



# Higher Aspirations, Brighter Futures: NRCCI Commissioning Report



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# Higher Aspirations, Brighter Futures: NRCCI Commissioning Report

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## *Higher Aspirations, Brighter Futures*

**Series Editors:** Romy Langeland, Kelly Bayes, Jennifer Davidson

The Scottish Institute for Residential Child Care was commissioned by the Scottish Government to lead a National Residential Child Care Initiative. This NRCCI has undertaken a strategic review of residential child care services and developed a blueprint for their development which will shape the future direction of services and ensure the needs of children and young people are met.

There is a series of publications stemming from this Initiative.

### **Other titles in this series:**

**Title:** Higher Aspirations, Brighter Futures:  
Overview of the National Residential Child Care Initiative

**Author:** Kelly Bayes

**ISBN:** ISBN 978-1-900743-98-3

**Title:** Higher Aspirations, Brighter Futures:  
NRCCI Workforce Report

**Authors:** Jennifer Davidson, Carole Wilkinson, Bernadette Docherty, Maureen Anderson

**ISBN:** ISBN 978-1-900743-09-0

**Title:** Higher Aspirations, Brighter Futures:  
NRCCI Matching Resources to Needs Report

**Author:** Malcolm Hill

**ISBN:** ISBN 978-1-900743-04-4



# Higher Aspirations, Brighter Futures:

## Commissioning Report

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### Executive Summary



#### Working group remit

**‘To develop an agreement of expectations between local authorities and their providers to ensure effective commissioning of services which lead to better outcomes for children and young people.’**



#### Commissioning working group vision

**We are convinced that strategic commissioning offers an opportunity to improve outcomes for children, and to improve relations between purchasers and providers leading to the continuous development of services fit for the future.**



#### 1 Introduction to Commissioning

The National Residential Child Care Initiative (NRCCI) was set up in the summer of 2008 when the Scottish Government and COSLA jointly commissioned the Scottish Institute for Residential Child Care (SIRCC) to undertake a review of the context of residential child care services and make recommendations for change. The aim was to make residential care the first and best placement of choice for those children whose needs it serves.

Three working groups were established to undertake work with respect to ‘matching resources to needs’, ‘workforce skills’, and ‘commissioning services’. This report represents the key results of the working group on commissioning services. The report draws on:

- The experience and knowledge of working group members,
- Relevant literature and policy documents,
- The results of the NRCCI’s stakeholder consultations with young people and professionals and comments submitted to the NRCCI web-site.



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## 2 Why do we need to change?

The group looked at the current operations of the 'market' in residential child care in which the 'spot purchase' of placements predominates and there is an absence of systematic planning or commissioning of services. Concerns included the following:

- Distance from home-base,
- Issues around referral,
- Placement disruption and instability, including end-of-placement transitions,
- Perceptions of costs and quality.

There was agreement that all these areas were ones where there was some degree of tension and mistrust between purchasers and providers. In its performance inspections of local authority social work services SWIA had frequently recommended that authorities pay more attention to their commissioning of children's services. In evidence submitted to the working group SWIA say that, 'We have found that there is often a lack of clarity about what exactly the local authority wants the commissioned agency to provide'. The group included representatives from all sectors and also recognised that the views of purchasers and providers on the current operation of the system differed. Nevertheless all were agreed that these were all aspects of the current system that needed to be addressed, and would require a 'culture change' in relationships between purchasers and providers.

## 3 Where do we want to get to?

### *Effective partnership working between purchasers and providers*

The Commissioning Working Group believes that maintaining a vibrant mixed economy of care across the whole sector is the best way forward. This should allow some choice of placement for children and carers, for new and innovative services to emerge and the evaluation of different kinds of services and outcomes. It is vital therefore that providers have the financial security required and that they deliver flexible and responsive services.

### *Improved distribution of specialist services*

Adopting a strategic commissioning approach by local partnerships should have as one of its goals that fewer children will be placed a long way from their home community.



#### 4 The concept and definition of commissioning

The working group adopted the SWIA definition of commissioning and developed its own three-level model of what is involved in the overall strategic commissioning process.

The SWIA definition of commissioning is as follows:

*‘Strategic commissioning is the term used for all the activities involved in assessing and forecasting needs, agreeing desired outcomes, considering options, planning the nature, range and quality of future services and working in partnership to produce these.’*

##### *The scope of strategic commissioning*

Strategic commissioning is an activity led by local authorities who are responsible for arranging the provision of care. Local authorities should ensure that all strategic partners and stakeholders are involved in the commissioning process.

In summary, the commissioning process includes many stakeholders and involves a number of distinct phases:

- Information gathering and data analysis
- Service planning and design
- Tendering and purchasing services
- Service delivery
- Contract monitoring.

The working group suggests that three different types of commissioning structures should be developed: singleton, consortia and national. These are described thus:

**Singleton** local authority arrangements may be suitable where it is appropriate for a single local authority to establish a commissioning group to meet the needs for residential services in their area. Services secured through these arrangements will generally be provided directly by the local authority or commissioned as a result of a tender process, either negotiated directly with one provider, where appropriate, or on a competitive basis with a range of providers.

**Consortia** commissioning structures, involving several local authorities, may offer opportunities to pool resources, share contracts, reduce costs, deliver best value and manage risk. Given the ‘high cost/low volume’ nature of residential provision, some degree of inter-authority commissioning and purchasing is inevitable if local authorities are going to be able to shape the market, and ensure the availability of value-for-money services.

**National** Commissioning in Scotland is required when a relatively small population of children demonstrate significant, identifiable complex needs, and/or represent a serious risk of harm to themselves or others, and require access to specialist residential services.

The range of services required to meet these needs and manage these risks include:

- national schools for sensory impaired young people;
- specialist residential mental health services;
- secure care and education services;
- specialist residential treatment services for young people with a history of problematic sexual behaviour.





## 5 Measuring outcomes

A strategic commissioning process must focus on improving outcomes for children and their families, and seek to discover which 'interventions' produce the best outcomes for the wide range of needs that these children and families have. There is a multiplicity of factors at work in any care setting, and identifying and measuring valid outcomes in relationship-based services with developing children, is known to be problematic. Nevertheless there are a number of existing sources of data which should be used in order to measure outcomes from placement: these include Looked After Children care plans and review forms, Care Commission self-evaluation returns and inspection reports, and standardised measures of emotional well-being. The group believes that by working together purchasers, providers and users of services can develop improved evaluation of the outcomes of services.

## 6 Recommendations

The report provides detailed recommendations focussing on:

### *National Strategic Commissioning*

A national strategic commissioning group should be established to commission highly specialist residential services based on the principles set out in this report. The group should be led by local authorities (for secure care) or the NHS (for services for children with mental health and associated problems) and supported by the Scottish Government. The first priority will be secure care, and the group should aim to commission secure care services from 31 March 2010.

### *Local Strategic Commissioning*

Local authorities need to take a strategic commissioning approach to children's services and set up of a strategic commissioning group either within the local authority or, where appropriate, on an inter-authority basis. Such groups will include the participation of 'service users' (children and parents or their representatives), providers, and other strategic partners.

### *Improving Outcomes*

Attention must be given to the development of appropriate outcomes associated with residential placements. The measurement of these outcomes should use existing sources of data as much as possible, in order to avoid any duplication of information gathering. However increased attention needs to be paid to gathering the views of children and parents/carers about a specific placement.

### *Scrutiny*

The effectiveness of the strategic commissioning arrangements and principles as set out in this report must be monitored by scrutiny bodies.

### *Additional services*

Commissioners must seek to improve the efficiency of negotiation arrangements for additional services, such as independent advocacy, which are currently funded by separate contracts and service level agreements but are integral to residential child care.

## The NRCCI

The Scottish Government's commitment to improve the life chances of children who are looked after was reinforced in February 2008 when Adam Ingram, Minister for Children and Early Years, made a statement in parliament setting out his ambition "to work with partners to make residential care the first and best placement of choice for those children whose needs it serves".<sup>1</sup> To take forward this commitment, the Scottish Government asked the Scottish Institute for Residential Child Care (SIRCC) to lead the National Residential Child Care Initiative (NRCCI) and develop a blueprint for the development of residential child care in Scotland which would shape the future direction of services to suit children's needs.

This unique opportunity to undertake a strategic review of residential child care in Scotland, contribute to making positive changes to how future services are developed, and ensure we are *Getting it right for every child* who may need residential care, was enthusiastically welcomed by SIRCC. This report is one of three produced by three working groups led by SIRCC which met from September 2008 until July 2009. It briefly outlines the context in which the NRCCI was established, its aims and objectives, and who was involved. It then provides a detailed report from the Commissioning Working Group which examined key elements to developing a Commissioning Strategy. The final chapter sets out key messages and recommendations.

