the outcomes (and indicators) on which purchasers will monitor performance. Individual provider organisations should be encouraged (and permitted) to develop their own tools with which to assess / measure children's progress, designed to be compatible with their specific model of care. Indeed many providers have already developed outcomes frameworks to support improvement within their services. But while the national outcomes framework will need to be flexible enough to accommodate this variety, any tools and methodologies developed or adopted by providers will need to be assessed by the relevant authorities to ensure the measures are reliable and comparable.

Consultation Question 7 – Relating to clause 4.5.6 – Placement mechanism

Any placement mechanism adopted should have as its focus the outcomes required for the child.



Please feel free to use the comments box below to support your opinion:

We would strongly support the introduction of a placement mechanism that puts the child's **needs**, **rights and outcomes** at the centre of the matching process. A good example of this is the mechanism used by the South-West England Peninsula authorities, which encourages social work practitioners to work with children and families to identify the outcomes being sought from a placement, and motivates providers to develop individualised, child specific solutions. The mechanism has helped to establish a positive, competitive environment in which outcomes for children (and purchasers) have improved significantly.

The draft Strategy notes that the South-West Peninsula model could be adapted to meet the needs of Scottish Local Authorities. However if the benefits of the South-West mechanism are to be realised in Scotland, the core elements of the process must be retained in full. These are:

- A summary of needs and outcomes is prepared by the child's social worker.
- That summary is circulated to all providers (on the Framework).
- Providers express an interest by submitting proposals detailing how they could meet the child's needs and deliver the specified outcomes, at what cost.
- Joint Assessment Team (including social work, educational psychologist, etc.) evaluates
 proposals (contacting providers for more detail if necessary) and considers options with child
 / young person.
- Lead professional agrees placement offer in principle and prepares (in partnership with provider) the Individual Placement Agreement.

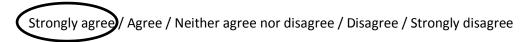
The South-West model was designed in partnership with providers and practitioners, particularly social workers. It is a concern that the Framework's draft service specifications have gone out for consultation before a placement mechanism has been agreed. We would encourage Scotland Excel and Purchasing Authorities to move quickly to agree a mechanism, before consulting and/or trailing with practicing social workers. The success of the suggested (South-West Peninsula) placement mechanism relies heavily on the performance of local authorities, as they retain responsibility for identifying the child's needs and determining the desired outcomes of a placement.

To the best of our knowledge the model deployed in South-West England does not demand that providers disclose details of their 'core costs' as a requirement for pre-approval. While this aspect of the draft Framework's 'pre-approval' process is not necessarily contradictory to the 'needs and outcomes' focus of the suggested placement mechanism (South West Peninsula model), it is critical that systems are in place to ensure that purchasers do not make placement decisions on the basis of provider's core cost and generic service profile. Providers must be given the opportunity to tailor their offering to meet the needs of individual children.

Finally, any placement matching mechanism must afford the child / young person and their families (if appropriate) with a meaningful opportunity to participate in the decision, and ensure their views are fully taken into consideration.

Consultation Question 8 – Relating to clause 5.2 – Improve partnership working

A national contract management forum should be established to inform development and ensure continuous improvement.



Please feel free to use the comments box below to support your opinion:

While we strongly agree with the proposal to set up a national contract management forum, we do not believe that this will be sufficient to improve partnership working between purchasers and providers. As detailed in previous answers, there needs to be a commitment from purchasers to collate and share similar information on internally provided services. Furthermore, to inform the strategic development of services local authorities will need to work with providers to assess the current and expected needs of their populations. (Future iterations of the Strategy document should detail how purchasers and providers will cooperate to achieve this within specified timescales.)

A national contract management forum should monitor closely the reporting mechanisms established under the Framework, to ensure that duplication of reporting is avoided and the administrative burden kept to a minimum.

We would also recommend that the national contract management forum has a number of independent members (i.e. not purchasers or providers), to represent the rights and interests of children, young people and their families. These members could also prove useful arbiters in the event of disagreement between providers and purchasers.

