Department
for Education

Evaluation of the South London Commissioning Partnership

Evaluation report

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Contents

Acknowledgements

Key messages

In May 2017, the South London Commissioning Partnership (SLCP) received funding from the Department for Education's (DfE) Children's Social Care Innovation Programme (Innovation Programme hereafter) to improve sub-regional commissioning of residential and independent foster care placements. Key messages from the evaluation are below.

1. Allow for a thorough scoping phase

An innovative project, by definition, explores unknown territory. Therefore, it is advisable to engage in a substantial scoping exercise at the outset. The scoping phase for an innovation such as the SLCP project could include mapping of stakeholders, familiarisation interviews exploring the issues for key groups of stakeholders such as residential children's care and independent fostering providers, local authority commissioners and placement teams, (supervising) social workers as well as children and young people. It could also include a detailed mapping of all work streams, agreeing the outputs and their application from the outset. This period can help ensure that all work streams the project embarks on are likely to yield valuable outcomes. Although the SLCP project conducted a highly valuable needs analysis and process mapping, less time pressure to mobilise at the start could have helped setting up a stronger project plan and governance arrangements. There can be pressure to deliver an innovative project in a short period of time, and a desire to achieve quick outcomes. However, Funders and projects would do well to allow for a generous scoping period to actively counter-act delays further down the line.

2. Importance of collaboration

The importance of building a strong, trusting partnership between local authorities cannot be underestimated for an undertaking such as the SLCP project. The existing collaboration between the 12 boroughs meant that the project could commence without delay. The existing trust and formal partnership arrangements facilitated sharing of intelligence and good practice. Any scale-up or replication of such a project should be cognisant that if such relationships are not pre-existent, they will take time to develop and success is highly reliant on them.

The importance of collaboration extends to the provider market, who, without meaningful engagement are unlikely to express interest in a new commissioning approach.

3. Sharing lessons of innovation and sustainability

The SLCP project developed several outputs that could be of use to other sub-regional consortia pursuing the same goals. These include: the detailed tender specifications that contained a shared Individual Child Agreement with a view to improve quality of care; as well as the "All about us" and "All about me" forms, looking to improve placement matching and permanence.

Executive summary

Introduction

The South London Commissioning Partnership (SLCP) was awarded £1,079,301 in funding during the second round of the Innovation Programme in 2017, to jointly commission residential and independent fostering placements for looked after children (LAC) between 8 London boroughs. This report provides the findings and lessons learned of the evaluation of the project developed by the SLCP.

The project

The SLCP is a partnership whose vision is to proactively manage the sub-categories of special educational needs and residential care and fostering placements. The Partnership comprises 12 South London boroughs[1] working collaboratively to commission special education needs services for children and young people. The LAC Joint Commissioning Project developed by the SLCP is a partnership of 8 of the 12 London boroughs[2] who want to jointly commission placements for looked after children with residential providers and Independent Fostering Agencies (IFA). The aim of the project is to design and implement more efficient processes to commission placements, provide placements to children in care that can contribute to and improve long-term outcomes for looked after children. It is the LAC Joint Commissioning Project that form the focus of this evaluation (SLCP project hereafter).

The project started in 2017 and was expected to design and implement a joint, outcomes-based commissioning approach that would allow member boroughs to start commissioning placements through the new procurement framework in year 2 (i.e. end of 2018 and beginning of 2019). The project has undergone a number of scoping and engagement activities that have led to the development of various shared outputs that contribute towards a joint commissioning approach, including a procurement framework agreement. However, as the project has been delayed, the SLCP project did not launch the call for responses to the framework agreement until October 2019. At 31 March 2020, the project had reviewed all bids submitted by service providers to the procurement framework and 44 providers had been accepted onto the framework. Placements through the framework are now expected to be made from June 2020, with a re-launch of the procurement framework in late-2020 to incorporate new providers.

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[1] Bexley, Bromley, Croydon, Greenwich, Kingston, Lambeth, Lewisham, Merton, Richmond, Southwark, Sutton, Wandsworth.
[2] Bexley, Croydon, Greenwich, Lambeth, Lewisham, Merton, Sutton.

The evaluation

The evaluation has focussed on assessing the processes and governance of the SLCP project, and on the extent to which the activities progressed have provided useful outputs and are leading towards the expected outcomes (see Project aims and intended outcomes for more information). The evaluation follows a theory-based approach and explored the following broad themes:

- How the project was designed and delivered, including its governance arrangements

- Lessons for the future, and

- Whether the processes employed enabled the activities leading to the desired project outputs

These themes are addressed using four evaluation criteria: relevance, effectiveness, efficiency and sustainability. The data collection methods include: analysis of monitoring information; observation of monthly Board meetings, operational group meetings, working groups and engagement events; a focus group with children and young people; and 23 in-depth interviews with project staff, local authority representatives, and service providers.

Key findings

The SLCP project has made positive progress across a number of different activities over the last 2.5 years, although it has been slower than outlined in the original delivery plan. In this time, the project has designed and developed a number of outputs that contribute towards a partnership that aims to deliver a joint commissioning approach, including an Individual Child Agreement; standardised information forms completed by children and young people and placement providers used in the placement process (namely, "All about Us" and "All About Me" forms); a common referral form; and, a common data proforma to collect child-level placement data.

The primary output of the SLCP project to date has been the shared Approved Provider Panel Agreement (APPA) which is an approved list of providers who have met the projects' criteria that can ultimately provide placements to member boroughs at an agreed framework price. The SLCP project had consulted a wide range of stakeholders during the design phase for this output, including with independent fostering agencies (IFAs) and residential placement providers, children and young people, alternative sub-regional commissioning partnerships, the National Association of Fostering Providers (NAFP) and the Independent Children's Homes Association (ICHA). Preliminary analysis of bids submitted by placement providers to the APPA suggests there were fewer bids than anticipated and residential children's care placement fees which, for the most part,

are higher than fees seen through alternative framework agreements. Stakeholders have suggested that higher than anticipated fees correspond to an ineffective pricing structure, whereby providers are required to offer discounts on their placement fees where certain criteria are met. Despite this observation, it is important to note that the APPA has raised the quality of service provision through several qualifying criteria, and hence a more like-for-like comparison of fees quoted through the APPA with other framework agreements and spot purchasing is required before any statement on value for money is asserted.

Running alongside the APPA, the SLCP project had envisaged using an integrated IT solution to procure placements online and gather management information on the market. This activity, as well as the selection of Link Maker as the IT platform provider, was in line with the recommendations made by Sir Martin Narey (2016). The platform was tested and evaluated by the SLCP project in 2 boroughs over a 6-month period. During this period, the team recognised some positive aspects with the platform, including its adaptability to the SLCPs needs; ability to onboard new providers; GDPR compliance; seamless data sharing between boroughs; and, ability to enable providers to easily access relevant information in referrals. Despite this, there were also a number of weaknesses with the platform, including the pace and responsiveness of the system to the needs of commissioning fostering and residential care placements; the culture change needed within placement teams to fully adopt the system; no critical mass of providers signing onto the platform; and, placement providers using yet another IT system in the procurement process, which is challenging, particularly for smaller providers. Ultimately, the SLCP project discontinued the use of LinkMaker, but are currently reviewing alternative IT solutions.

The SLCP project has carried out extensive engagement with providers and young people. Providers were invited to engagement events and participated at working groups (for example to develop a shared outcomes framework). Project staff and placement providers have given clear examples of where feedback from said events have been incorporated into some of the outputs for this project, including the contract specification. Engagement with young people has also been cited by many interviewees as a key success of the SLCP project. As part of these activities, the forms "All about me" and "All about us" have been created and are about to be adopted by the local authorities. Service providers are also positive about these forms and the benefit they may bring in improving the matching process.

Lessons and implications

Lessons can be learned for similar projects in the future:

- It is important that realistic expectations are set for innovation-led projects. Given the ambitious funding timeframes, there is often need for quick progress, such that

outcomes can be observed quickly. In order to maximise the time available to projects, funders and projects would do well to allow for a sufficient scoping period that can counter-act delays further down the line. From an evaluation perspective, due consideration of delays to innovation programmes is also needed to effectively plan for judging success within the given timeframe.

- There is evidence to suggest that targeted engagement with relevant stakeholders – in this case, through industry bodies – is beneficial in designing large joint commissioning approaches, such as the SLCP. Similarly, within the project itself, it is important to maintain strong levels of engagement from member boroughs, especially during times of transition between project staff.

- In order to effectively evaluate and hold accountable Department spend, funders must place further onus on projects to ensure data is collected regularly and in a comparable way.

1. Overview of the project

Project context

The South London Commissioning Partnership was first formed by 10 south London boroughs. In October 2015, the Directors' of Children's Services in all 10 boroughs entered into a Collaboration Agreement to enable sub-regional commissioning and innovation in partnership with neighbouring boroughs. In the first 2 years of implementation, the partnership focused on improving outcomes for children and young people with special educational needs (SEN) by supporting the boroughs to carry out joint commission of services at a fair price and sharing good practice across the boroughs. In 2017, 6 of the boroughs within the partnership submitted a proposal to the Innovation Programme to develop new and better commissioning arrangements for children's residential and foster care placements for looked-after children (LAC), building on their experience with the SEN project and the governing structures already in place. The focus of this evaluation is the LAC project, hereafter SLCP project.