### Context for the NRCCI

Since 2000 the number of children and young people who are looked after has increased sharply. Although only 12% of them at 31st March 2007 were looked after in a residential setting this still represents 1,661 children and young people who are often the most vulnerable and troubled in Scotland.

Many have suffered from the impact of poverty and deprivation, the effects of drug and alcohol abuse as well as neglect and abuse. Most of them will have experienced other forms of social work support and intervention, yet 55% are admitted to residential care on an emergency basis<sup>2</sup>.

Concerns about institutional child abuse across the UK have resulted in several inquiries showing that residential child care services need to ensure their focus is on children's rights and needs. An inquiry into abuse at Kerelaw Residential School in Ayrshire, jointly commissioned by the Scottish Government and Glasgow City Council was announced in November 2007, the same month as the publication of the *Historical Abuse Systemic Review*<sup>3</sup> which recommended the development of a culture in residential child care founded on children's rights and respect for children. *Home Truths* (SIRCC)<sup>4</sup> published in April 2008 acknowledged that while hundreds of vulnerable children and young people are successfully cared for in residential settings there are considerable challenges facing the residential child care sector across Scotland in achieving high quality services and positive outcomes for all young people in its care.

Many of these challenges centred around:

- the experience of the increasing number of children and young people with complex and multiple needs being placed in residential care;
- the status, training, education, skills and competence of the residential child care workforce;
- the pattern and the type of provision required for the future to meet the needs of children and young people and how this can be planned at national and local level.

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## Aims and objectives of the Initiative

Building on the above challenges the aim of the NRCCI was to:

1. Develop a blueprint for the development of residential child care in Scotland including:
  - An audit and strategy for the supply of residential child care services to match the full range of needs of children and young people;
  - A determination of the right skills mix of professionals working in residential child care to ensure those working with these young people are well-equipped to support these young people to develop their full potential;
  - An agreement of expectations between local authorities and providers to ensure effective commissioning of services for these young people;
  - Recommendations on how to address the challenges facing the secure care sector (this aim was dealt with in the *Securing Our Future* Initiative report of February 2009).
2. Recommend to Scottish Government, local government and providers of residential child care the actions required to achieve consistent improvement across the residential child care sector.

## Who was involved

The Initiative has been led by a Project Board made up of key representatives from the wide range of agencies and organisations with an interest in residential care in Scotland. It was chaired by Romy Langeland, Independent Chair of SIRCC. Three working groups reporting to the Project Board were established to undertake work with respect to the three elements of the blueprint outlined above, and involved further representation from across the sector (see Appendix 1 in the Overview Report). A further group examining secure care reported in February 2009<sup>6</sup>.

To engage as many stakeholders as possible in the Initiative each working group identified themes and issues which were posted on the NRCCI page of the SIRCC website, were debated at four regional stakeholder engagement events held during February and March 2009 and were taken out to working group members' own organisation, association and/or network.

Through Who Cares? Scotland over 100 children and young people were also involved in debating the themes and issues and provided their expert views in a report

that went to all three working groups in March 2009. Due to resource constraints the engagement of parents was unfortunately very limited.

The experience and knowledge of all those involved on the NRCCI was an invaluable and rich source of information. In addition to evidence from the stakeholder engagement process, working group members actively sought available and relevant research, data, case studies and reports, and many consulted their wider organisation/agency/network. Two of the groups undertook surveys of local authorities and independent<sup>5</sup> providers of residential care.

All of those involved in the NRCCI were in agreement that *Getting it right for every child* who needs residential care is dependent upon there being a full range of residential services that can meet individual needs and which have access to both universal and specialist services, are staffed by skilled, competent, appropriately qualified and confident staff teams, and are part of a continuum of services for all children.

## Introduction to Commissioning

Working group remit

**‘To develop an agreement of expectations between local authorities and their providers to ensure effective commissioning of services which lead to better outcomes for children and young people.’**

### 1 Setting the scene

The language of ‘commissioning’ is one that has only recently become more widely used in relation to children’s services in Scotland; the issues it addresses, however, are long-established. A formal definition of commissioning is in the next paragraph. The challenge is to develop commissioning of children’s services as part of the development of services in a “mixed economy of care”. This involves both professional and financial relationships between *purchasers* of children’s residential places, that is local authorities, and *providers* of places, the voluntary and private sectors. Local authorities have also long been providers of residential services

themselves, and their own ‘provided’ residential services form part of the overall provision. While this report will address the strategic commissioning of residential child care services, we believe the principles and recommendations will apply across the range of children’s services which are provided by local authorities, voluntary and independent providers.

While this working group has been meeting, SWIA has also been working on the issue of commissioning and has developed the following definition of strategic commissioning, which we have adopted:



**Strategic commissioning is the term used for all the activities involved in assessing and forecasting needs, agreeing desired outcomes, considering options, planning the nature, range and quality of future services and working in partnership to produce these.<sup>7</sup>**

It is important to recognise that current relationships between purchasers and providers have evolved since local government reform in 1996. Prior to reform social work services for children were led by the relatively large regional and island councils' social work departments. Some of these councils were very large, notably Strathclyde region which contained about half of Scotland's population. Strathclyde and the other regions had been given the funding of the independent residential school sector in the mid-1980s (prior to this many of these schools had been funded and supervised by the Scottish Office Education Department). The regional councils had considerable influence over the use of residential schools, including charges, etc.

There are a number of complex issues that can affect the provision of residential services to children and young people who are looked after and accommodated by the state. There are many reasons why children cannot be supported at home, including parental neglect, child protection concerns, risk of harm to self and others, and offending behaviours. Providers deliver services to children and young people across a range of ages and abilities where varying degrees of risk exist and often when there is a statutory order in place to accommodate a child that includes elements of compulsion. Often these services are provided within the same service / location. Providing a service that meets each child's needs, keeps them safe and develops their potential within the placement whilst safeguarding and nurturing young people and mitigating risk across the service as a whole is a major challenge for this sector, particularly in an environment where the tariff of needs and risk is ever increasing. This is often reflected in higher service costs.

## 2 Culture change required

Many residential services in all sectors are providing high-quality care. The working group accepts, however, the weaknesses and challenges outlined in *Home Truths* and supports the Scottish Ministers' view that the use of residential care must be improved. It has frequently been noted, despite policy statements to the contrary, that residential care is sometimes used as a last resort. Placement disruption and instability are also features of the system. The system is characterized by a multiplicity of providers and purchasers and a wide variety of types of service which have evolved in an *ad hoc* manner. There are also gaps in the data about numbers of children in need in a particular area, and the analytical capacity to make sense of the existing data in order to plan services in a truly strategic way. Proper commissioning of services requires the capacity to undertake strategic planning, and this has presented a challenge to the 32 local authorities which succeeded the 12 regional and island councils which had previously been responsible for social work services and which had the scale and capacity to coordinate the services provided by the independent sector. The organisation and expectations of residential services have changed considerably since 1996 with the development of National Care Standards and independent inspection plus the regulation of the workforce. The independent sector provides over half of the places for looked after children in residential care, and the great majority of short and long-term placements in the disability sector. Therefore effective relationships between the statutory and independent sectors are vital for the health of the system.

Many young people *are* finding a stable and caring home to live in, with high quality education which compensates for previous deficits, and they and their families are receiving expert help. Others, however, are not receiving the kind of help they need when they need it, with a lack of an appropriate degree of assessment, planning and multi-agency coordination. Good outcomes from residential placements require effective coordination between social work and residential staff, with the support of education and health services, from the point of admission through placement to exit. Some young people experience multiple placements and are suffering from inappropriate placements, delays in accessing placements, and disrupted placements. Relations between purchasers and providers can be characterised by a degree of mistrust. There is a need to find ways to involve young people in the planning and review of services, or to have their voices heard through independent advocates.

Whilst local authorities and providers are united in their belief that the upbringing of all children is ideally achieved within the context of family and local community, the challenge is to identify those children who will not be able to be sustained in families until they have received specialist and skilled intervention which quality residential placements can offer, and then take positive decisions to place them where the child's needs can be met.

