



Public Social Partnership: Commissioning Falkirk's Foster Care Services



Falkirk Council is committed to adopting PSP as its process of choice in supporting radical redesign of services. The Council was aspiring to a cohesive fostering service made up of internal and external providers that would meet the best needs of fostered children. The contract for foster care services was used to test out the PSP commissioning model. The framework developed through co-creation with providers was piloted for a year, and now contracts have been signed with successful providers.

Background

Public Social Partnerships (PSPs) are an innovative model of public service delivery based on a co-planning approach, through which the public sector and third sector, and indeed the private sector share responsibility for designing services based around service user needs. Once designed and piloted, services can then be commissioned for the longer term through a competitive tendering process.

Falkirk Council was committed to adopting PSP as its process of choice in supporting radical redesign of services. As the contract for foster care services was about to be commissioned it was felt that this might provide a suitable opportunity for testing out the PSP commissioning model.

Scope and focus

The recently completed casework audit of children's and young people's services in Falkirk identified the need for a broad commissioning strategy. The Council was aspiring to a cohesive fostering service made up of internal and external providers that would meet the best needs of fostered children.

There was a strongly held belief that Falkirk's children should be cared for in Falkirk, unless there was good reasons why they couldn't be placed locally. However a significant number of children were being transported out of their communities back to schools because their placements were not local.

The number of looked after and accommodated children had been increasing at about 36% a year. However the Council didn't know if this trend would continue. A three year fostering strategy had been developed, including 'invest to spend' with the appointment of additional staff to recruit more Council foster carers, to be paid for by reducing external foster care placements. The assumption was that if this was successful the need for external foster carers would go down. Therefore the Council was in the position of not knowing how many external foster care places needed to be contracted.

In short, the fostering care budget was over spent, and was not meeting the best needs of children because placements were spot purchased. The PSP model was felt to make sense:

- by finding a solution to not being able to specify in the contract a fixed number of foster care placements
- by maintaining good relations with providers (in line with the Audit Scotland report) and inviting them to contribute to developing the commissioning strategy, its core values and principles

Implementation

External providers that had made foster care placements on behalf of Falkirk Council within the previous 12 months had been invited to be part of the PSP process and took part in two initial meetings to explain the PSP process. They were then asked to think about it and to write formally to say that they would like their agency to be part of the PSP. From February 2010 the co-creation process was taken forward through provider group meetings convened every 6 to 8 weeks (see timeline).

Stage 1 involved co-creation of the commissioning specification and design of the pilot stage. The pilot ran for a year and was reviewed quarterly. It was necessary to run for a full year as fostering has quite a slow turnover. Learning from the review and then the full tender process meant the pilot conditions continued until full contract award. So in total the contract spec was piloted for eighteen months.

As part of the pilot there was a clear mandate if anything was not working, to change arrangements. While the pilot was on-going the following adjustments to the commissioning framework were made:

- How placements were sourced
- Introduction of Encryption software for sharing information
- Reduction of initial information sent asking if providers had placement; was replaced with one sheet with age of child, basic issues. Only if providers came back with a placement were they given more detailed information

Issues that were resolved by the co-creation process included:

- reducing the 30 miles radius issue to 20 miles was considered but the feedback from providers was that this would adversely affect desired matches between foster carers identified by providers and the needs of children to be placed



Process (IRISS, CCPS)¹

- the information asked for in tenders was more concise. A key innovation was inclusion of 300 words on how providers would provide evidence that SHANARRI indicators² would be met for children placed with foster carers.

¹ Pattoni, L. (IRISS), Fraser, D. (CCPS), (March 2013) Commissioning Foster Care Services in Falkirk Council: a Public Social Partnership approach

² The report *Getting it right for every child* defines 8 wellbeing indicators of child welfare as: safe, healthy, nurtured, active, respected, responsible, and included (SHANARRI).

Tenders were scored against each of these areas.

The PSP process continued after the award of the final contract with the providers group continuing as the Review Group. Discussion focussed on how to measure outcomes. This was prompted by a presentation at an IRISS conference in 2011 at which a distinction was made between four different levels of outcomes: national, individual service users, provider, and local strategic outcomes (SOA). This distinction was important to the learning coming out of the PSP. Members of IRISS and the Coalition of Care Providers Scotland (CCPS) helped the Review Group with the development of provider outcomes, and also in reviewing the PSP process itself³.