After the proposal submission, 2 new boroughs joined the partnership. The boroughs involved in March 2020 are: London Borough of Bexley; London Borough of Croydon; Royal Borough of Greenwich; London Borough of Lewisham; London Borough of Merton; London Borough of Sutton; and the 2 boroughs who joined after the proposal was submitted, London Borough of Lambeth and London Borough of Southwark.

The project has the dual objective of obtaining better value for money, on the one hand, and offering better services to children and young people in care, on the other hand. In the long term, the SLCP project aims to achieve better outcomes for children in care. The project addresses several of the recommendations made in *Sir Martin Narey's independent review of children's residential care* (2016) and the *Review for the Department for Education by Sir Martin Narey and Mark Owers* (2018), namely:

- Coming together as a consortium to commission placements to children's residential care providers and IFA;

- Sharing information among local authorities about prices and service providers to get a better understanding of the market;

- Improving the quality of the referral information for IFA;

- Involving children in the matching process for IFA and better preparing them for a placement.

In 2018, in the scoping stage of the project, the project staff completed a Needs Analysis exercise to collect and analyse information on children in care trends for the period 2015-2017 across all participating boroughs. Through this, it was identified that the number of

children in care between 2015 and 2017 had declined in SLCP boroughs by 3%, whereas sub-regional spending on placements had increased by 4.7%, largely driven by an increase in spend on residential placements. It was also found that more than 60% of placements across the sub-region were out of borough placements, higher than the national average (26%).[3] Therefore, the SLCP project aims to improve the level of access to children's residential and foster care providers within the partner boroughs at consistent prices.

Project aims and intended outcomes

The project aims are predominantly directed at improving outcomes for children in care, with wider benefits felt across local authorities (including cost savings), service providers, placement teams and social workers through a unified approach to referring, placing and caring for children and young people.

The objective of the project is to implement a scalable sub-regional commissioning arrangement for children in care that meets the following criteria:

- Includes a sub-regional outcomes-based commissioning approach

- Encourages innovation within the market

- Maximises local authorities' purchasing power to make efficiency savings and secures more choice of good quality placements

The long-term objectives of the projects are:

- To develop a blueprint for sub-regional commissioning which is scalable across the country

- To ensure children are safe at all times, progressing and well prepared for adulthood

Project activities

The project can be divided into 3 phases, as follows:

Scoping phase: This phase ran from the beginning of the project until mid-2018. During this phase, the project carried out 2 pieces of analysis to better understand the context in which the project operates and the problems it needs to tackle. These analyses were the Needs Analysis, explained above, and the Process Mapping. The latter was developed to better understand the processes employed across all boroughs in referring and

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[3] Source: SLCP (2018) Needs Analysis, which was conducted using figures from the SA903 returns (2015-2017).

commissioning placements. Processes identified were rated on their level of complexity, efficiency and added value. The objective was to identify which processes can be removed or reprioritised to better achieve the overarching objectives of the project. This included designing a common process across all boroughs for referring and placing children in care.

Design phase: During the design phase, which ran from 2018 to September 2019, the activities developed can be split into 3 categories:

1. Activities to develop shared documents and common forms across boroughs. A succinct description of the activities and progress made is provided below. For further information, please see Annex I 'Overview of programme activities'.

    a. Common referral form: the project set up a working group to develop a common referral form to be used across all boroughs when commissioning placements. This activity was halted due to the difficulty in designing a common form that met the diverse needs of all boroughs.

    b. Outcomes-based framework: an outcomes-based framework was designed by the SLCP project staff in collaboration with local authority staff and service providers, and it was adopted by the boroughs. A simplified version of the outcomes-based framework was included in the Approved Provider Panel Agreement (APPA). This activity is in progress in spring/summer 2020, as the SLCP project staff aim to develop an improved version of the outcomes framework with more measurable outcomes and outputs.

    c. Individual Child Agreement (ICA): the project has developed an individual child agreement which has also been included in the APPA. The ICA puts strong emphasis on the quality of the services provided, including, for instance, responsibilities of providers' key staff, and clauses to ensure children's safety and protection. Every placement procured under the APPA will need to comply with the ICA.

    d. Development of service specifications for children's residential and foster care provisions. These specifications have been included in the APPA (Lots 1 and 2, respectively) and describe the services required by the SLCP project and partner local authorities. They include: shared values and principles, quality standards, provider responsibilities, service requirements for standard, specialist and emergency provision[4], education and health provision, and additional service elements (i.e. additional services that were not agreed at the commencement of a placement).

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[4] Emergency provision is only included in the service specification for Independent Fostering Agency provision.

2. Engagement activities. The project has carried out a number of activities to engage service providers and placement teams, as well as children and young people. These include provider engagement events, participation of providers in some of the operational groups (e.g. outcomes framework working groups), and the development of the "All about me" and "All about us" forms and elements of the APPA tender specification (see 'Relevance and effectiveness of the activities developed' for more information on these outputs).

3. Activities to design and implement the joint commissioning procurement framework. The SLCP project has carried out the following activities:

   a. Piloting an IT solution (Link Maker): Link Maker was selected as the IT provider for the joint commissioning solution, and it was piloted in 2 boroughs (Croydon and Southwark). The pilot raised issues with the use of LinkMaker (see 'Configure and implement the IT platform Link Maker') and after careful consideration the Board decided not to implement this IT solution.[5]

   b. Design of the Approved Provider Panel Agreement (APPA) and launch of the commissioning approach in October 2019. The APPA was chosen as the best option to implement the joint commissioning framework after in-depth discussion among Board members and SLCP project staff, and the consideration of several options (a joint provider list, and integrated framework agreement, or a Dynamic Purchasing System). For more information, see 'Achievement of outcomes'.

   c. Evaluation of the bids submitted to the APPA. A thorough due diligence process was implemented to evaluate the bids submitted by service providers. When the evaluation concluded in March 2020, all applications had been reviewed and 44 providers had been accepted on the framework, with award expected in May 2020.

Implementation phase: The implementation phase will start once the procurement process is concluded. It is expected that the contract with the 44 providers accepted on the APPA will start in June 2020, and the framework will be re-launched later in the year to incorporate new providers. During the implementation phase, the project aims to continue working on the design of common documents and forms (for example, the project plans to further develop the outcomes framework, drawing on available nationally recognised outcome monitoring tools), to maintain the engagement with service providers, children and their families, and to engage with sub-regional consortia, to name but a few planned activities. Further detail of project activities is provided in Annex I.

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[5] Feedback was captured in a SWOT analysis, which informed an analysis paper outlining future options for the SLCP project. At the time of writing this report, a decision has not been made on the option to be pursued.

2. Overview of the evaluation

Evaluation questions

This evaluation aims to respond to the following evaluation questions:

- EQ1: Has the project engaged service providers successfully? Has the project taken into consideration the views raised by service providers?

- EQ2: Has the project engaged children and young people successfully? Have they been able to share their needs and opinions and to what extent have these been incorporated in the design of the project?

- EQ3: Has the project engaged social workers and taken into consideration their views?

- EQ4: To what extent is the project aligned with the objectives of the children's social care innovation programme?

- EQ5: Has the project's progress been in line with the timeline? Have there been external or internal factors underpinning or hindering progress?

- EQ6: Have the outputs produced so far been useful and relevant to achieve the expected outcomes?

- EQ7: What are the early indicators that the matching process for children has been improved with the new commissioning tool?

- EQ8: To what extent has the project provided learning across the workforce, and embedded this learning within the commissioning processes?

- EQ9: To what extent were the governing structures in place fit for purpose, and roles and responsibilities clear? Have all local authorities engaged sufficiently in the project?

- EQ10: Is the project aligned with the commissioning services developed by other local authorities outside the South London partnership? Is there potential to scale up the commissioning solution to other local authorities?

Evaluation methods

The evaluation was conducted between October 2017 and March 2020. The evaluation follows a theory-based approach and explored the following broad themes:

- How the project was designed and delivered, including its governance arrangements,

- Whether the processes employed enabled the activities leading to the desired project outputs and outcomes, and

- Lessons for the future.

During the inception phase of this evaluation, the evaluation team organised a workshop with SLCP project staff and representatives from 3 local authorities to co-develop a theory of change for the project (see Annex II). Since then, however, the project has evolved substantially (for example, new activities/needs were identified, and other activities were deprioritised - see 'Relevance and effectiveness of the activities developed'). Therefore, this is an iterative evaluation that reflects these changes in the project activities and workplan. In addition to developing the theory of change, the evaluation team undertook a literature review to better understand issues facing boroughs in placing children and young people in residential and foster care.

The evaluation team developed an evaluation matrix (see Annex III) to guide the data collection, analysis and reporting. Much of the evidence that has fed into the assessment of the SLCP project is qualitative data arising from the literature review and stakeholder consultations. The qualitative analysis consisted of 2 main layers:

- Content analysis to draw out findings from individual stakeholder consultations or document review to help identify common content and subject matter; and

- Thematic analysis: developing descriptive themes from the primary data and the generation of analytical themes to provide greater context and interpretation of the key findings. This was conducted at the level of activity (i.e. direct outputs produced by the project) or workstrand (e.g. overall engagement with external stakeholders, or governance of the SLCP project) and ensures a complete picture of the SLCP project and understanding of the context in which it operates.