Consultation Question 9 – Relating to clause 5.3 – Quality

Any assessment of service quality should have as its focus the outcomes achieved for the child.

Strongly agree / Agree / Deither agree nor disagree / Disagree / Strongly disagree

Please suggest any other factors that should be considered when assessing service quality:

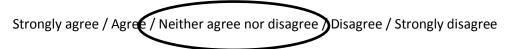
Although the quality of a service should, ultimately, be assessed on the outcomes it achieves for children, no such data is currently collected and collated. Moreover, the introduction of a robust, universal outcomes Framework across the residential care sector is likely to take a number of years. In the interim Scotland Excel and purchasing authorities will have to determine quality levels through a number of proxy measures. Those suggested by Scotland Excel so far – including Care Inspectorate grades – should provide a suitable guide to service quality, augmented by the information submitted through providers' quarterly and annual reports. In addition, Scotland Excel may wish to consider the 'qualification levels' of staff. NRCCI identified an important relationship between the quality of a service and both the qualification and education levels of staff working in residential care.

We do have concerns about the proposal to suspend future placements to a provider if Care Inspectorate grades falls below a certain level. The draft service specifications provide too little detail about how this mechanism will work in practice, but if re-entry onto the Framework is dependent on providers regaining grades (or satisfying inspectors that issues have been addressed), the actual practicalities would make the mechanism unfeasible. For instance the mechanism would rely on the close cooperation of the Care Inspectorate, who would need to commit resources to reassessing services – should grades fall below the prescribed level - within very short timeframes. Moreover, service providers already contest Care Inspectorate assessments, and this proposal will significantly increase their motivation to do so. Scotland Excel and purchasing authorities must work closely with the Care Inspectorate to model the likely impact of this proposal on the Inspectorate's resources.

Finally, we would like greater clarity on what happens to children already in placement when a service is de-listed. For instance the impact on existing residents of future placements being suspended will need to be taken into account.

Consultation Question 10 – Relating to clause – 5.4 – Core cost specification

The approach taken to develop the core cost specification is the most effective means of establishing best value.



Please feel free to use the comments box below to support your opinion:

We welcome the emphasis put on cost transparency by the draft Framework. Not only is it important that there is a consistency of practice between providers in respect of what is included in 'core costs' (making comparisons fairer and easier), but all services in receipt of public money must be scrutinised to ensure they offer 'best value'. And while the approach taken to develop the core cost specification (Schedule 4) is not necessarily the most effective means of establishing *best value* — which would require details of the child / young person's experience and 'outcomes achieved' to be known — it is perhaps the only practical way for Scotland Excel to proceed at this stage.

However, the process of cost evaluation detailed in the draft Framework Strategy does pose some concerns. If the primary objective is to ensure that children are matched with the placement best suited to their needs, it is important that providers have the flexibility to define their own models of service (in respect to each individual bid). Entry onto the Framework should involve a high-level of cost standardisation and transparency (as per Schedule 4), with each provider detailing clearly what their 'core service' (graded to address levels of needs) will cost a purchaser, and why (i.e. staffing ratios). But evaluation of price should be made on the basis of specific bids (for placements), and no 'ranking' or 'scoring' of providers should be necessary at the tender stage. As per the placement mechanism described above, purchasing authorities would invite all providers on the Framework to bid on the basis of a 'needs and outcomes' statement. Their bids would make explicit reference to the level of core service offered (i.e. standard service or intensive support) and the costs of additional services they deem appropriate for the child (as detailed in Part E, Schedule 4). Bids could then be evaluated by purchasers on the basis of provision vs. cost. But purchasers would know that every bid included the 'core elements' described in Part B of Schedule 4.

In the interests of provider / purchaser relations – and strategic commissioning more broadly – it would also be beneficial if local authority providers of residential care committed, in the medium term, to achieving a similar level of cost transparency as that detailed in the Framework's Schedule 4. When combined with information on outcomes achieved for children, commissioners and purchasers would then be able to assess 'best value' across the sector as a whole.

Consultation Question 11 – Relating to clause 5.7 – Fee variations

Consideration of an annual uplift where a provider has demonstrated best value in their tender submission is the most effective means of managing fee variations.