Key Challenges

There were inevitably a number of challenges which the PSP partners were required to address and overcome:

- **Timescales.** There was concern within social work that it might take upwards of eighteen months before the new service would be in place. Traditional tendering would take six months any way. This new model of delivery was tendered within the same timeline but had the added advantage that it was informed by the advice of potential providers. Those involved in the PSP were clear that PSP is a long process - overall two years from initial meeting with providers to award of full contracts - however mainly due the 12 month pilot had because it was two to three months before the first fostering placement was made.
- **Providers needed challenging.** There was an assumption by providers that they offered specialist services and

³ Pattoni, L., Fraser, D., (March 2013)
<http://www.iriss.org.uk/resources/commissioning-foster-care-services-falkirk-council-public-social-partnership-approach>.

could charge higher rates as a result. Agreeing on the definition of a core service was one of the key learning points arising from the PSP process, directly influencing the tender spec.

Outcomes

Eight providers took part in the pilot, and eight providers were contracted to provide foster care placements, but these were not the same. Three providers involved in the pilot were unsuccessful and three new providers were contracted. The highest scoring provider had not even been part of the pilot.

Use of the PSP approach delivered a number of key benefits to the Foster Care commissioning process. These included:

- **The Framework that was developed was reasonable.** Providers as a result of taking part in the conversations understood the values and assumptions underpinning the Council's foster care service. Therefore the framework that was developed was fully understood by providers.
- **The Council's Fostering Team liked the process.** They felt it was easier and more efficient for placing children. Feedback from parents was that local placements meant ease of access improved contact with their children.
- **Concept of core service.** The issue of specialism was thoroughly discussed. Learning from co-creation discussion process was that everybody wanted what was best for the child, and every child coming into care needed a specialist service (parenting plus) as each child had some level of trauma in their life. Therefore by definition the core service was a specialist service. The Council also agreed that if a child's assessment of needs indicated additional input over and above, the Council would pay for this.

- **Distinction between actual cost and price.** Although savings originally envisaged were not achieved, and a more traditional tendering exercise might have driven down the costs, previous contracts had resulted in hidden costs to the Council. For example, for a child at a distance transport on top of the placement costs was adding to a significant amount that the Council couldn't budget for. As a result of involving providers in the commissioning process it was agreed that transport within a 20 mile of the placement would be part of the core price. Providers are now on board and are offering an efficient service as they are aware of the Council's cost parameters.
- **Reduction in costs for providers.** The cost for providers has also been driven down. For example inefficiencies around meetings, inherently have a cost to both providers and the Council.
- **Learning on outcomes to be assessed.** From discussion with providers the commissioning team realised that they were looking at outcomes for individual children. However agencies could only deliver on child care plans and therefore could only be expected to measure agencies outcomes. These were defined in terms of SHANARRI indicators.
- **Learning for commissioners in managing the market place.** The Council made the assumption that providers wanted a block contract. However feedback from providers was that they would struggle to make that type of commitment. The PSP gave a platform for discussion around the need for flexibility around demand given that in a period of change and flux.
- **Demystifying the process.** The published PSP material was found difficult to understand so a summary was produced which set out the core principles of co-creation, working in partnership, and that contracting was about conversations that build trust
- **Working through the process itself.** This involved spending time at the beginning clarifying what the problems and parameters were and agreeing who the stakeholders were.
- **Permissive rather than prescriptive clauses.** This was a big change in how the Council tendered. It was a move from a prescriptive contract to a permissive contract. This set out the principles which were fundamental to doing business and being able to work together. It set out a framework where providers were committing themselves to a continuing partnership of change and development.
- **Clarity around boundaries.** The commissioner did not meet with providers individually throughout the whole of the process. All conversations involved everyone round the table.
- **Modelling partnership working.** Nothing was asked of providers that the Lead commissioner (Service Manager, Children & Families) didn't also provide. For example before any information was asked of providers the Lead set out in detail the Council's fostering services, underpinning values, budget information including over spend , dilemmas about external placements, concerns about how much foster carers paid, and up skilling provided by the Council. This encouraged providers to share information on their services.
- **Involving foster carers.** One foster carer was involved in the scoring of the tenders. This was very valuable. If doing this again would involve foster carers including some from the Council in the PSP process.

Critical success factors

There are a number of critical success factors which have underpinned the positive delivery of the model.

Future ambitions

Falkirk Council is about to start tendering for a care at home contract. Quite a lot of work has already been done. It will follow a similar co-creation scoping process for 3 months, will pilot for 3-4 months and then run the tender. The pilot stage will be shorter as the volume of care at home provided is much higher so it will be possible to learn lessons from the pilot quicker. The main learning is expected to be about defining core services. There may also be learning from the Fostering PSP which can be used for reference.

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