The evaluation methods include the following:

- During the evaluation period, the team has engaged with the project on an ongoing basis to assess the performance, effectiveness and efficiency of the project (EQ5, EQ6, EQ9). This engagement consisted of the following:
    - Observation of Board meetings (either in person or by phone) held between the beginning of 2018 and February 2020
    - Observation of 3 operational group meetings in 2018
    - Observation of 2 outcomes framework working groups in mid-February and early-March 2019
    - Analysis of all Board and Operational meeting minutes held during the evaluation period

- - Discussions via phone between the evaluation team and the project lead at key stages of the project
- Analysis of all the outputs produced by the project including: The "All about me" form, the "All about us" form, the Needs Analysis, procurement documents, and the outcomes framework. This analysis has informed EQ4, EQ5, EQ6
- Logic modelling workshop: We conducted a workshop with 4 members of the project staff and local authority staff to build develop the logic model of the project. This workshop helped to engage the project and local authority staff in the evaluation. After the workshop, Ipsos MORI developed the logic model based on the discussions (see Annex II). This was shared with the workshop participants and presented at the Board meeting on the 28 November 2018
- Observation of 2 service provider events, to inform EQ1
- Observation of an activity organised by the SLCP project to engage children in care and care leavers
- 1 focus group with 5 children in care in February 2020. This focus group aimed to inform EQ2, EQ6 and EQ7
- 5 interviews with Board members – 3 interviews in March 2019 and 2 interviews in February and March 2020. These interviews have informed all strands of the evaluation
- 3 interviews with Operational group members – 1 interview in March 2019 and 2 interviews in January and February 2020. These interviews have informed all strands of the evaluation, with the exception of EQ10
- 8 interviews with project staff – 3 interviews in March 2019 and 5 interviews in March 2020. These interviews have informed all strands of the evaluation
- 5 interviews with children's residential and foster care providers – 1 interview in March 2019 and 4 interviews in March 2020
- 1 interview with 3 members of the West London Alliance (WLA), to inform EQ10. This interview was conducted in February 2020
- 1 interview with a provider of an online platform in February 2020, to inform EQ4, EQ6, EQ8 and EQ10

Evidence from each of these tasks was triangulated against the evaluation framework to provide an assessment of the effectiveness and efficiency of the processes adopted for the delivery of the project, setting out recommendations for enhancements and identifying lessons for future cross-borough collaborations.

Changes to evaluation methods

Since 2017, when the evaluation started, several evaluation plans have been submitted to the Department for Education to account for the changes to the project delivery plan. Initially, we intended to conduct an impact evaluation analysing the outcomes observed for children and young people placed through the new joint commissioning solution and carrying out a cost-benefit analysis (CBA). However, in 2019 it became clear that the project would not start operating before the end of the evaluation period, therefore, an impact evaluation and CBA would not be feasible.

The latest evaluation plan, agreed in September 2019, proposed carrying out a process evaluation and evaluation of early outcomes using a theory-based approach. Since then, there have not been any major changes in the evaluation method. However, we would like to highlight the following changes in the data collection activity:

- The evaluation plan included 4 interviews with young people participating in engagement activities. We conducted these consultations instead as a focus group, as it mirrored the way young people were engaged in the project.

- The evaluation plan included 6 in-depth interviews with young people placed in either children's residential homes or independent foster care through an independently commissioned online platform (namely, Link Maker) that would have facilitated procurement of placements between local authorities and placement providers. This has not been possible as the SLCP project is not using an online platform anymore and during the pilot phase, only 1 placement had been made through this. See 'Configure and implement the IT platform; Link Maker' for reasons why the online platform work strand was discontinued.

- The plan included 3 interviews with social workers. It was planned that local authorities would provide contact details for this group, and that the evaluation team would then engage them to participate in an interview. Staff with social worker backgrounds had been engaged in the design and implementation of the programme, and interviewed as part of their main roles. Interviewing other social workers would have had limited value.

Finally, we have conducted 2 more interviews than planned with SLCP project staff. This change was deemed helpful to assess the whole range of activities developed.

Limitations of the evaluation

The main limitation of the evaluation is that outcomes cannot be assessed (EQ6), given that the project has not started its implementation phase. This assessment is therefore based on interviewees' expectations.

The evaluation team developed a scoping note of the methods that could be used after March 2020 to evaluate the impact of the project (see Annex IV), once children and young people had been placed through the joint commissioning framework. This included a detailed description of the advantages and disadvantages of a range of quasi-experimental methods, as well as the data needed to carry out a quasi-experimental impact evaluation and cost-benefit analysis (CBA) for the following outcomes:

- Value for Money assessment in the short term of cost savings in placing a child or young person through the framework (one year after the commissioning framework goes live).

- Reduction in young people classed as missing (defined as not at their placement or the place they are expected to be (for example school) and their whereabouts are not known).

- Number/proportion of unauthorised school absences (under-17s) or number/proportion of young people (within a specified age group and over a given time) who are in Education, Employment and Training (EET) (over-17s).

- Number and proportion of re-referrals (defined as children referred to children's social care within 12 months of a previous referral).

Due to delays in the project, the commissioning framework did not go live during the course of the evaluation and hence no child-level placement data was collected nor used to assess the abovementioned outcomes.

A data proforma was developed by the project staff in 2019 to start collecting data on individual placements across all boroughs before the joint commissioning solution was in place, so that changes in price and placement characteristics could be monitored and compared in the future. However, this pro forma was not adopted by local authorities (more information on reasons for discontinuing this activity in 'Relevance and effectiveness of the activities developed').

At the outset it was expected that once the project begins commissioning placements through its joint framework, that this data would become available automatically through the online platform facilitating placement-making between local authorities and providers (Link Maker). However, the use of Link Maker has been discontinued, and hence each borough will continue placing children through their own system instead, without a common tool to capture consistent data across the boroughs.

As the project has not collected data at placement level to build the baseline (a starting point to be used for future comparisons), this limits the extent to which the intervention can be evaluated in the future through pre- and post-intervention comparisons, either through an experimental or quasi-experimental impact evaluation or CBA. Should the

evaluation continue after March 2020, a theory-based method[6] seems to be the only suitable alternative to assess impact. The theory-based evaluation could be informed by a combination of both quantitative and qualitative data.

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[6] For more information on theory-based evaluations and guiding principles, see UK Government's Magenta Book: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/879438/HMT_Magenta_Book.pdf.

3. Key findings

This section covers the findings of the evaluation of the SLCP project. We first describe the main outcomes achieved so far, then make an assessment of the relevance and effectiveness of the activities conducted that have developed the outputs and outcomes. The last 2 sub-sections explore the efficiency and governance of the SLCP project implementation and its sustainability in the future.

Achievement of outcomes

Better value for money

The SLCP project is in the process of implementing an Approved Provider Panel Agreement (APPA) to commission placements with residential children's home providers and IFA. It is expected that the APPA will increase the offer of placements available for the SLCP boroughs, and that the increase in offer and better knowledge of the market reduce costs to local authorities. Across London, there are a number of partnerships testing and implementing different models to jointly commission placements for looked-after children.[7]

The APPA was chosen among a range of options. Oxford Brookes (2015) identified the following types of procurement arrangements:

- An approved list of providers (APL) who have met certain basic criteria. Local authorities deal directly with providers agreeing prices or other conditions on a spot purchase basis.

- A framework agreement with common specification and contracts with providers who will provide the specified service at the prices agreed. They run for a defined period of time. Frameworks frequently include lots, or categories of services.

- A dynamic purchasing system (DPS). A DPS operates much like a framework agreement with agreed specifications and contracts and can also have lots. However, it is continuously or almost continuously open for providers to join or leave the contract. Block contracts, where local authorities agree to purchase a specified number of places from one or more providers.

- Cost and volume contracts, where no specific volume of purchases of placements is guaranteed, but there is agreement that as spend with a particular provider increases, prices will be reduced.

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[7] A detailed description of the partnerships in place is available in the document: Institute of Public Care, Oxford Brookes (2018) A Review of Commissioning Arrangements for Looked After Children in London: https://ipc.brookes.ac.uk/publications/Review_of_LAC_in_London.pdf

The APPA corresponds to the category of framework agreement. It is divided into 2 Lots, children's residential care and IFA. It has a duration of 3 years with an option to extend at the discretion of individual Councils, for a period or number of periods that does not exceed 5 years. Initially, the SLCP project considered 4 models: a Dynamic Purchasing System (DPS); a Framework Agreement; a DPS under Light Touch Regime; and a Framework Agreement Light Touch Regime. Ultimately, a Framework Agreement under rules of the Light Touch Regime was chosen as the preferred procurement options. The primary reasons reported by the SLCP project are as follows:

- The SLCPs experience of using a DPS for its SEN provision has not been ideal, with most partner boroughs not using the DPS due to the administrative time required to do so.

- The pervasiveness of framework agreements across other areas of the country.

- The ability of the SLCP project to set periodic intervals for re-opening the framework to admit new entrants in the contract notice.