If you disagree, please suggest alternative options for managing price increases:

The Framework needs to establish a structure in which fee increases can be controlled, while at the same time encouraging providers to raise quality and reduce costs. Of the three options for managing fee increases detailed in the draft Strategy, an annual uplift where a provider has demonstrated best value in their tender submission appears to offer the best chance of delivering these objectives, fostering competition and rewarding good business practice. Furthermore, this option would allow providers to remain flexible to the changing needs of children and young people, re-designing services and models of care as appropriate. This would not be the case with the other two options (fixed price or inflation linked uplift), which could inhibit innovation within the sector.

If fee variations are to be linked to assessments of 'best value' we would welcome further detail on the methodology that will be applied.

Consultation Question 12 – Relating to clause 9 – Contract management

The proposal to tier the responsibilities for contract management offers the most effective contract management model.

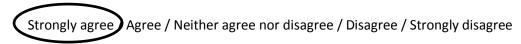
If you disagree, please suggest an alternative approach to contract managing a national Framework:

On the basis of the detail provided it is difficult to assess the strengths and weaknesses of the proposed 'tiered' approach to contract management. We suspect that any tiered approach will invite disagreements between local authorities about what constitutes local and regional.

An alternative approach might make greater use of information technology to facilitate contract management. Local Authorities seeking placements could distribute the needs and outcomes statement to all providers on the Framework through a national system – overseen and managed by Scotland Excel. Bids would be made through the same system, to be received and reviewed by the purchasing authority. Once a decision has been made, the local authority and provider can complete the IPA. Where local authorities wish to go directly to a provider (without open competition for the placement) both parties would move straight to the IPA stage. Scotland Excel could oversee this system, and regulate all applications onto the Framework by providers. We believe Scotland should embrace a national approach to contract management; assuming that purchasing authorities are willing to resource it properly. A comprehensive cost-benefit analysis of the various options would be welcome.

Consultation Question 13 – Relating to clause 9 – Contract management

The quarterly data listed in Appendix 6 will capture the key information required to improve national reporting.



If you disagree, please suggest any other management information that should be collected:

More detail could be sought around the provision of health services. For example:

- Immunisation record up to date.
- Visit to GP / dentist in last quarter
- Referrals to CAMHS
- CAMHS appointments offered / attended

Consultation Question 14

Please use the text box below to provide comments on any aspect of the strategy or service specifications not covered in questions 1-13 above.

- Needs Assessments: The draft Framework Strategy states that the "focus of the Framework should be on improving how children are matched with providers" (page 18). But while the information shared under the Framework may go some way to improve matching, significant improvement depends on statutory authorities undertaking detailed needs assessments of their local populations (current and projected) and then working with providers to develop appropriate resources. This is at the heart of 'strategic' commissioning, and if local authorities wish to address the problem of provision failing to match need, the generating and sharing of such data must be made a priority.
- Placement Matching: To ensure that children receive the best possible outcome from the
 introduction of the parallel foster and residential care Frameworks, we urge Scotland Excel to
 explore options for merging the placement mechanism used in both cases. This would mean that
 local authorities submit needs and outcomes statements to providers of both foster and
 residential care at the same time, with IPAs agreed under the T&Cs specific to the relevant
 Framework Agreement.
- Involvement of Inspection Bodies: The quality assurance aspect of the Framework relies heavily
 on the Care Inspectorate's inspection regime, so it is critical that they are involved closely in its
 final development. Similarly, as residential education is included under the Framework,
 provisions should be made for evaluating the quality of the education provided. This will involve
 engaging with Education Scotland.
- Corporate parent. The term "surrogate corporate parent" should be removed from the
 Framework and associated documents. Statutory authorities (such as local authority and health
 boards) will remain the child's corporate parent at all times, their principal advocate and
 sponsor. The introduction of the term 'surrogate' may add confusion. In situations where
 specific responsibilities are devolved to the service provider, the term 'delegated authority' may
 be more appropriate.
- Young People's Overview Report: While we fully support the principle that service providers consult frequently and meaningfully with the children and young people in their care, the proposed requirement for each service to submit an annual consultation report may be excessive. Consultation should be part of a service's on-going planning, delivery and review, and services are regularly inspected on that basis by the Care Inspectorate. It is not clear how the consultation report submitted to Scotland Excel will impact on assessments of quality or on contract management more broadly. Consultation is not a 'good thing' in and of its self; it needs to be meaningful to the children and young people involved. Nor is it necessarily cost-free, and Scotland Excel must do everything it can to minimise the administrative burden the Framework imposes on all parties.