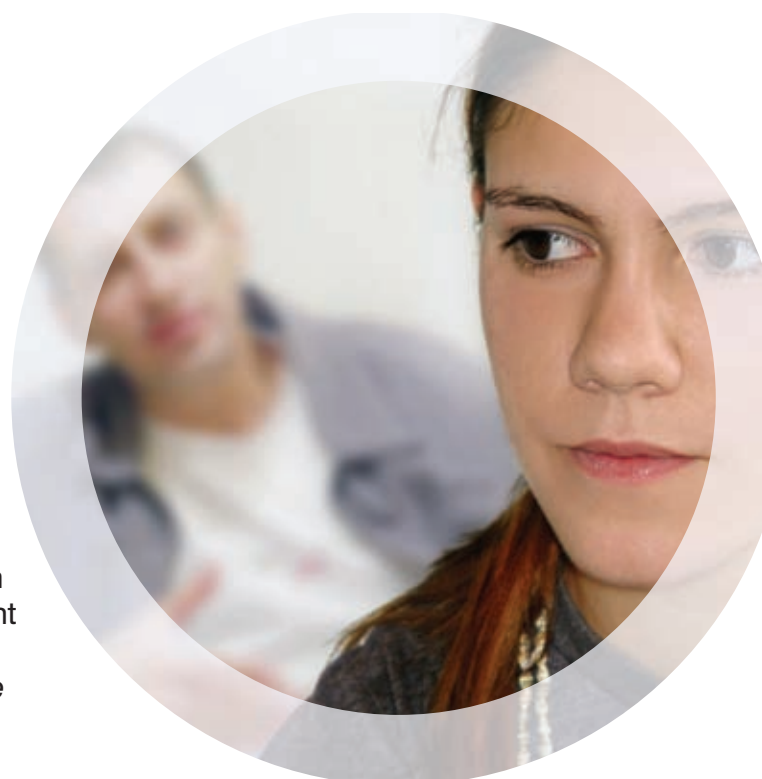
Far too many children are experiencing multiple placements, which is unacceptable for children and indicates the need for a different approach. A residential child care

placement should be made on the basis of a careful assessment of need rather than on, for example, the result of a history of failed foster care placements. Our report argues that commissioning can be a useful tool to help improve outcomes for children but it requires social workers and their managers to assess carefully the placement which is most likely to meet the child's needs. Within the context of residential child care this requires considering all placements equally rather than considering it as a last option where alternatives have failed. This should apply whatever the age of the child, and it is important to recognise that there has been a small but increasing demand for residential placement for children under 12. These are often children believed to have significant attachment problems who have experienced multiple breakdowns in family settings. In response to this situation, residential services for younger children have been developed which seek to provide stability and a therapeutic environment with the aim of preparing children for family placement.<sup>8</sup>

Local authorities are under tremendous pressure as the demand for care grows. Increasing numbers of children have become looked after in recent years, although the size of the residential sector has remained static. However, a particular area where there are significant pressures is the increasing numbers of families with disabled children looking for support, and the more severely disabled children who are surviving longer. Budgets are limited and coming under pressure from wider constraints on local authority spending.

### 3 'Corporate parenting', personalisation and children's rights

As already noted this report recognises the *Getting it Right for Every Child* (GIRFEC) agenda with its emphasis on placing the 'child at the centre', and developing and managing services which are flexible enough to respond to the child and family's changing needs. In September 2008 the Scottish Government also issued its guidance on corporate parenting of looked after children: *These Are Our Bairns: a guide for community planning partnerships on being a good corporate parent*.<sup>9</sup> This report strongly emphasises the contribution that elected members, and all local authority and NHS departments can make to improve the lives of looked after children. Taking responsibility for 'looked after' children, listening to them and working together are identified as central aims of the guidance. The ECHR together with the statutory principles and duties set out in the Children (Scotland) Act 1995 must also inform the development of strategic commissioning. Our proposals emphasise the importance of seeking the views and experiences of children and their parents at all stages of commissioning, and thus accord with many of the principles articulated in the *Commissioning for Personalisation* report, issued by the Changing Lives service development group; including the involvement of services users, strategic planning, and market management and partnership with providers.



### 4 Inspection and external scrutiny

The Social Work Inspection Agency (SWIA) has identified strategic commissioning as a priority area for development for local authorities. The SWIA approach to commissioning is set out in its self-evaluation guide and is complementary to the principles and recommendations in this report.

## Why do we need to change?

There are a number of specific issues with the current system which require to be addressed, but these difficulties tend to be seen differently by the local authorities and the service providers. However there is not in fact a uniform picture over Scotland as a whole; the working group has heard of different patterns of relationships in different parts of the country. Authorities may have better relationships with some providers than with others. Local authorities have retained but have tended to reduce their own residential provision since the changes in the structure of local government in 1996-7. The independent residential sector has developed in an *ad hoc* manner since then, with some residential schools closing and new private providers entering the market. This is discussed in more detail in the NRCCI report on *Matching Resources to Needs*.

Although these are significant trends, there is consensus that there is not a strategic planning approach for the most effective use of residential child care within Scotland. Currently nearly all placements are purchased on an *ad hoc*, 'spot purchase', basis, which often leads to a situation where the decision about where a child or young person is placed is related to bed-availability rather than on the basis of careful assessment of need and service. The following problems have been identified:

### 1 Distance from home-base

The current system is based on each of the 32 local authorities purchasing on an 'as and when' basis (spot purchase). While some local authorities may have informal arrangements with a preferred local provider, generally there is no basis for planning, longer-term investment or

commitment to any particular provider. One consequence of this is that while trying to meet a child's needs they may need to take a place wherever one is available. Some children are therefore placed a considerable distance from their home area, either because a needed resource has not been developed more locally, or because a more local resource is already full.

Some children are deliberately placed at some distance from the community of their previous placement, in order to disrupt patterns of offending or other seriously harmful behaviours. The transitions arising from these decisions, and other less planned ones, all require considerable skill and effort to make sure the move 'back home' from the specialist placement is a positive one for the young person. For older children distance from home area is likely to have big implications at the point of leaving the 'residential school', as this is also the time that the local authority will usually aim to move the young person into 'care-leaving' services in their own area. *The Sweet 16?* report on the age of leaving care<sup>10</sup> illustrated some particular problems associated with transitions from residential schools for those who have attained 'school leaving age'. *The Sweet 16?* report highlighted the impact of co-funding of placements by education departments:

There were particular problems associated with residential schools where education funding may be withdrawn once the young person reaches school leaving age. These young people have often been placed outwith their local authority area and may not have retained strong links with their home town. This can make it particularly difficult to settle down in a supportive environment in their home town.



The development and embedding of the corporate parenting agenda should help challenge specific departments to focus on the needs of the child or young person for whom the local authority and its partners are responsible.

## 2 Issues around referral

When services are only purchased on an 'as and when' basis, the provider has control over accepting or rejecting a referral. Prior to 1996, under the regional councils, local authorities could more or less direct some schools (through 'single user agreements') to take certain young people, including those who were exceptionally challenging. The working group does not believe that past models are applicable in the current circumstances and that, rather than looking back, there is a need to find better ways of managing children's placements to match best a child or young person to a placement that will meet their needs, taking into account overall budgetary limitations.

There is perhaps on occasions a lack of effective communication between the various parties; children and family services are a complex environment and finding the right place for a child with multiple needs can be a challenging task. As we have noted, the situation differs across the country, but in some places there is room for improvement in understanding by commissioning staff of the different forms of contemporary residential care. Not all local authority staff may be aware of the different kinds of programmes and therapeutic and educational strategies that may be in place in different residential settings.

Despite the statutory requirement for each 'looked after child' to have a care plan and the commitment by all local authorities in Scotland to use the 'looked after children' materials, there is evidence that many children are placed without completed paperwork or much planning, and in some cases without a care plan. Statistics produced by the Scottish Government based on the 'Children Looked After' return suggest that 8% of children looked after away from home in 2007-08 did not have a care plan. This is supported by findings from the Care Commission which discovered that many care plans were deficient or even absent. Furthermore the young people's stakeholder report, produced by Who Cares? Scotland for the NRCCI found that 40% of children and young people said they had never discussed their care plan with either a social worker or a residential worker. This finding does not mean that there were no care plans in place for these children, but it does provide further evidence that the current system is not operating well. A high level of emergency placements and placement disruptions clearly make timely planning more difficult. Lack of up-to-date care plans are unacceptable because they affect negatively outcomes for the child and make the job of the residential provider very difficult. If they do not have information about the child's needs they are then not in a position to make a purposeful use of the placement.