- Providing local authorities with the power to cap or agree the cost of residential and foster care placements, thereby assisting with budgeting, spend control and reduction of non-contracted spend.

- The ability to onboard new boroughs to use the Framework in the future.

The APPA tender required providers to propose weekly costs and the cost of additional services (waking night, therapeutic input, supervised contact, etc.) per type of provision (standard, specialist, or emergency) and per children's age band. IFA and residential providers were also requested to propose discounts for the following:

- Long term (more than 9 months), to be applied from the 1st day of the 10th month of the placement: minimum 5%

- Discount for siblings placed by the same local authority with the same provider: minimum 5%

- Discount for multiple placements made to an IFA by SLCP members as a collective: minimum 5% for 5 or more placements

The APPA is aligned with the Narey report for IFA, which called local authorities to come together and negotiate with IFAs to provide placements at a significantly reduced cost. The review concluded that there was potential to significantly reduce spend on fostering by more intelligent commissioning and sharing information on prices among local authorities. The APPA seems well designed to address these issues.

With relation to children's residential care, Sir Martin Narey concluded that the main driver to reduce cost is to assure residential care providers a minimum level of

occupancy. Through the APPA, member boroughs can seek to commission block contracts with residential placement providers, which would address this issue.

Recent analysis of the provider bids, including the number of bids and average price of fees shows the procurement process has had fewer than expected bids from providers and those who have bid have provided above-market fees. As of February 2020, the SLCP project had identified approximately 350 IFA and residential care providers used by the eight SLCP member boroughs. Of these, 92 providers bid to join the light touch framework, with 51 unique organisations bidding to deliver IFA provision, 34 unique organisations bidding to deliver residential care provision and 7 organisations which bid to deliver both residential care and IFA provision.

The SLCP project has undertaken preliminary analysis of average weekly core costs of standard IFA and residential care placements quoted through the APPA (per member borough) and compared these to average prices quoted through the London Care Services framework and average spot purchase prices per borough.

This early analysis suggests that for children aged between 0-10 years, the average costs for residential care placements are higher through the APPA than through the London Care Services framework for all member boroughs. The APPA does however, offer cheaper prices to local authorities (for 2 of the 3 boroughs which commission residential care placements) than average spot purchase prices for this age group. For those children and young people aged between 11-17 years, average costs quoted through the APPA were higher than average prices quoted through the London Care Services framework for 6 of the 8 member boroughs. Average placement costs quoted through the APPA for this group of looked after children tends to be lower than the average spot purchasing placement cost. This is true for 3 of the 6 boroughs that offer residential care provision.

For IFA service provision, while the analysis seemed to show lower average placement costs quoted through the APPA compared to the London Care Services framework and spot purchase prices, some of the figures provided by local authorities include weekly allowances, while others do not. Hence, the quality of the data meant for a less robust cross-comparative analysis.

While the APPA does not appear to have elicited lower placements costs from providers for all boroughs, compared to those offered through the London Care Services framework or spot purchasing, there are various factors that could influence this. The APPA has attracted bids from providers which have Ofsted ratings of 'good' or 'outstanding', which may have higher placements costs than the average placement provider. Hence, a more robust, like-for-like analysis is required before any conclusive statements are made as to the potential value for money achieved through commissioning placements via the APPA.

Following the evaluation of bids, the project staff conducted a survey of service providers to better understand the reasons for non- participation, so that these issues can be addressed in the future by the SLCP project. According to the SLCP staff, issues raised by providers include:

- Larger providers having a policy not to join frameworks;

- Some providers preferring to secure placements via spot purchase, as it provides more flexibility;

- Providers having experience of frameworks with no fee uplift/inflation increase for a number of years;

- Challenges with capacity to submit bids and join a new IT platform;

- Providers mentioning the number of frameworks and DPSs that they are required to join, and the need for them to focus on the ones that will give them the most business;

- Providers unable to meet the requirements of the tender.

The pricing structure of the APPA has emerged as a potential barrier for providers wanting to put in a bid to the APPA. This was speculated to have discouraged some providers from bidding altogether or providing perverse incentives for providers to increase their bid price to circumvent the risks associated with the current pricing structure. During this evaluation, IFA and residential service providers interviewed raised the following barriers, which are in line with the feedback received by the SLCP team:

- The possibility that new boroughs (to which a provider currently charges a higher fee) may join and then get access to these fees (raised by a IFA, based on experience with another framework contract). This provider commented that they have offered a higher price to account for this risk.

- One IFA raised that the cumulative discounts were a commercial barrier, and they are planning to limit their offer in order to avoid cumulative discounts or discounts for multiple placements.

- One industry body noted that through their own consultation process, some providers have indicated that they would be reluctant to be on various frameworks where they are "stuck" with the same placement fees over an extended period.

This same stakeholder also noted that participation in the APPA was hindered by the limited consultation which took place with industry representatives around things such as the pricing structure and the overarching commissioning model.

There is a concern within the SLCP project that price structure may have passed excessive risk to service providers, who in turn have offered higher prices to compensate for such risks (mainly, cumulative discounts and fixed fees for several years). To correct

this issue, the SLCP project is planning to refresh the tender towards the end of 2020, and has been working with the National Association of Fostering Providers (NAFP) and the Independent Children's Homes Association (ICHA) since September 2020 to get more detailed feedback, to engage providers and to tackle and resolve issues at the tender refresh stage.

As no placements under this joint framework agreement had been made at the time of this report, it is too early to assess the extent to which the solution proposed under the SLCP will deliver the savings the boroughs expect. Any future impact or outcome evaluation will need to assess the adequacy of the pricing structure and of the framework contract to address the problems faced by this sub-region.

Better outcomes for children

The APPA is innovative, and differs from other procurement arrangements implemented by other consortia in that it puts strong emphasis on the quality of the services provided to looked-after children:

- Only IFA and residential providers with an Ofsted rating of "Outstanding" or "Good" were eligible under the new framework, and this is expected to ensure good quality of the services provided;

- Service providers wishing to be onboarded to the APPA are expected to align with the quality standards set out in the Children's Home Regulations including the quality standards (2015) and the Fostering Services: National Minimum Standards (2011).

- The APPA sets strict minimum requirements to be met in each placement commissioned (quality requirements are set in the individual child agreement and in the service specifications for Lots 1 and 2).

- Providers are requested to report on children's outcomes via the "outcomes framework", which may incentivise providers to offer higher-quality services (see Section 'Relevance and effectiveness of the activities developed' for more information).

- Providers are required to describe any community, social value and sustainability benefits that would be realised as a result of their service delivery. This includes promoting healthier, safer and more resilient environments which are expected to improve outcomes for children and young people.

Given that no placements have been commissioned yet, it is too early to assess whether better outcomes for children will be achieved.

Improved matching process

Sir Narey's review of foster care in England found that children are not sufficiently involved in the matching process and recommended that "more is done to prepare them for a placement by being told much more about the carers, their family and the carers' home, day-to-day care and routines before the first meeting."

The review also found shortcomings in the referral forms: "We heard that children's referral information is often incomplete and not always up to date, particularly when multiple placements are made in quick succession and where there have been previous breakdowns. Referrals do not always present a thorough description and analysis of children's needs and we were told repeatedly of a tendency to describe children using deficit-based accounts, apparently drawing on the rationale for the child's original admission into care".

Stakeholders consulted are positive that the project will contribute to improving the matching process, mainly due to the development of the "All about me" and "All about us" forms, which address the recommendation made by Sir Narey that more information is shared with the children and young people before the first meeting.

The "All About Me" form is an opportunity for children and young people to create a personalised profile that conveys their likes and dislikes, their interests and hobbies, dreams and aspirations and their needs and wants from their placement. Once in use, it is anticipated the child or young person will complete this form prior to any placement move. The child or young person is able to change this as many times as they would like and is designed to be an iterative document that will undoubtedly change over time. Once a placement has been confirmed between the local authority and the placement provider, the placement team provides the All About Me form to the placement provider, at which point they are able to review and determine whether their home is appropriate for the level of care outlined by the child or young person.

The "All About Us" form is an information piece completed by an IFA or residential placement provider that is written with the child or young person in mind. It is an opportunity for the provider to: describe details of their home, their carers; where they live and what types of activities are available to those residing in that area; and, personal information such as favourite place to visit, things to do and food to eat. The form also provides a section that can be filled out by the child or young person prior to starting their placement, enabling them to ask questions of their new carers that they may wish not to ask in person.

Placement providers are asked to complete the form, with input primarily coming from their foster carers or their residential manager. Once complete, this is returned to the

local authority.[8] Once a local authority has made and confirmed a placement move, the provider or local authority provides the All About Us form to the placement team who then provide this to the relevant social worker, who subsequently provides it to the young person in advance of the move.

> "I've been to 17 placements… People won't go to as many placements if they have [this] form. If they have the form it would help everyone to find the right place." (Young Person)

Together, these outputs are designed to alleviate some issues relating to placement breakdowns, including needs and preferences a child might not want to address verbally or would not have been asked otherwise. They are also meant to improve the matching process, since placement teams will have access to the forms before making any final placement decision. Furthermore, these forms will be provided to their respective counterparty (i.e. foster carers will receive the All About Me form and a child or young person will receive the All About Us form) before the placement commences, to minimise time taken to assimilate the child or young person in their new environment.

