

**REPORT TO: CHILDREN & YOUNG PEOPLE'S SERVICES COMMITTEE ON
11 JUNE 2008**

SUBJECT: CURRENT STATUS OF CARE SERVICE CONTRACTS

BY: DIRECTOR OF COMMUNITY SERVICES

1. REASON FOR REPORT

- 1.1 The purpose of this report is to inform the Children & Young People's Services Committee of the current contracting status of the contracts.
- 1.2 This report is submitted to Committee in terms of the Council's Administrative Scheme relating to the exercising of the functions of the Council under the Children (Scotland) Act 1995.

2. RECOMMENDATION

- 2.1 **It is recommended that the Committee approve the contracts and their funding levels that have been negotiated and detailed in APPENDIX I of this report.**

3. BACKGROUND

- 3.1 The Community Services Department currently holds contracts with a variety of private, independent and voluntary sector providers. This Committee Report details the contracts and the agreed funding for 2008/09. The value of the contracts is in excess of £3 million.
- 3.2 The Voluntary Sector Best Value Review has now been completed and it is hoped to make progress on the outcomes of the Review during 2008/09 following the strengthening of the Contracts Team with the appointment of a Contracts & Commissioning Manager and an additional Contracts Officer.
- 3.3 In light of the possible reviews highlighted in section 3.2, contracts which expired at the end of March 2008 have been renewed for one-year only as an interim measure.
- 3.4 From **APPENDIX 1**, members will note that negotiations have been completed following operational and financial evaluations of organisations through Lead Officers as required by the Council's auditing guidelines.
- 3.5 These negotiations have involved meetings with representatives from each organisation. Officers have information regarding the activities of the service provider enabling decision to be made on services provided in the new financial year.

- 3.6 All service providers are required to provide the following information to the Contracts & Commissioning Team of Community Services and Accountancy on an annual basis to allow for proper scrutiny of each organisation and for monitoring against Best Value principles.
- a) the providers self audit report
 - b) the providers actual spent budget for 2007/2008
 - c) the providers proposed budget for 2008/2009
 - d) the providers business plan
- 3.7 The information provided in 3.6 informs the annual budget negotiation process undertaken by Lead Officers. The purpose of this process being to agree contract prices for the new financial year and to ensure the Council is purchasing quality services and achieving value for money.
- 3.8 All increases have been subject to a line by line evaluation by the negotiation process. However some increases are outside the Council's control, these are listed as follows: -
- i) Pay increases
 - ii) Insurance costs
 - iii) Utilities increase
 - iv) Rental
- 3.9 The contract with NCH Scotland is subject to further negotiations with the provider and contract agreement. The contract value will be the subject of a future committee report.

4. SUMMARY OF IMPLICATIONS

(a) Corporate Development Plan/Community Plan/Service Improvement Plan

The provision of sustainable agreements with the voluntary and private sector is linked to the social programme section of the Corporate Plan. The provision of social work services following principles of Best Value whilst protecting the vulnerable is a core objective of the Community Plan and Community Services' Service Improvement Plan.

(b) Policy and Legal

This report is in line with the Council's Procurement Procedures, principles of Best Value and Follow The Public Pound.

(c) Resources (Financial, Risks, Staffing and Property)

Provision was made for mainstream funding as part of the budget setting process for increased costs of Service Level Agreements and Contracts for 2008/09.

(d) Consultations

Director of Community Services, Head of Children, Families & Criminal Justice, Contracts & Commissioning Manager, Head of Financial Services and Quality Assurance Manager have been consulted and are in agreement with this report.

5. CONCLUSION

5.1 That the Children & Young People's Services Committee considers the recommendations set out in Appendix One of the report in regard to approving contracts and their funding levels.

Author of Report: Suzanne Wright, Contracts Officer
Background Papers:
Ref:

Mainstream Funding 2008-2009:-

	Name of Organisation	Service Provided	Budget Manager	Budget 2007/08	Proposed Budget 2008/09	Inflation Increase £ %	Other Increases £ %	Date service last reviewed	
	<i>Approval sought</i>								
1	Aberlour Childcare Trust (Alba Place)	Residential accommodation for children with disabilities	John Carney	£1,228,448	£1,264,022	£35,574 (2.9%)		Nov 07	
2	Aberlour Childcare Trust (Moray Options)	Varied support for families and children with disabilities that provides breaks and activities	John Carney						Nov 07
3	Aberlour Childcare Trust (Youth Action)	Targeted work with troubled and troublesome young people of secondary school age.	John Carney						April 08
4	Aberlour Childcare Trust (Moray Parenting Strategy)	Multiagency project to promote positive parenting in Moray.	John Carney						May 08
5	Aberlour Childcare Trust (Pre-ISMS)	Targeted work with young people who are at risk of becoming persistent offenders.	John Carney	£75,278	Nil			Contract terminated – end of Scottish Executive pilot project	
6	Abelour Childcare Trust (one-stop shop)	Out of school provision for children 0-18 years with Additional Support Needs	Ruth Herrington	£112,412	£115,223	£2,811 (2.5%)		Reviewed for 2008/09 contract.	

APPENDIX I

7	Children 1st	Children's rights and abuse recovery services	John Carney	£102,447	£127,124	£4,837 (4.7%) Includes staffing increments	£19,840 To cover accommodation costs previously covered by Moray Youthstart	June 07
8	Moray Carers Project - Young Carers Support Worker	Support service for young carers	John Carney	£70,725	£37,746	Contract renegotiated for six months only due to current re-tendering.		May 06
9	Moray Women's Aid – Domestic Abuse	Support service for those experiencing or at risk of domestic abuse	John Carney	£17,420	£17,855	£435 (2.5%)		Aug 07
<i>Negotiations outstanding</i>								
1	NCH Scotland	Residential service for looked after children	John Carney	£1,791,216	TBA			
2	NCH Scotland	Supporting Moray Families Project for children of primary school age	John Carney					