### 3 Placement instability

Improving placement stability is one of the key aims of government policy (*Scottish Executive 2007*). This is something that a strategic commissioning approach could contribute to. It is the current arrangements and the predominance of ‘spot-purchase’ arrangements that contribute to the following problems:

- On some occasions independent providers have terminated a child’s placement very abruptly – they have simply announced that they can no longer cope with a specific child and have returned them to the care of the local authority at a few days notice, on some occasions 24 hours notice. These cases might be relatively few but they cause great difficulty for the local authority, and are a source of considerable resentment.
- Conversely, as has been noted, sometimes local authorities will terminate a placement around the child’s sixteenth birthday or when they reach ‘school

leaving age’ – and the reason given is that the education department will no longer co-fund the placement. While children should only be placed in a residential education setting because they have *both* educational and social/familial needs, ceasing to fund such a placement on the grounds that the child has reached ‘school leaving age’ is at odds with policy aims of placement stability and supporting a care-leaver to achieve the transition to ‘independent living’ using the most effective means possible at a time that is right for the young person.

*These Are Our Bairns* (2008), the guidance on being a good corporate parent, emphasises the duties on all partners to promote stability in education and manage transitions carefully. Social work services are expected to: ‘make sure that a child is only moved if it is in her/his best interests and the transition is carefully planned, managed and explained to the child or young person.’ (p.33)



## 4 Perceptions of cost and quality

There are currently no objective means of comparing the costs of different types of residential provision in relation to level of need and quality of service that we could identify in use in Scotland. Where figures are available for different types of residential child care it is clear that the basis on which these figures have been compiled might not always be consistent across the sector to allow valid comparisons. There is a need for clear consistent cost information for different types of provision to be shared between all those involved in commissioning. For example, highly specialist education provision for children who have been disruptive in or absent from mainstream schools or services and who often have been previously placed in local authority services will cost more than more mainstream services, but there is little evidence of benchmarking or other cost analysis in this area.

Local authorities are rightly concerned about 'best value' and believe that sometimes they are required to pay excessive charges due to the current operation of the market. There are concerns about the charges associated with some 'crisis services'. Another specific issue is that providers will sometimes come back and ask for additional fees in order to sustain a placement, usually by deploying extra staff. Conversely independent providers often believe their services are unfairly compared in relation to cost with local authorities' own provision where calculation of equivalent cost recovery is complex.

This lack of genuine transparency around costs and benefits across the system leads to a tension between providers and local authorities, which is not helpful in creating a climate where strategic commissioning can develop successfully.

Audit Scotland has recently decided to undertake work in this area ('Cost and quality of residential services for looked after children') and it is expected that this will make an essential contribution to identifying and comparing the costs of different kinds of residential care in an objective fashion. In particular it would be helpful if there were greater clarity and agreement on the costs of education in different settings; this would include the 'normal' costs of a mainstream school placement and costs associated with 'additional support' for children in mainstream schools.

One notable development affecting the costs issue is the emergence of private providers who offer 'crisis' services on the basis that they will take the most difficult or vulnerable young people. They do this by running very small units, sometimes with 'singleton' placements, with consequent high staff to child ratios, and therefore greater costs.

## Where do we want to get to?



The independent sector is a key partner in delivering residential education and specialist residential services across Scotland, providing approximately half of the residential sector places, excluding those for children and young people with disabilities, as well as the great majority of disability services, both respite and longer-term. The Commissioning Working Group believes that maintaining a vibrant mixed economy of care across the whole sector is the best way forward. This should allow some choice of placement for children and carers, for new and innovative services to emerge, and it also provides the basis for comparing different kinds of services and outcomes.

There needs to be professional partnerships for commissioning a diverse range of residential services, offering choice to social workers and service users and meeting the individual needs of children and young people. These professional partnerships will be characterised by confident and open relations between purchasers and providers.

Such partnerships require sustained financial and professional commitment from local authority purchasers and services delivered in a cost-conscious and accountable manner by providers.

The costs of providing residential services for children are substantial and depend upon the development of highly skilled staff groups. In order to provide the quality of care environment and the quality of staffing and management required to deliver care services, agencies need secure financial foundations. It is vital therefore that on the one hand we have *long-term planning*, and on the other, services that can adapt and respond *flexibly* to meet the very individual needs of children and their families.

Services must be planned and developed on the basis of a co-ordinated approach and based on robust evidence of need, and able to respond to changing patterns of service provision. There needs to be active and meaningful involvement of children and young people in strategic commissioning arrangements.

Services will be characterised by clear purposes and approaches to residential practice focussed on agreed outcomes. These will be services where children receive good quality care, including active support for their education, and in which family relationships are supported, and transitions in and out of placement are carefully managed.

Adopting a strategic commissioning approach by local partnerships should have as one of its goals that fewer children will be placed a long way from their home community. Given the geography and population spread of Scotland, the whole range of specialist services cannot be provided within each of Scotland's 32 local authority boundaries. Some children therefore will have their needs best met in a place which is some distance from their home. Some children will also continue to be deliberately placed, for a time, at some distance from their home area because of social problems they may be involved in, in their home community.

However we need to get to a position where some specialist provision is distributed around the country so that while children might have to be placed outwith their local authority area they should not have to be placed at excessive distances, i.e., from one end of the country to another, or into placements in England, which is the current situation.

This working group believes that the development of strategic commissioning frameworks across the country will enable the above aspirations to be realised, and the main recommendation of the group is that local authorities lead the development of strategic commissioning at authority, inter-authority and national levels.

## The concept and definition of commissioning

### 1 A definition of commissioning

While this working group has been meeting, SWIA has also been working on the issue of commissioning and has developed the following definition of commissioning, which we have adopted:

**Strategic commissioning is the term used for all the activities involved in assessing and forecasting needs, agreeing desired outcomes, considering options, planning the nature, range and quality of future services and working in partnership to produce these.<sup>11</sup>**

### 2 Strategic commissioning

Strategic commissioning is an activity led by local authorities who are responsible for arranging the provision of care. Local authorities should ensure that all strategic partners and stakeholders are involved in the commissioning process. This includes other agencies with statutory responsibilities, service providers and representatives of children and young people who require services and supports, and their parents. It is vital to recognise that commissioning is not just contracting or purchasing but involves analysing needs on an area basis, and also includes an element of forecasting and 'horizon scanning' in order to prepare for anticipated needs. It is only on this basis that individual services should be commissioned. Strategic commissioning is concerned with data gathering and analysis, service development and

specification, as well as with cost and quality, and of course ultimately with the outcomes for children and young people. It is important to note that the concept of commissioning also implies 'de-commissioning'. In any area the current mix of services is likely to change over time as a result of the development of a commissioning strategy.

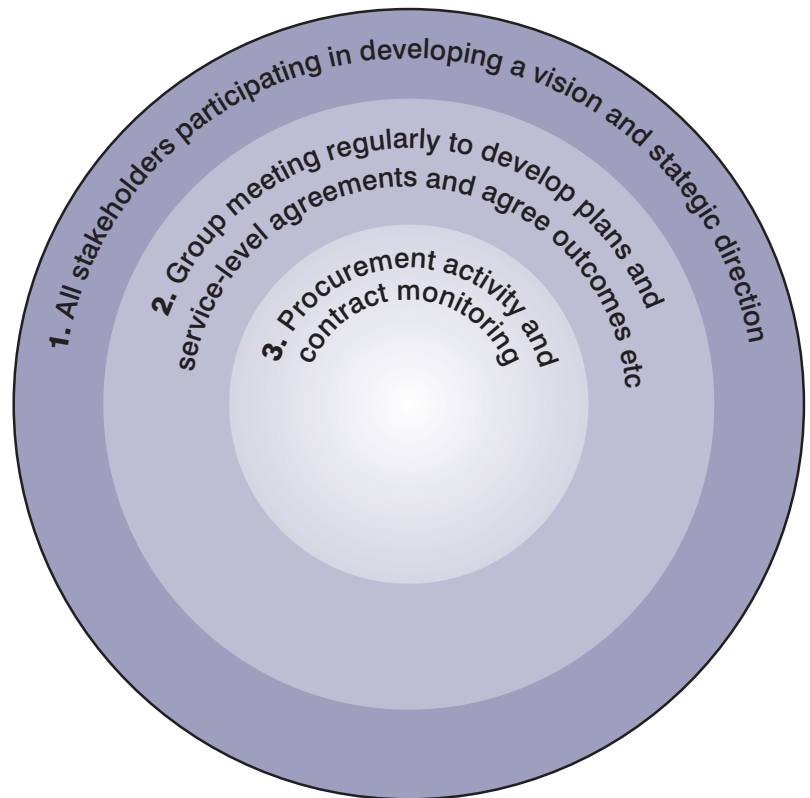
### 3 A strategic commissioning model

The working group has developed a model which illustrates varying levels of involvement and activity. The three concentric circles illustrate a range of activities which in total represent strategic commissioning: The commissioning process includes many stakeholders and involves a number of distinct phases:

- Information gathering and data analysis
- Service planning and design
- Tendering and purchasing services
- Service delivery
- Contract monitoring.