> "Very often you see referrals that are very "dry" and out of date; recorded statements that are not relevant and are old, and are not part of the picture that you need to understand who the young person is. The ability to convey the human being behind the referral form does not often come across. This will help them understand the young person, their needs and challenges. The referrals are just facts and do not relate to the young person. This will be an opportunity for young people to express themselves." (Service provider)

Both outputs have been well received and the potential benefits of using such documents has been recognised by the SLCP team and boroughs further afield. All member boroughs of the SLCP project have approved the use of these forms and will be used in the matching process moving forward. It is noted that while there are clear benefits of using these forms, full realisation of these benefits will only be achieved to the degree that member boroughs actively encourage both providers and children and young people to complete these forms in a timely and regular manner.

Lastly, the matching process is also expected to improve with the greater offer of placements available, which in turn may also contribute to finding more suitable placements for each child or young person. However, this will only materialise if a larger number of providers join the APPA.

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[8] It is expected that over time, the SLCP projct will have a respository of All About Us forms for the majority of providers that can be shared with placement teams on demand.

Relevance and effectiveness of the activities developed

This section analyses the relevance of the activities developed to achieve the expected results of the project, and how effectively they were progressed by the project team. The following activities are evaluated:

1. Needs analysis and process mapping

2. "All about me" and "All about us"

3. Common referral form

4. Common data pro forma

5. Configure and implement the IT platform; Link Maker

6. Outcomes framework

7. Provider engagement events

8. Engagement with social workers

9. Development of a single outcomes-based contract

In the design phase, the SLCP project developed a number of activities that were supposed to be integrated in the joint commissioning framework. Some of them have progressed at a good pace and have (or are about to have) been integrated in the procurement processes, whereas others have been discontinued. Those activities which have been completed include the "All about me" and "All about us" forms, the needs analysis, process mapping, the shared Individual Child Agreement and the APPA tender documentation. The outcomes framework was accepted by the Board, but the SLCP is currently working on an improved version to be incorporated in the APPA. Interviewees across all groups of stakeholders agree that these activities have been "a learning process" and with the SLCP being an innovation project it is to be expected that some activities will be "trial and error".

Needs analysis and process mapping

In the scoping phase, the project delivered 2 very important pieces of work: the Needs Analysis and the process mapping. The Needs Analysis provided an assessment, based on secondary data[9], of the characteristics of children and young people in care. The document was compiled to gather information at a sub-regional level to understand what the LAC population trends are and how, if at all, innovation could be achieved through cross borough commissioning that will drive economies of scale and change the way the market interacts with local authorities and the purchasers of services. It covered regional and sub-regional spend for each category (public and private residential and Independent

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[9] Data for the period 2015-2017 was compiled from SA903 returns while data for 2019 was submitted directly from the boroughs prior to DfE collation and presentation.

Fostering Agencies (IFA)) and included a 3-year trend to track changes over time. It found that while the number of looked after children across the sub-region fell by approximately 3% over the 3 years prior to 2018, total spend in each category had increased year on year. Alongside this, boroughs were asked to submit to the SLCP team the details of the providers that they were using, in order to get an understanding of which providers boroughs used and why they used them.

The process mapping was a collaborative exercise undertaken by members of all local authorities spanning social workers, IT, procurement, finance, and legal and maps all processes carried out by the boroughs to place children in care. The centrepiece of the activity is the attribution of MoSCoW (must haves, should haves, could haves, would have and won't haves) ratings to various processes to identify areas of complexity and inefficiency and highlighting areas of great value. The process mapping was highlighted by interviewees in 2019 as one of the most useful outputs produced. Indeed, it was used later to inform the processes for the joint commissioning framework.

"All about me" and "All about us"

As already mentioned, the "All About Me" and "All About Us" forms have significant relevance in helping the SLCP project achieve one of its core outcomes; improving the IFA and residential care placement matching process. They provide an early opportunity for providers and children and young people to learn things about one another prior to a placement being made, which has the potential to greatly increase the likelihood of assimilation of a child or young person into their new domicile.

The successful delivery of this activity and the outputs it has produced has been enabled by effective facilitation during the engagement events with young people.

The intensity of engagement with children and young people increased over time. The SLCP team regularly met with around 50 young people in care and reached 190, mostly through attending children in care councils in partnering boroughs. Young people consulted as part of this evaluation (n=5) were positive about their engagement and believed this to have been a good opportunity to engage in the design process for the SLCP. Those same consultees felt they had been listened to throughout the process. This was raised independently by children and young people during our consultations in which they noted and respected the fact that the engagement officer leading these sessions does not enforce their opinions on the participants, but rather emphasises the importance of participants' opinions.

Children and young people were also able to articulate the purpose of these sessions and who was attending – they noted in particular that they were one of many groups of children and young people across the SLCP member boroughs being consulted. This

clearly demonstrates the idea that these sessions have clarity and purpose, which are essential attributes to have when undertaking consultative focus groups.

Participants explained that organisers should ensure the sessions are fun and respectable. To achieve this, it was important that leaders of the sessions would not force their own opinions, instead ensuring that all the members of the group had an opportunity to be heard. Much of this was enabled by skilled and dedicated staff.

> "I've had social workers who haven't spoken to me as well as [engagement officer] does. They will talk to you like a friend or someone they really know. They treat us like adults rather than children. They treat everyone individually". (Young person)

Common referral form

The SLCP set up a working group to standardise the referral form used to commission individual placements (both in residential and foster care) across all boroughs involved in the programme. Oxford Brookes (2018) found that the referral process in London is not time efficient and do not consistently contain comprehensive information. A common referral form was identified by commissioners consulted as part of the Oxford Brookes review as a way to "enable boroughs to reduce duplication". Indeed, the SLCP expected that a common referral form would drive efficiencies in the commissioning of placements in the SLCP, particularly in cases where commissioners need to look for placements outside their borough, as they currently need to fill additional placement forms.

Having a common referral form, in addition, would drive efficiencies for providers who are reviewing placement referral forms, making the matching process much less tedious and quicker, and would have acted to strengthen the brand of the SLCP. While the referral form was completed on schedule, it has not been adopted by the boroughs. The Board came to the conclusion in September 2019 that it was "not possible to implement a common referral form because boroughs had their own approaches to the matter due to established processes and practices".[10]

There were mixed views on the adequacy of this activity to meet the overall project objectives. Some stakeholders noted that the standardisation of the form was a step in the right direction in encouraging unity across the boroughs, seeing this almost as a branding activity for the programme. Some stakeholders recognised the benefit of having a common referral form would have in terms of reducing the time placement teams spent looking for placements in other boroughs.

> "If you are working in partnership, you should be speaking same language, using same procedures." (SLCP staff)

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[10] Board meeting minutes

Others, however, mentioned that the initiative to unify the referral form has been tried in several instances (other partnerships) without success, and that some online platforms (e.g. Linkmaker) have a standard referral form that could be used instead of developing a new one.

Common data pro forma

The project's business development staff developed a common template for all boroughs to complete with data at placement level before the IT platform, Link Maker, was implemented, in order to gather market intelligence pre-intervention. Boroughs would have been expected to input data on a monthly basis, relating to individual placements made by the SLCP project boroughs, including information on:

- Children's sociodemographic characteristics, including gender, ethnicity and age.

- Children's placement requirements, including placement need as disclosed in SSDA903 returns (such as the reason why the child has come into care), whether the child needs placing outside of their local authority boundary, whether the placement provided education components and therapeutic support, and also highlighted an individual child's permanency plan.

- Placement characteristics, including price, placement duration, number of previous placement breakdowns experienced by a child, reasons for change in placement if applicable, whether the child has experienced Female Genital Mutilation or Child Sexual exploitation in the past and whether a planned or emergency placement.

This information was meant to be analysed to develop a baseline for average placement costs before the joint commissioning framework went live. This could then be used in future economic and impact evaluations that looked to explore cost savings in placement costs as a result of the SLCP project. However, local authorities did not complete the form.

Stakeholders noted this work package was unsuccessful in its delivery due to the limited resource within each borough. Individual boroughs would have been required to input into the pro forma using information collected through their respective management information systems. At the point where the online platform, Link Maker went live, data would have been collected automatically through a built-in functionality that would have pre-populated the data proforma based on the latest placement records. This was further exacerbated by the issue around data protection and the lack of clarity around what information could be shared internally within the SLCP team's member boroughs.

Project staff have highlighted the importance of this activity to make informed decisions based on market trends. The evaluation team also recognises the importance of this activity, which was key to assessing value for money of the project. It would also have

been helpful, for instance, to evaluate the prices offered by providers in their bids to the APPA. The SLCP project staff envision recommencing this work package in Summer 2020 before the APPA refresh.

Configure and implement the IT platform; Link Maker

In the proposal to obtain funding from the Children's Social Care Innovation Programme, the SLCP Partnership indicated that they intended to explore the possibility of using solution providers such as Link Maker, Adam or others to set up an integrated platform to procure placements online and gather management information on the market. It was intended that all placements (residential and IFA) would be commissioned through the online solution. For this to happen, service providers would need to sign up onto the platform. It was also intended that the IT platform would provide data on placements commissioned, such as socio-demographic characteristics of the children and young people placed, and the cost of such placements.