- Surpluses: Further detail is needed on how the Framework will handle surpluses, investment plans and cross-service subsidy. In the interests of service improvement, development and innovation it is important that providers are able to accrue surpluses. The Framework's evaluation of price and best value must be flexible enough to accommodate these plans, without impacting negatively on the providers ranking or assessment. Moreover, it may be the case that residential places are charged at a small premium in order to subsidise an important but less financially stable service (i.e. a refuge for young runaways). In the long term it may be counterproductive if the Framework penalised such practice.
- GIRFEC: The Framework's relevant documents should reflect GIRFEC terminology; for instance
 the current draft of the IPA does not ask for details of the 'lead professional' or a child's 'named
 person'.
- External Managers: There is currently no reference to the role of external managers in the Framework. These individuals or sometimes a group are responsible for the work of a residential care establishment, but are not involved in day-to-day management. The discretionary guidance accompanying the Children (Scotland) Act 1995 states that an external manager must be designated and outlines their main tasks. These include: monitoring the experiences of children; ensuring practice complies with legislation, regulations and guidance; supervising the person in (day-to-day) charge; etc. A number of critical inquiries have emphasised the significance of external management as a safeguard for children and young people living in residential care, including the Waterhouse (2000), Kerelaw (2009) and Shaw (2007) reports. In response the NRCCI called on the Scottish Government to set out the roles and responsibilities of external managers. Official guidance will be published soon. We urge Scotland Excel to make contact with the Scottish Government to ensure that the Framework both acknowledges the important role of external managers, and reflects the principles of the forthcoming guidance.
- Qualification Levels: The National Residential Child Care Initiative identified an important
 relationship between the quality of service and the qualification and education levels of staff. It
 suggested that qualification levels provided a good proxy (though not in isolation) of informed
 practice. The Framework Agreement could, therefore, make more explicit reference to
 qualification levels in its assessment of 'quality'. Moreover, the Framework is a valuable vehicle
 for promoting the importance of having a well-trained and qualified workforce, and the
 Framework's strategy document could address this point more explicitly.
- Timescales: Whilst we acknowledge that significant delays have already been incurred in the implementation of this Framework, the issues involved are complex and some of the concerns expressed by providers legitimate. In the interests of agreeing a workable Framework, within which the majority if not all independent providers choose to operate, all aspects of the Framework must remain open to change. We believe that continued dialogue between providers and purchasers can deliver the compromises needed to make the Framework a success. We would urge Scotland Excel and purchasers to allow time for these discussions, and for the potential amendments that may follow. Significant details (such as the placement mechanism) remain undecided, and we would welcome the opportunity to comment on specifics when they become available.

Consultation Question 15

Scotland Excel has made use of existing consultation reports detailing recent consultation with children and young people in the development of the draft strategy and service specifications (including the Who Cares? Report of May 2012 "The Expert Views of Children and Young People on Their Experiences of Foster Care in Scotland").

If you or your organisation have conducted recent consultation with children and young people using your service, would you like the strategy to consider the response to that consultation?



Consultation Question 16

Please provide general comments relating to the service specification (schedule 1a) in the text box below. If your comment refers to a specific specification item please provide the clause reference followed by your comment.

| No turth | er comment | | | |
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Consultation Question 17

Please provide general comments relating to the service specification for residential short breaks (schedule 1b) in the text box below. If your comment refers to a specific specification item please provide the clause reference followed by your comment.

| No further comment | | | |
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We would welcome the opportunity to contribute to the on-going development of the Framework Agreement for Children's Residential Care. Please feel free to contact us for further discussions.

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