We suggest it may be helpful to think of the strategic commissioning process as including activities at a number of 'levels' in terms of the three concentric circles.

1. The outermost circle includes a wide range of activities, and involves many stakeholders making contributions. Every stakeholder may have a part to play at this level; including all the statutory partners and providers active in a particular area: the local authority, the Care Commission, Who Cares? Scotland, and so on. This is the level of collecting and analysing data, assessing aggregate need, and beginning to consider what sorts of services are required to meet the range of needs and should therefore be commissioned. The local authority has the statutory duty to provide services and will lead the development of commissioning structures which are appropriate to its area. As commissioning involves the sharing of information, they will have to find mechanisms for gaining the views and opinions of service providers and the other stakeholders mentioned. It is not likely that it would be practical to hold regular meetings at which every stakeholder was present, but stakeholders can be consulted through the use of consultation events, questionnaires, research groups gathering evidence and submitting proposals for comments, and so on.



2. The second circle would consist of senior local authority staff from education and social work, plus key stakeholders in the NHS and a few representatives of providers, etc. This smaller group, and potentially sub-groups, would need to meet on a regular basis to develop the commissioning strategy and begin to operationalise it. This group would analyse need, develop a long-term strategy, identify priorities, develop outline contracts and service level agreements, get feedback on quality monitoring and contract compliance, and continually review needs and services.

3. A third smaller group would consist of key local authority staff and agency partners, e.g., Health Service staff employed in commissioning, procurement and contract management. This group would oversee the procurement process, including tendering, awarding contracts and contract monitoring, ensuring compliance with standing orders and national procurement guidance. The potential to involve provider organisations in this stage of service development will be informed by EU procurement regulations in relation to anti-competitive practice.

## National policy and legal context

### 1 National Outcomes

The Scottish Government has established what it wants to achieve in the next ten years through the National Performance Framework and the establishment of the fifteen National Outcomes. The outcomes articulate the Government’s purpose and help sharpen the focus of Government, enabling priorities to be clearly understood, and they provide a clear structure for delivery of services. The overall objective is to make Scotland a more prosperous and successful country. A clear commissioning strategy and framework centred on improving outcomes for children, young people and families is wholly consistent with and will help realise the Government’s higher level outcomes for children as described within the National Performance Framework.

### 2 National Indicators

Forty-five national indicators enable tracking of progress in achieving the National Outcomes. Through the Single Outcome Agreement, local authorities have been encouraged and supported to set clear achievable performance targets which ensure achievement of the National Outcomes. A clear commissioning strategy and framework will enable local authorities and providers to establish planned and co-operative approaches to ensure the right services, in the right place, are available to meet identified and projected need.

### 3 Residential Child Care and National Outcomes

Of the fifteen National Outcomes, the most relevant to residential childcare are:

***‘Our young people are successful learners, confident individuals, effective contributors and responsible citizens.’***

***‘Our children have the best start in life and are ready to succeed.’***

***‘We have improved the life chances for children, young people and families at risk.’***

***‘We have tackled the significant inequalities in Scottish society.’***

Specifically Government expectations establish that ‘when children need to be cared for away from their birth family, we support the delivery of consistent, secure, high quality and nurturing care.’





#### 4 Policy Context

1. In 2001, *For Scotland's Children* made widespread recommendations for the improvement of services to children, young people and families with the aim of improving outcomes, building on strengths, tackling weaknesses and delivering an integrated approach. *Getting It Right For Every Child* (GIRFEC) builds on The Children (Scotland) Act 1995 and subsequent legislation in seeking to develop a more coherent and sustained approach to child care and protection by interagency children's services.
2. An important aspect of this integrated approach has been promoted through the increasing emphasis given to the concept of 'corporate parenting'. In September 2008 the Government issued guidance to all professionals and elected members, entitled, *These Are Our Bairns: a guide for community planning partnerships on being a good corporate parent* (2008).
3. Scotland's Government Ministers have articulated a vision that all Scotland's children and young people should be successful learners, confident individuals, effective contributors and responsible citizens. In order to achieve this, they need to be Safe, Healthy, Active, Nurtured, Achieving, Respected, Responsible and Included (SHANARRI).
4. The Local Government Act 2003 placed a duty on local authorities and their partners to develop Community Plans that bring together the delivery of local services. It also places a statutory duty on local authorities to achieve best value by improving the quality and effectiveness of services.
5. In November 2004, the government issued the *Integrated Children's Service Planning Guidance* to local authorities, NHS

boards and other planning partners asking them to draw together their separate plans and priorities for school education, children's social work, child health and youth justice into integrated Children's Service Plans for April 2005.

6. The *Quality Improvement Framework for Integrated Services for Children and Young People* in March 2006 identified key elements to achieve progressive and sustainable improvements in the quality of children's services and supported the continued development of Children's Service Partnerships.

7. Joint Improvement Teams have been set up in relation to commissioning services and are looking at the impact of EU legislation on commissioning, the rights of services users and continuity of care.

#### 5 Legal Context

1. Scotland has a wide range of legislation and policies supporting, encouraging and regulating services to ensure better outcomes for children in all aspects of their lives. Together the legislation, guidance and policies provide a clear framework to identify and meet need as efficiently and effectively as possible.
2. The Children (Scotland) Act 1995 is the key piece of legislation concerning the care and welfare of Children. Section 22 establishes the general duty of local authorities to 'safeguard and promote the welfare of children in their area who are in need'. Section 17 sets the duty of local authorities in respect of 'looked after' children 'to safeguard and promote his or her welfare'. A range of other legislation is relevant particularly the United Nations Convention on the Rights of the Child (UNCRC) as incorporated in the Human Rights Act 1998 enacted in Scotland in 1999.

### National policy and legal context cont'd



3. Underpinning this legislation are the Looked After Children Regulations and the Throughcare Regulations. These can be interpreted as setting out a series of legal rights and entitlements of children and young people when they become looked after and in their transition from care to independent living.

4. Our proposals for a strategic approach to commissioning proposes that children's rights (rights of provision, protection and participation) within residential care provide the underpinning for an organisation's approach to commissioning, and there should be a clear line of vision from the child's rights, as articulated within the law, through to the establishment of outcomes and their measurement.

5. The development of a strategic commissioning approach will involve adherence to EU rules and legal requirements concerned with the purchasing of public services. Guidance from Government will be required to show how commissioning groups can comply with the regulations while at the same time developing and sustaining quality child care services, and providing a stable home life for children and young people. Under EU legislation local authorities have a legal obligation to consider if there is a requirement to re-tender services at intervals of three years. As has already been noted, the development of services with the appropriate level of quality and expertise requires a long-term commitment, and it is important for all commissioners to recognise that routine re-tendering of effective services would be extremely damaging to residential child care organisations and thus to the delivery of good outcomes for children and young people and their families.

## Current commissioning arrangements in respect of children's services

1 The working group carried out a survey of local authority commissioning managers in an attempt to find out the current situation with regards to the commissioning of children's services across Scotland. During the early spring of 2009 a questionnaire was sent to the commissioning managers in all local authorities asking if they had developed or were currently working on commissioning strategies for a range of services: residential schools, secure care, specialist residential care, foster care, advocacy services, and others.

Based on 14 authorities who returned the questionnaire the survey revealed that:

Six authorities have either a specific child care strategy or have this as an element of a wider commissioning strategy for social work and seven authorities are currently developing their strategy.

One authority reported that it has commissioned a residential school service, while eight others had or were working on a service specification, and a further eight either had or were developing contracts.

In relation to secure care currently none of the authorities commissioned this service. Three authorities had a service specification, including one authority which was itself a provider of secure care. Three authorities had contracts with the provider.

In relation to advocacy services, eight authorities commissioned this service, 12 had or were working on service specifications and nine either had or were working on contracts.

From this survey it can be seen that there is a great deal of activity in this area, but much of it at an early stage.

2 In its performance inspections of local authority social work services SWIA frequently recommended that authorities pay more attention to their commissioning of children's services. In evidence submitted to the Commissioning working group they say that 'We have found that there is often a lack of clarity about what exactly the local authority wants the commissioned agency to provide'.