The IT solution aimed to deliver a number of benefits for the SLCP project, including supporting sharing of information and necessary documentation between the SLCP partner boroughs and with placement providers, as well as generally improve the level and speed of responses by placement providers to referrals submitted by local authorities.

The choice of IT platform provider was decided upon through a review of 4 submissions in response to the tender released by the SLCP project in September 2018. The following IT service providers submitted an application: The West London Alliance, who have developed their own IT Platform, CarePlace;[11] Adam[12]; and, Delphimatics[13].

This activity, as well as the selection of Link Maker as the IT platform provider, was in line with the recommendations made by Sir Narey (2016), who found that Link Maker "has the capacity to provide commissioners with vital and up to date information, including vacancy data, on all independent children's homes", and recommended that "the Department for Education urge local authorities and consortia and all providers to subscribe".

The LinkMaker platform was tested and evaluated by the SLCP project over a 6-month period, in which it piloted the solution in two boroughs - Southwark and Croydon - and consisted of attempting to put referrals through both Link Maker and existing standard processes. The experiences in using the system varied greatly between the 2 boroughs and a number of challenges were highlighted by the pilot areas. The SLCP project developed a SWOT analysis with the results of the pilot of Link Maker to inform the

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[11] https://www.careplace.org.uk/
[12] https://www.useadam.co.uk/
[13] https://delphimatics.co.uk/

decision-making process on whether continue using Link Maker, explore alternative online platforms, or discontinue the use of an online platform altogether. The table below summarises the SWOT analysis conducted by the SLCP project, and it is complemented with the feedback gathered from interviewees (residential providers, IFA and LA's placement teams) during the evaluation.

Table 1. SWOT Analysis of Link Maker

Strengths	Weaknesses
- The system functionality can be developed and fine-tuned to be adapted to SLCP and boroughs' needs. - The system it is free for providers to use and it is GDPR compliant. - Any LA joining the partnership can easily sign up and start using it. The licence fee for boroughs was considered "not substantial". - It allows providers to easily access relevant information in referrals, making it easier for them to demonstrate how they can provide specialist services to meet needs. - Emergency placements can be identified on the system, therefore facilitating a quick response from providers. - The system was found easy to use by one placement team due to pre-existing capabilities in using the tool and staff embracing changes in practice.	- The platform was originally established for the adoption matching process and may not be fully suited the pace and responsiveness required for commissioning residential and foster placements. - Link Maker are currently charging a fee for face to face training sessions (although they provide online training for free) - It creates more steps than current means used by placement teams to make placements. - Information on why referrals are rejected by providers is not available. - Contact between placement teams and providers is made via the system, which may impact on providers/boroughs relationships. - There is not yet a critical mass of providers who have signed onto the platform.
Opportunities	**Threats**
- Facilitates standardisation of processes across boroughs - It provides Management Information, including data collation	- Additional resources are required for effective change management – e.g. to push the platform's benefits,

and analysis to inform strategic decisions, with access to customised, detailed reports. - It can be used as a communication platform to promote events and good practice. - Together with the APPA, it allows seamless data sharing between the boroughs to inform joint approaches, including fee negotiations. - Facilitates contact with providers: inclusion of new providers who join the framework, and maintenance of updated contact details.	to establish a system 'champion' in each borough's placement team. - Other partnerships in London are using different IT systems. Providers have indicated that the use of multiple platforms presents challenges for them. This is particularly challenging for small providers, who also raised challenges to up-skill staff on the use of the platform. - Unless all providers, commissioners and placement teams use the tool, it won't be universally adopted. - Due to the lack of full adoption, the level of responsiveness among service providers is still low. - The partnership agreement between SLCP and Link Maker is for a 3-year term and there is no guarantee on future license fee prices.

While the SLCP project has faced various challenges in implementing and configuring the Link Maker platform, in doing so, it has also provided key learnings for the sector that can be used to inform future iterations of this type of solution in other joint commissioning models. At the point at which this evaluation concluded, the SLCP project continued to explore alternative IT solutions. It is the opinion of the evaluation team that an IT solution, in the long term, would improve the efficiency of commissioning placements. While recognising that it may require investment of resources in the short term, it would facilitate the collection and analysis of market data that could be used to shape the market. The IT solution may also contribute to improve the matching process (i.e. as more providers receive the referrals, the chances of improving the matching increase), and ultimately obtain better outcomes for children. Notwithstanding this, we also believe that the IT solution is a challenge that should be addressed at larger scale (e.g. London or England), so as to avoid fragmentation of the market (see Section Sustainability of the SLCP for more information).

Outcomes-based framework

The SLCP set up a working group to develop an outcomes framework for the project. The outcomes framework was a set of indicators to measure care, education and health-related indicators for each child and young person. Its objective was to measure the project's performance in terms of improved services delivered to children and young people and, ultimately, the project's impact.

The working group was formed by a multi-disciplinary team formed by local authority staff, SLCP staff, service providers and industry representatives. This activity has allowed the project to consult with and capture views of those who would be working directly with the output, once finalised. Providers who participated believed this was a positive aspect of the project, though some stakeholders noted relatively low attendance rates at working group meetings.

These sessions were smaller in participant size, ranging from 5-10 attendees, providing focused individual engagement between each provider in attendance and the SLCP project team. Considered an integral part of the SLCPs outcomes-based commissioning approach, project staff said in interviews that the SLCP project took every effort to engage with providers when agreeing the themed outcomes and the types of Key Performance Indicators that would be reported against under the new commissioning framework. While there was strong intent to reach out and provide ample opportunity to obtain views from providers, attendance was lower than expected. It was noted by a provider that having multiple sessions removed the chance of there being continuity of messaging, as it was deemed unlikely that all providers could attend each working group session. These forums could have perhaps been delivered through other means, such as an online focus group, removing the need to travel to attend. A draft outcomes-based framework has been adopted by the Board. In September 2019, it was decided to include a provisional version of the outcomes framework in the tender documentation, together with a clause stating that the framework would be updated post-contract award, in collaboration with service providers. It is intended that the quality of service provision will be measured against the success indicators set out in the revised outcomes framework.

Provider engagement events

During the design phase of the project, staff were cognisant of the importance of engaging service providers effectively and ensuring their inputs were considered in the design of the new commissioning framework. With this aim, the SLCP project organised a series of provider engagement events to gather feedback on the IT platform (namely, Link Maker) that would facilitate the commissioning process between local authorities and residential and independent fostering placement providers; and the overall project design.

The provider engagement events achieved a high level of participation, in some cases with up to 190 attendees representing a variety of residential and independent fostering placement agencies. The successful delivery of the provider events has been enabled by a concerted effort from project staff and commitment by commissioners and providers alike to engage with the SLCP. Some stakeholders have particularly praised the well-coordinated approach to the provider events, with a clear agenda and focused discussions taking place. Other stakeholders noted that these events were viewed as positive exercises that strengthened sector engagement and improved the SLCP project's overall understanding of the market.

These forums were a good opportunity to give providers a voice in the design process and there is evidence that views from attendees were appropriately assessed and factored into the design specification. Some stakeholders, including project staff, have highlighted strong levels of provider engagement, and offered clear examples of how feedback was collated and incorporated into the contract specification. Examples of this included gathering provider feedback on general views towards the types of contracts used by other commissioning partnerships, such as framework agreements, or Dynamic Purchasing Systems. Other examples included incorporating feedback from providers on what they believed were the key areas for service development including mental health and child sexual exploitation. This is reflected in the APPA service specification which requires providers to use the agreed outcomes framework to report on Key Performance Indicators (KPI) related to a child or young person enjoying good physical and mental health. Under the APPA, providers are also required to raise with the local authority any concerns which arise about a child or young person that relates to mental health.

Service providers were broadly positive with the levels of engagement offered by the SLCP during the design phase of the joint commissioning approach. Anecdotal evidence by a provider raised the benefit associated with organising a large event into small tables, thereby allowing everyone in attendance an opportunity to air their views and opinions to the points on the agenda. On the other hand, an industry representative of service providers expressed that there was frustration from among providers more generally at the lapse between the first provider event and the launch of the APPA.

Engagement with social workers

Engagement with social workers has been limited in the SLCP project. Some stakeholders have highlighted that some informal discussions with social workers have taken place over the last 2 years. Stakeholders suggested it was important for the SLCP team to gather their views on the processes involved in using the platform. Social workers were also consulted on the "All about me" and "All about us" documents, to ensure these were documents and processes that could be added to the matching process.

When asked about the reasons why social workers have not been more widely consulted, interviewees suggested that this group would not have had the required expertise necessary to input into the design of the joint procurement framework and that consultations with this group would ideally take place at the point where the framework goes live (June 2020 onwards). It is envisioned by the evaluation team that should the SLCP continue its delivery, it would benefit from consulting with social workers to better understand their views on the issues facing the social care market and whether these are being addressed by the SLCP new commissioning framework (the specifications included in the APPA). For instance, social workers input would be advisable for the finalisation of the outcomes-based framework, as they could provide a "reality check" as to whether all relevant outcomes are being included, and the extent to which indicators can be measured.