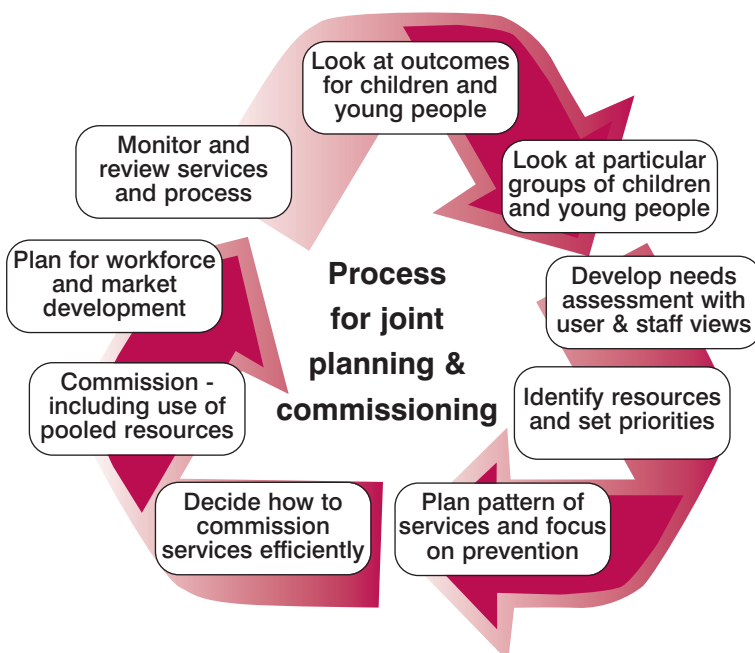
## Developing a strategic commissioning framework

The main recommendation of the working group is that each local authority leads the development of a strategic commissioning framework and in this section we suggest what the key components of such a framework should be.

The SWIA report on strategic commissioning states that ‘most models of commissioning emphasise its cyclical nature, with strategic commissioning providing the context for procurement and contracting,’ and that ‘a key principle of the model is that the commissioning process should be equitable and transparent, and open to all stakeholders via an on-going dialogue with service users and providers’.<sup>12</sup>

In the diagram below the top of the triangle represents the start of the process and involves looking at current outcomes for children and young people.

*Joint Commissioning – an overview of the 9-step process from Department of Children, Schools and Families (England):*



### The scope of a commissioning strategy

#### 1 Who is involved?

Strategic commissioning should be seen in the context of Integrated Children’s Services planning, and in fact as a tool to support the implementation of integrated children’s plans.

Local authority chief executives, chief social work officers, senior officers and senior colleagues in community planning partnerships have lead responsibility for commissioning children’s services. However, commissioning services is a collaborative activity which is directed at achieving the best possible outcomes for children and young people. For it to work effectively, a range of stakeholders must be involved, who may include, depending on local circumstances and context:

- Elected members.
- Senior local authority staff including commissioning staff from Social Work, Education, Youth Justice, Housing and Community Education.
- Children, young people and their parents and/or carers.
- Providers in the private, voluntary and local authority sectors.
- NHS service personnel (to include NHS Board, Community Health Partnerships and Acute Operating Divisions).
- Housing providers from local authority, private and voluntary sector provision.
- Local communities and relevant local groups.
- Courts, children’s hearings and the procurator fiscal.
- Advocacy services for children, young people and their families.

## 2 Context

Commissioning residential children's services is one part of the continuum of services through which local authorities seek to ensure that the varying needs of children and young people are met. Residential services are highly varied in their aims, structure and function and are part of the continuum of care options that are available to support children and families through a variety of short-, medium- and long-term interventions. It is also important that services are able to be flexible and innovative to respond to changing needs and patterns of service delivery.

Current residential services offer a range of programmes and interventions and many providers have diversified their provision to deliver a range of additional services to those 'traditional' residential/school services. These programmes may include education, fostering services, throughcare and aftercare, training and employment opportunities. Residential services also work in partnership with other agencies and bodies to improve outcomes for children and young people, including local and specialist health services, local community groups, further education establishments and employers. Bodies and organisations who work in partnership with residential services should be engaged in the commissioning process, as they will contribute to securing effective outcomes for children and young people.

Providers need some long-term stability and a clear planning framework in order to have the confidence to plan and develop new services. At the moment, without a long-term planning context, the survival of

each independent residential establishment tends to be planned around short-term survival. For the great majority of providers there is no capacity to make significant changes. For example, if an establishment wanted to reconfigure its estate, or to change the services it delivers, it has no robust source of information or confidence on which to plan its new investment. The challenge is to provide the context to enable brave decisions to be made by providers and to give confidence to commissioners that future provision will be responsive and adaptable to meet projected need.

## 3 Accountabilities

While a partnership approach is advocated, it is clear that each partner will have varying accountabilities, although some of these may be shared between partners. Some of these key accountabilities are set out in brief below:

### Scottish Government

Establish:

- Vision/aspirations for children and young people.
- The legal and policy framework for childcare and children's services in Scotland.
- High level performance outcome measures.
- Needs and resources required to meet these needs for groups of children and young people requiring specialist services which can best be provided on a national basis.
- Provide guidance on the application of EU procurement rules.

### Local authority

- Establish and lead a joint commissioning framework to secure good outcomes for all children and young people and to ensure that public resources are well used.
- Meet ‘corporate parenting’ responsibilities. For commissioning staff this will include developing an awareness of working with the effects on service users of compulsion (for example in terms of participating in service design and evaluation) and the role of the Hearing System in determining placements.
- Gather, record and analyse information on the present, medium- and long-term needs of children and young people in the area, including children with varying and specialist needs.
- Involve all partners in assessing need and in developing plans and strategies to ensure needs are met and outcomes are improved.
- Support children, young people, parents and carers to contribute to the process.
- Review, evaluate and reframe the service/commissioning plan and ensure that services deliver improved outcomes for children and young people.
- Purchase or provide specified services from the local authority, voluntary and private sectors in accordance with the commissioning plan and hold providers to account for the outcomes to be delivered.
- Ensure strategic commissioning framework reflects EU and national and local procurement regulations and council standing orders.
- Strategic commissioning outcomes should inform policy review across agencies on a continuing basis.

### Children, young people and their families

The strategic commissioning framework should explicitly acknowledge the UNCRC and facilitate the contribution of children, young people and their families.

- Engage directly or with support from advocacy or service providers and any other independent supporter as partners in the commissioning framework.
- Advocacy services for children and families should also engage with the strategic commissioning process on behalf of their clients.

### Residential care providers (local authority/voluntary/private)

- Engage as partners in the strategic commissioning framework.
- Develop and provide a range of high quality children’s services, designed to ensure good outcomes for children and young people are achieved. Being accountable to the local authority for the outcomes achieved for children and young people in their care.
- Be active participants in care planning and review processes.

### Health and Education

- Engage with the ‘corporate parent’ agenda through close cooperation with social work and other departments.
- Prioritise the needs of looked after children and ensure that children are not disadvantaged as a result of moves out of NHS Board home area.
- Ensure appropriate provision (including specialist support services, where required) is accessible to all children in residential care.
- Share necessary information to ensure that the needs of individual children are appropriately assessed and addressed.
- Engage as partners in the commissioning framework.

- Contribute to service design and development.
- Be active participants in care planning and review processes.

## Regulators/Inspectorates

- Provide information on the quality and effectiveness of services in meeting the needs of children and young people.
- Contribute to the 'outermost' level of the commissioning process (in terms of the three circles diagram, p.21).

## 4 Local and national commissioning structures

The commissioning framework set out above is applicable at varying levels locally and nationally. It is vital that senior managers from the local authority and their community planning partners take an active role in developing a commissioning strategy. It is likely that the group of senior staff already working together in executive-level planning and leading the production of the Integrated Children's Services plans will be the key people in this regard. Engagement between the national and local levels will be important; the need for national-level services will be partly determined by intelligence on needs and resources gathered by local strategic commissioning groups.

Singleton local authority arrangements may be suitable where it is appropriate for a single local authority to establish a commissioning group to meet the needs for residential services in their area. Such larger authorities will have the capacity to provide or purchase services to meet a full range of needs, and generate economies of scale. Services secured through these arrangements will generally be provided directly by the local authority or commissioned as a result of a tender process either negotiated directly with one

provider, where appropriate, or on a competitive basis with a range of providers.

Consortia commissioning structures, involving several local authorities, may offer opportunities to pool resources, share contracts, reduce costs, deliver best value and manage risk. Given the 'high cost/low volume' nature of residential provision some degree of inter-authority commissioning and purchasing is inevitable if local authorities are going to be able to shape the market, and ensure the availability of value-for-money services.

It is also important, nonetheless, that senior executives recognise that there are 'budgetary risks' to be managed when engaging in joint commissioning and purchasing. Robust arrangements will need to be in place for the settling of 'end-of-year accounts' to recognise the differential use of jointly commissioned services. It will probably be necessary to have some kind of 'dispute resolution' or mediation process agreed. The current arrangements have exposed many local authorities to 'budgetary risks', in relation to purchased services, which have had to be managed year-on-year.

Consortia arrangements would require all local authorities involved to agree common planning cycles and structures, contracting arrangements and arrangements for engaging with partners and analysing trends and needs. Common systems for monitoring and reviewing services and outcomes would also need to be established. Such arrangements would also require agreement between local authorities and providers about the nature of the service(s) to be delivered and projected level of usage – based on assessed/projected need – particularly if this leads to a change in the 'national' nature of service delivery currently undertaken by providers. While greater co-ordination will be needed, it is

## Developing a strategic commissioning framework cont'd

likely that such arrangements will secure a greater variety of quality services for children and young people and promote service provision based on needs and choice, rather than simple service availability. This would ensure that local authority areas had agreed access to provision which they might not be able to secure on their own.

National Commissioning in Scotland is required when a relatively small population of children demonstrate significant, identifiable complex needs, and/or who represent a serious risk of harm to themselves or others, and who require access to specialist residential services. Such needs or risks may include:

- young people who have a complex and enduring disability or disabilities;
- young people who have significant sensory impairment and may require specialist care and education;
- young people who have mental health illnesses and disorders who may at times require secure care;
- young people who place themselves or others at significant risk of serious harm (and meet the criteria for secure accommodation);
- young people who demonstrate a history of problematic sexual behaviour.

The range of services required to meet these needs and manage these risks includes:

- national schools for sensory-impaired young people.
- specialist residential mental health services.
- secure care and education services.
- specialist residential treatment services for young people with a history of problematic sexual behaviour.

Broadly, we need to commission nationally specialist residential services which are

characterised by low population numbers but which need a critical mass to make such residential services both sustainable and cost-effective. Particularly challenging for these services are the prohibitively high costs associated with setting up, operational financial pressures due to the high staff ratios and the costs of training specialist staff; supporting quality research programmes to underpin service delivery, and making best use of scarce resources in the context of demonstrating best value.

National commissioning must seek to deliver services which deliver long-term positive outcomes for service users but also deliver 'best value' for purchasers. In addition, national commissioning also needs to help shape and develop the market to maintain a stable environment to sustain existing efficient and effective service providers and to make it more attractive for new and innovative service providers to enter the market.

By concentrating the resources of these specialist residential services on a national basis, we should be able to develop expertise in how best to commission such services to ensure high quality, outcome-driven, cost-effective services with a concentration of skills and expertise, and guarantee equity of access for young people and those purchasing the services.

As with all strategic commissioning arrangements, the quality and effectiveness of the provision will be dependent on information received from the care plan of the children's needs and how and why these are best met from provision which is commissioned at a national level. The challenge of aggregating this individual level information into a robust national analysis and plan for such provision will be considerable, but will go some way to filling the current gap in information.



## Measuring outcomes

### 1 Introduction

While the issue of costs is of concern, local authorities are expected to procure ‘best value’ from all their services, both provided and purchased. The development of a strategic commissioning framework will facilitate the delivery of ‘best value’ through achieving the best outcomes while managing costs.

Nevertheless identifying valid outcomes, and measuring them in relationship-based services with developing children, is known to be problematic. There is a multiplicity of factors at work in any care setting: the individual staff/carers themselves, the culture of the home or organisation, the care philosophy or treatment methods used, the external environment (e.g., links with the local community, the support from health and education services, etc.), and the developmental stages of the children themselves. All of these may affect any ‘outcomes’ which can be measured at the end of, or during, a child’s stay in a residential placement.

*‘Identifying relationships between costs and outcomes is a particularly thorny issue, because such links are at best tenuous and can rarely be related to a single factor such as a specific intervention.’<sup>13</sup>*

Defining outcomes, and agreeing them within a strategic commissioning framework, is a demanding task, requiring careful consideration in order to find workable ways through the complexity. These should be agreed at a national level so that this work is not attempted by 32 different local authority groups. Specialist services which provide places to several different local authorities should only have to report one set of measures rather than

being required to produce evidence of outcomes in different formats to different local authorities.

### 2 The effectiveness of residential care: sources of evidence

Any work on developing outcomes and indicators in relation to a particular care service has to recognise that residential care is part of a continuum of care. The ‘outcomes’ of a period in residential care are therefore dependent not only on the service provided by the residential provider but also by the work of other social service, health and educational professionals and others who all have a part to play in caring for looked after children. As the following comment from a leading expert in care-leaving illustrates, statements about evidence in terms of ‘poor outcomes from care’ need to be viewed with caution, and sweeping statements avoided.

*‘It is only about 10% of the 60,000 (numbers in care in England) who leave care between 16 and 18 years of age. But among this group most come into care, aged 10 to 15, from very poor economic circumstances and difficult family backgrounds: neglect, poor parenting, or physical, emotional or sexual abuse has often been part of their lives. These circumstances cast a long shadow on their emotional and intellectual development and most have disrupted educational careers before coming into care. When they enter care, some as late as 13 or 15 years of age, their educational attainment levels are often well behind those of same age young people in the general population. Again, any association between care and outcomes will be flawed unless it recognised the impact of their pre-care experiences.’<sup>14</sup>*

### 3 Principles of outcomes for residential placement

The NRCCI Working group suggests that the following principles concerning the development of 'outcomes' should be adhered to in any commissioning strategy, and within purchaser/provider contracts or service level agreements.

#### 1. *Developing outcomes in partnership*

Outcomes should be developed in partnership between purchasers, providers and users of services. The Government has set out seven broad, 'high level' outcomes for children and the National Care Standards have also been developed in 'outcomes' form, and both of these should inform the development of placement outcomes.

#### 2. *Agreement between purchasers and providers about the outcomes that will be measured*

It is vital that the purchasers and providers are agreed on the outcomes being sought from the placement. This may well require providers to be more transparent about what services they are providing, and making use of measures to monitor and report on the achievement of these services. Equally purchasers of services, at the level of the commissioners or the individual social worker/placement coordinator, need to be able and willing to write down what they are looking for in the placement.

Careful assessment is a cornerstone of an 'outcomes' approach. Unless there are clear and valid baseline measures of some kind, then evidencing precise 'outcomes' of placement will not be possible.

The child's care plan must provide the basis for this, but again more specific aims are required if their achievement is to be measured. Some outcomes will be individual but generic: for example, the child has access to independent advocacy; the child has an opportunity to contribute to the running of the home through a resident's committee.

Given that residential placement is part of an overall social work service, based on care-planning, for which the social worker holds lead responsibility, it will be important to be clear about who is responsible for what, in terms of outcomes expected, ensuring these are achieved and reviewed, and who will contribute to them. Field social work, health and education services, and others, all have a part to play in children making progress.

#### 3. *Use of existing sources of data*

Commissioners and purchasers must make use of existing data, such as care plans, provider self-evaluation returns and Care Commission inspection reports, in order to avoid duplication, and avoid burdening providers with excessive demands for audit as opposed to delivery of their service. They should also be able to expect that providers themselves will be able to provide their own evidence of a child's progress set against various educational, emotional, psychological and other objective measures that are relevant to the service. Commissioners are under an obligation to promote the welfare of children. Such obligations to children and young people can only be fulfilled if commissioners seek out and take account of information before making a decision about commissioning services or purchasing places.



## 4 Different types of outcomes:

- There is a range of types of outcomes, all of which have value:

- a) individual outcomes, associated with the individual child;
- b) aggregate outcomes, based on aggregating measures associated with individual children;
- c) service level outcomes, associated with the home or school.

- *'Progress' outcomes*

Given the disadvantages that children have experienced prior to admission to out-of-home care it is important that 'progress outcomes' are developed: i.e., those that show progress from a child's starting point, whether this be in relation to education, or health, or behavioural problems or developmental needs. To be effective this will require better assessment, and gathering of social welfare, education and health data, as required by the GIRFEC process. The building block of the Integrated Assessment Framework (IAF) is in place and must be used effectively to provide the basis for the development of child-specific outcomes.

- *Safety and nurture are outcomes*

It is important to remember that some aspects of residential care can be taken for granted but they are in fact vital elements of the service. The provision of a safe, warm and welcoming home, with regular nutritious meals provided by trained staff, is sometimes considered to be an 'input' rather than an 'outcome'. However if a child or their social worker needs to find a place for the child to live, then experiencing a safe and nurturing place to live is an outcome for the child. Similarly if a child in crisis needs a place at very short notice, then finding a personal and safe 'emergency' or 'crisis' place is also an outcome. The outcome of the placement is that the child has somewhere safe and warm, etc., when before they did not have

this. Of course it is to be expected that a residential placement will provide more than this, but the basic care provision should not be ignored when agreeing outcomes. An important factor here is whether the service is delivering the outcomes expressed in the National Care Standards, and this is evaluated in the service's self-assessment and verified in inspection reports and through the care plan for the individual child. The challenge is to ensure this information is collected at a strategic level. In its totality, it should provide the evidence for all decisions on the use of provision at a singleton, inter-authority or national level.