Development of a single outcomes-based framework agreement

This activity forms the lynchpin upon which the SLCP project rests and, alongside the procurement and configuration of the IT platform, has been the primary focus of the SLCP project. It has been delivered at a slower pace than originally expected, as evidenced by final contract awards made through the APPA framework expected in March 2020 versus the initial plan for contract awards to be made in October 2019.

The delays in the delivery of this activity happened mainly in 2018 and the first half of 2019, with faster progress towards the end of 2019 and 2020. The factors that have recently facilitated progress at a faster pace include effective governance structures, strong leadership in the latter stages of the project delivery and the employment of a procurement lead who has specialist knowledge in the field and who has been able to lead the task effectively.

There have however been numerous factors which have hindered progress of this activity:

- The project faced tight timelines to deliver an outcomes-based contract to industry within DfE funding timelines. This placed restriction on the project's delivery plan. This was further made more difficult due to the robust, yet lengthy governance processes involved in signing off procurement vehicles such as this. The project had to deliver well-evidenced reports for sign-off to the contract and commissioning board for approval before finally going to cabinet. With cabinet meetings taking place quarterly, this placed further onus on the project team to deliver these reports on a timely basis. Delivering on time however, was sometimes at the cost of delivering high quality outputs.

- The project also faced issues in securing buy-in from the various relevant stakeholders within one local authority, including for example the finance, legal,

data protection and procurement teams. This was noted to be due to the lack of awareness around what the SLCP was trying to achieve among these stakeholders. This was further amplified by issues around the procurement lead having joined the project late and thereby having limited time to form relationships with these stakeholders during the design phase of this activity.

Efficiency of the SLCP

Learning opportunities

The SLCP has drawn on an assortment of experience and skills across a diverse range of stakeholders in commissioning and procurement of placements to design and implement its joint commissioning model. All the activities have been developed in a collaborative way, engaging staff from different teams (IT, legal, social workers, etc.) across the boroughs as well as external stakeholders. This has been noted by several stakeholders as a good opportunity to share learning across the boroughs and incorporate new perspectives from industry and looked after children in commissioning practices.

In addition to informal learning and shared practices, there have been cases where more formal learning opportunities have been offered to teams across the boroughs.

The first training opportunity was offered to placement teams trialling the Link Maker platform in 2 boroughs. Given this was a new software, LinkMaker offered a free-of-charge online training package that placement teams were able to access throughout the pilot phase, as well as in-person training early on in the pilot phase. LinkMaker also offered a more comprehensive, in-person training package at a fee, though this was not taken up by the SLCP project. While the reasons for LinkMaker being discontinued were multi-faceted (see Configure and implement the IT platform; Link Maker section), lack of training to use the platform was not primary. However, as part of this evaluation's consultation process, stakeholders suggested that had the Board decided to continue using Link Maker, more training for both commissioners and service providers would have been needed to fully adopt the platform.

The second training opportunity has arisen in the form of support and guidance offered by the SLCP team to providers bidding through the APPA framework on issues related to data protection. In keeping with recent data protection changes in regulation providers were required to outline best practices with regard to GDPR practices in their bid. Responses to these questions identified essential knowledge gaps in the sector relating to GDPR requirements of service provision. Given some of these providers were small in size, their internal capabilities to deliver on these newer, more strict regulations were somewhat limited. To support providers in their bid, the SLCP team decided to offer free

support to bidders. This included providing detailed feedback to all bidders on their responses to these questions. Moving forward, the SLCP project will host sessions with providers to improve their GDPR practices, as well as have a support line that providers can use, should they wish to contact GDPR/IT specialist support. This is intended to ensure GDPR compliance when working with the SLCP and was also designed to build internal capabilities to drive GDPR compliance within providers, even outside of the scope of the SLCP project.

In addition to upskilling staff and providers, the project developed new ways of sharing information between boroughs with the aim of driving efficiencies. The most recent change within the SLCP has been the creation of a shared online space, facilitated through SharePoint, to store key documents related to placements, including inspection reports for providers and quality assessment site visits. This is a reaction to concerns that boroughs had already previously shared this information with one another in separate instances, but not shared more widely with all member boroughs.

Governance structure

The SLCP project is hosted at Croydon. The governance structure of the SLCP project consists mainly of the LAC Joint Commissioning Board, the LAC Operational Working Group, and the project staff, including the Strategic Programme Lead. The LAC Joint Commissioning Board is responsible and accountable for the success of the SLCP project. It is the decision-making body, comprised of individuals with strategic responsibility for looked after children within their respective boroughs. The LAC Operational Working Group is formed by a staff member of each borough, and its remit is to focus on the operational aspects leading to the set-up of an integrated commissioning solution. This group is also responsible for establishing and sharing best practice across the boroughs.

Interviewees agreed that the current governance structure was adequate and commended the high attendance rate at Board meetings during the first year of the project which, according to interviewees, showed strong commitment across all boroughs. The Board meetings have been described as well-structured and all Board members had the opportunity at the meetings to comment and express their views.

Interviewees however noted that engagement slowed during changes in leadership. The same interviewees later noted that following additional leadership changes in Autumn 2019, there was a positive lift in levels of engagement from boroughs. It was noted by stakeholders that new leadership took the approach of reviewing the remaining work strands yet to be delivered and provided clarity on this to the rest of the SLCP project team. They also took this opportunity to reinforce and recommunicate the SLCP project's overall purpose and vision.

Last year, the project reported some issues with clarity around roles and responsibilities between the Board and Operational group with regard to decision making processes. The situation improved over time and currently, stakeholders believe the roles to be clear and distinguished.

Interviewees noted there to be a strong range of experience across the operational group, including social workers and those with either placement or commissioning backgrounds. This was seen as beneficial, helping to provide different perspectives on the programme. Similarly, the project Board was felt to be of a good size (11 members in total), providing a range of opinions and opportunity to move local authorities away from working in isolation and towards shared learning.

Progress in the early stages of the project had been hindered, however, by the high staff turnover across the Board and by the disengagement in some instances among Operational group members. Disengagement among operational group members corresponded to 2 main factors:

- Delay in delivery, mainly in the first year of the project. Stakeholders were of the view, however, that this issue had been overcome (i.e. project delivery had been accelerated) following a change in strategic lead in autumn 2019.

- Lack of capacity: Disengagement was also caveated with the fact that most operational group members were in small placement teams and therefore had a considerable workload. This caused conflicting priorities for some and occasionally resulted in poor attendance on the part of the operational group members.

Nonetheless, progress has been achieved, particularly in the latter months of the project, due to a change in leadership which some have described as purposeful and honest.

Sustainability of the SLCP

The SLCP project has currently secured funding to continue operating until March 2021. Interviewees across the Board confirmed their boroughs are committed to continue working in partnership. Further, the award of the APPA in June 2020 will provide contractual assurance to service providers and Local Authorities on the continuation of the joint commissioning of placements, at least, for the next 3 years.

The sustainability of the SLCP project in the long term will ultimately depend on its capacity to demonstrate better value for money and better outcomes for children and young people.

One of the objectives of the SLCP project is to scale their partnership and to be an example for other partnership to replicate their joint commissioning model. It was the

view of interviewees that the possibility of continuing with and scaling up the solution to include other boroughs was unlikely to happen until placements have been made through the APPA and some early outcomes, particularly better value for money on placements made, have been observed.

In the event that the SLCP would not continue in its current form, interviewees noted that there were smaller pieces of work delivered by the SLCP team which other boroughs may want to incorporate into their processes. Examples of this included the "All About Me" and "All About Us" documents created by the children and young people working groups, and the shared Individual Child Agreement developed by partner boroughs. Therefore, while not a direct continuation of the SLCP project in its current form, there is certainly scope for a continuation of the outputs which have been created to be replicated across other boroughs.

When considering the likelihood of continuing with the SLCP project or scaling it up to other boroughs, it is important to investigate the wider commissioning landscape outside of SLCP, to better understand where there might be opportunities and barriers for scaling up the model to other boroughs across London. Oxford Brooked University (2018), in its review of commissioning arrangements for Looked After Children in London, suggests that having multiple commissioning arrangements across London does not deliver efficiencies for the region as a whole. Instead, they recommend either one pan-London consortium or two sub-regional consortia with established commissioning capacity and strong links to the Association of London Directors of Children's Services (ALDCS). Hence, while the SLCP may yield positive outcomes and deliver placement cost savings for participating boroughs, there are exogenous factors (such as performance of other sub-regional commissioning partnerships) that may influence any decision reached with regards to continuing or expanding the SLCP partnership.

Oxford Brooked University (2018) identified 4 consortia arrangements operating in the Greater London region, [14] of which 1 sub-regional partnership is set up to achieve similar objectives to the SLCP; the West London Alliance.

The West London Alliance (WLA) Children's Programme is a consortium of 9 local authorities (Barnet, Brent, Ealing, Harrow, Hounslow, Hillingdon, Hammersmith and Fulham, Westminster, and Kensington and Chelsea). The consortium aims to have a comprehensive understanding of the social care market and needs, which it updates annually, similar to the SLCP. The WLA model has been set up to reduce duplication regarding any procurement activity costs; increase local authority leverage within the market; and, through the light touch flexible procurement tool, deliver further efficiencies. Recent consultation with members from the WLA showed their model to have scaled up considerably in recent months and it aims to continue doing so for the foreseeable future.