## 5 A framework for the development of outcomes

An example of how different types of outcome can be developed, using existing sources of data, is given below:

- Specific outcomes for the young person to be developed prior to and during the placement

Sources of information:

- a) Comprehensive assessment prior to placement listing needs and goals relating to, for example, care, health, education, work, transitions, behaviour and self-esteem (Care Plan/Personal Plan).
- b) Reviews of progress while in placement.
- c) Placing social workers, relevant partner professionals and residential service staff responsible for specification of outcomes and progress, taking account of the views of the young person and parents or carers.

Commissioners should seek this information directly from placing social workers and from service providers on, for example, a sample basis.

## Measuring outcomes cont'd

- Aggregate outcomes

- a) Self-evaluation documentation developed by the service in conjunction with young people and their parents or carers.  
(see Note 1)
- b) Evidence from inspection reports giving an evaluation of progress made on the achievement of care plans for young people. Evaluation of the extent to which the service delivering the outcomes set out in the National Care Standards.  
(see Note 2)
- c) Local authority contract monitoring and compliance reports.

*Note 1: This information should be made available by service providers.*

*Note 2: This information is on the Care Commission website.*

- Service level

- a) Service's Aims and Functions Statement, which is required under the Regulation of Care (Scotland) Act 2001.  
(see Note 3)
- b) Annual self-assessment documentation submitted to the Care Commission.  
(see Note 3)
- c) Inspection reports and grades.  
(see Note 4)
- d) Action plans developed by the service and submitted to the Care Commission following inspection.  
(see Note 3)
- e) Outcome of Care Commission investigation of any complaints made about the service.  
(see Note 4)
- f) Information on any formal legal enforcement action against the service by the Care Commission.  
(see Note 4)
- g) Information on costs and value for money.  
(see Note 3)

*Note 3: This information should be made available by service providers as part of contract compliance.*

*Note 4: This information is accessible from the Care Commission website.*

## Key messages and recommendations

Here we identify the recommendations that arise from the foregoing report. We believe that the framework described here is also applicable to other children's services and has the potential to lead to the development of more integrated services and better outcomes for children and families.

### 1 National strategic commissioning

A national commissioning framework is required to promote the development of those highly specialist services which are required to meet the needs of children and young people with a combination of complex needs. These include: children and young people with very serious challenging or self-harming behaviours, those with a range of mental health disorders, disabilities and conditions, including those requiring secure accommodation. The Scottish Government is a commissioner of secure care for those sentenced by the Courts and also provides funding for six residential schools which provide specialist disability services (The Grant Aided Special Schools).

1. That a national strategic commissioning group be established to commission highly specialist residential services based on the principles set out in this report. The first priority will be secure care, and the group should aim to commission secure care services from 31 March 2010.
2. That local authorities should lead the Group on behalf of residential child care stakeholders across Scotland. The Scottish Government should participate in and support the work of the National Commissioning group.
3. That the national strategic commissioning group should bring forward proposals for other national services which could be commissioned. The NRCCI recommends that services for looked after children and young people with problematic sexual behaviour, those with serious mental health disorders or illnesses, those presenting serious self-harm behaviours, and those with challenging behaviour associated with autism spectrum disorders, be prioritised. For such services, the NHS should lead national commissioning arrangements on behalf of its partners.

### 2 Local strategic commissioning

Local Authorities with local and neighbouring partners should consider how they can cooperate better to meet the needs of children and in their area and deliver the range of services required more effectively. Building on current children's services planning structures and adhering to the principles in this report, and the SWIA self-evaluation guide, such groups would include multiple stakeholders, among them children and young people or their representatives and their families or carers.

1. That each local authority take a strategic commissioning approach to children's services. This will require the setting up of a strategic commissioning group either within the local authority or, where appropriate, on an inter-authority basis. It is recommended that local authorities undertake the initial planning for such a group by March 2010 with a view to having them operating during 2010-2011.
2. That local authorities and their community planning partners prioritise existing resources, building on current integrated children's services planning structures, in order to resource the development of strategic commissioning.
3. That the strategic commissioning plan produced by the process should be approved at the highest level amongst partner organisations, including elected members, governing boards, chief executives and senior managers, and shared across Scotland to support the development of shared approaches and learning which will achieve improved outcomes for children and

young people in residential child care as a result of an effective strategic commissioning approach.

4. That strategic commissioning groups develop their work in line with the findings of the NRCCI group with particular attention to ensuring that 'service users', providers, and other strategic partners can influence the range of services provided in each area.
5. That while commissioning will develop in a way to suit each local authority area, all strategic commissioning will entail addressing a similar range of activities, including:
  - Information gathering and data analysis
  - Service planning and design
  - Tendering and purchasing services
  - Service delivery
  - Contract monitoring.
6. That the arrangements for all transitions from an independent sector placement be included within the commissioning framework; at strategic, service, and individual level, in order to ensure the maximum benefit from the placement itself and to promote stability for each child or young person.

Commissioning should also address the mutual expectations around 'placement breakdowns' (unplanned moves). These expectations may be reflected in guidance on processes and notice periods in emergency situations.

## 3 Improving outcomes

In order to improve outcomes for children, young people and their families, it is important to develop measures by which services can be evaluated and developed. The measurement of these outcomes should use existing sources of data as much as possible, in order to avoid any duplication of information gathering. However increased attention needs to be paid to gathering the views of children and parents/carers about a specific placement.

1. That sustained attention be given to the development of appropriate outcomes associated with residential placement. This will require agreement between purchasers and providers, based on careful and detailed assessment of need by the former, and statements of specific and measurable services provided by the latter.
2. That the measurement of outcomes make use of existing sources of information, including: the placing social worker's assessment, Looked After Children reviews, Care Commission inspection reports, self-evaluation returns, individual care plans, standardised measures for educational attainment, psychological functioning, and others.
3. That methods of including the views and experiences of children, young people and their families be developed. These could include 'exit' interviews conducted by a Who Cares? Scotland worker or other agency. In recent years electronic and web-based technologies have been developed (for example, the 'computer assisted self-interviewing' system developed by the Viewpoint organisation) which allow young people to express their views in an informal and accessible way, rather than through a face-to-face interview.

### Key messages and recommendations cont'd

#### 4 Scrutiny

SWIA has played a major role in the promotion of a strategic commissioning approach to children's services, and has provided a guide for local authorities. A new external scrutiny body is being created and will have a role to play in scrutinising the new commissioning arrangements.

1. That scrutiny bodies monitor the effectiveness of the strategic commissioning arrangements and principles as set out in this report.

#### 5 Additional services

Currently voluntary and independent providers need to negotiate separate service levels agreements with every local authority, NHS Board and others for the provision of services such as independent advocacy. This is inefficient and may not complement the outcomes-based approach which will be developed through commissioning.

1. That commissioners at all levels identify those additional services, such as independent advocacy, which are currently funded through separate contracts and service level agreements but which are integral to residential child care. Commissioners should identify any improvements which can be made in both the content of these contracts and also the efficiency of the negotiating arrangements. There should be a clear alignment between these service level agreements or contracts and those agreed with residential providers in relation to the desired outcomes for children.



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## Appendix 1

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<sup>3</sup> Education Through Care Scotland

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<sup>1</sup> The Minister's statement to parliament, 7 February 2008, quote at column 5928, <http://www.scottish.parliament.uk/business/officialReports/meetingsParliament/or-08/sor0207.htm>

<sup>2</sup> Milligan, I., Hunter, L. and Kendrick, A. (2006). *Current trends in the use of residential child care in Scotland*, Glasgow: SIRCC

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<sup>5</sup> Securing Our Future Initiative (2009). *Securing our future: A way forward for Scotland's secure care estate*. Glasgow: SIRCC

<sup>6</sup> 'Independent Providers' include voluntary and private providers.

<sup>7</sup> Social Work Inspection Agency (SWIA). (2009). *Guide to strategic commissioning*. Edinburgh: SWIA. p.5

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<sup>10</sup> Scotland's Commissioner for Children and Young People (2008). *Sweet 16?*. Edinburgh: SCCYP. p.9

<sup>11</sup> SWIA *Guide to strategic commissioning*, p.5

<sup>12</sup> SWIA *Guide to strategic commissioning*, p.11

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<sup>14</sup> Stein, M. (2006). Wrong turn: The consensus that children in care are failing, and that the system is to blame, is plain wrong. *The Guardian*, 6 December, 2006.



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