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[14] As at July 2018.

As such, the degree to which SLCP can attract new boroughs decreases as other sub-regional partnerships expand their footprint. It should be noted, however, that there are opportunities for both partnerships to collaborate, instead of competing with each other. The WLA has its own IT platform to make placements, CarePlace. This platform was assessed by the SLCP team when the IT platform was commissioned and Link Maker selected. With the discontinuation of Link Maker, the SLCP project is reconsidering the best IT solution based on the PAN London landscape and the potential for collaboration with other London local authorities. The SLCP and the WLA teams are cognisant of the need to collaborate not to compete for placements with private service providers, and are involved in discussions taking place at pan-London level in the framework of the Association of London Directors of Children's Services (ALDCS).

In the opinion of the evaluation team, collaboration among partnerships is needed to share market information, best practices, and ideally one IT platform. The forum for these conversations at pan-London level may be the ALDCS or another forum set up by the London partnerships or by the Department for Education. It is noted that SLCP member boroughs have established a regular Directors of Commissioning Group that considers these types of issues and provides oversight for commissioning activities similar to the SLCP project.

4. Summary of key findings on 7 practice features and 7 outcomes

As reported in the Children's Social Care Innovation Programme Round 1 Final Evaluation Report (2017), evidence from the first round of the Innovation Programme led the DfE to identify 7 features of practice and 7 outcomes to explore further in subsequent rounds.[15]

This section explains how SLCP has implemented some of these features or practice, and whether it has achieved (or is on the path to achieve) any of the outcomes identified in Round 1.

Strengths-based practice frameworks

The project aimed to create a common "outcomes framework" that sets objectives on outcomes for children and that is used to monitor how the project impacts on children and young people's wellbeing. An outcomes framework was finalised but was not adopted by LAs. Instead, a draft outcomes framework was included in the procurement document. It was noted by SLCP project staff however that the framework did not offer measurable metrics and was deemed unlikely to provide a strong evidence base needed to assess outcomes for children and young people. The SLCP project intends to progress this task further (see Section Outcomes-based framework for more information).

Multi-disciplinary skill sets and group case discussion

The project is characterised by its participatory approach, involving all relevant stakeholders across its numerous activities. Engagement of stakeholders has taken place via direct consultations, informative events and working groups. The latter are especially relevant as they intend not only to consult stakeholders, but also to use their knowledge and skills to progress several elements of the project. In these cases, local authorities are normally requested to appoint staff from across several departments to work together. For example, staff from the following areas have been engaged in different activities: legal, IT, placement teams, commissioning teams.

Interviewees have praised the wide set of skills that each individual brings to these meetings. In view of the evaluators, this feature of practice has been fundamental to get the buy-in from LAs and external stakeholders (such as service providers).

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[15] Sebba, J., Luke, N., McNeish, D., and Rees, A. (2017) *Children's Social Care Innovation Programme: Final evaluation report*, Department for Education, available here.

High intensity and consistency of practitioner

The SLCP appointed a member of staff to engage children and young people in the design of the new commissioning tool, which led to the development of the "All about me" and "All about us" forms. This member of staff was a care leaver, and children and young people viewed them as a role model and someone relatable. The young people who participated in the focus group highlighted that they were "treated like adults rather than children", and "treated individually". Participants of the engagement activities commended having a member of staff meeting with them regularly to explain the project, discuss its design, and then feedback on the changes made in the "All about me" and "All about us" forms following the discussion.

Reducing risk for children

The project has a strong focus on securing high quality and safe placements for children, however, the project will not be able to evidence this outcome until the APPA is fully functioning and placements are evaluated. It is worth noting at this stage however, the eligibility criteria set in the procurement documents (APPA) included a number of qualifying criteria related to placement quality for service providers, should they wish to bid to the APPA. These included: minimum Ofsted ratings; alignment with the quality standards set out in the Children's Home Regulations including the quality standards (2015) and the Fostering Services: National Minimum Standards (2011); delivery of service provision against the quality requirements outlined in the shared Individual Child Agreement and APPA Lot 1 and Lot 2 specification; and, regular reporting of children and young people's outcomes using an outcomes framework; . These criteria are intended to help secure safe placements for children and young people in care.

5. Lessons and implications

Innovation projects tend to be ambitious, trying out new ways of working, testing un-chartered grounds. By their nature, they face new challenges, especially, as in the case of the SLCP project, when developing a new commissioning approach in a historically provider-dominated environment. Notwithstanding the progress and achievements of the SLCP, lessons can be learned for similar projects in the future. We outline these in chronological order.

Setting realistic expectations for an innovation

Project set-up is a crucial time where the foundations are laid while, given the often ambitious funding timeframes, there is pressure for quick progress. The SLCP project experienced delays due to initial recruitment taking longer than expected, several changes in leadership and project board make-up throughout the evaluation period.

Lesson 1: As staff changes are to be expected, they ought to be considered more seriously in risk registers, with appropriate indicators reflecting the high impact faced by the project should staff changes occur.

Lesson 2: Allowing more time at project start for a scoping exercise that takes a holistic approach across all project elements. This period can help ensure that all work streams the project embarks on are likely to yield valuable outcomes. There can be pressure to deliver an innovative project in a short period of time, and a desire to achieve quick outcomes. However, funders and projects would do well to allow for a generous scoping period to actively counter-act delays further down the line.

Lesson 3: With innovative programmes often experiencing delays, outcomes tend to take longer to realise than expected. In choosing an APPA model, the SLCP programme ensured that the model can be adapted to changing timeframes and respond to lessons learned. From an evaluation perspective, delays in innovation programme set-up have implications for evaluators' ability to assess success within the given timeframes, which a longer evaluation period would help mitigate.

Consulting, and keeping key stakeholders engaged

Lesson 4: The SLCP recognised the need for more targeted provider engagement around all elements of the framework, ideally through industry bodies which can provide a unified voice for providers. With provider engagement around the pricing framework coming shortly before the APPA was launched, the SCLP project will be looking to refresh and reopen the procurement framework to bidders, with changes made to the framework specification. This will require additional project staff time, which DfE has been flexible to accommodate.

On a positive note in relation to stakeholder engagement, the engagement of children and young people influenced key project documents, including the outcomes framework, tender's specification, Individual Child Agreement and "All about us" and "All about me" forms. The success of these documents will be determined once placements through the framework commence.

Lesson 5: Similar to the evaluation of the North London Efficiency Programme as part of the first round of Innovation Programme funding, there were periods when partner boroughs were less engaged in the SLCP project.[16] More focus ought to be placed on engaging partners throughout the project, especially at times of transition between project staff, to avoid delays and maximise knowledge transfer.

Revisiting key requirements when project elements change

Lesson 6: The APPA pricing structure caused obstacles to providers. Industry representatives such as the National Association of Fostering Providers (NAFP) and the Independent Children's Homes Association (ICHA) were initially consulted at the project outset, but when changes to the procurement vehicle were made by the SLCP project, (moving from a DPS to a framework agreement) they were not consulted. More structured and consistent engagement with ICHA and NAFP was required, which has since been put in place.

Lesson 7: The project discontinued the implementation of Link Maker across partner boroughs, with the consequence that a common data collection platform would also fall away. The project had foresight to request boroughs to independently collect this information in the absence of Link Maker, through a data pro forma. However, member boroughs did not provide this information because of data sharing concerns between different boroughs and capacity issues within local authorities to complete this pro-forma on a monthly basis, and this work stream fell away. Without such a platform, or common way of assessing placements, and especially placement costs, it is not possible to ascertain whether the project is providing value for money. Therefore, with changing project activities and tools used, it is paramount for funders to require projects to ensure data is collected in a comparable way.

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[16]https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/560755/North_London_Children_s_Efficiency_Programme_final_evaluation_report.pdf

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Annex I: Overview of programme activities

Needs analysis and data proforma

The Needs Analysis was compiled to gather information at a sub-regional level to understand the socioeconomic characteristics of the target population. Further to this, the analysis aimed to understand how, if at all, innovation can be achieved through cross-borough commissioning, as this is expected to drive economies of scale and change market functionality.

The analysis was intended to inform service delivery and future commissioning intentions. Further in-depth analysis was meant to identify opportunities to work in partnership to commission services that could deliver positive outcomes for looked after children. As part of this, the children looked after data from the SSDA903 returns was analysed to identify trends from 2015 – 2017, published by DfE. Data for 2018 was submitted directly from the boroughs. The data was analysed from the following boroughs: Croydon, Southwark, Lewisham, Greenwich, Sutton, Bexley, and Merton, which are part of the LAC South London Commissioning Programme.

The Needs Analysis covered regional and sub-regional spend for each category (residential and IFA) and included a 3-year trend to track change over time. A placement mapping exercise was undertaken to assess whether there were clusters that could be considered for targeted commissioning. Alongside this, boroughs were asked to submit to the SLCP team the details of the providers that they were using, in order to gain an understanding of which providers boroughs used and why they used them.

Further data reported through the Safeguarding Children's Board report was also included within the Needs Analysis. As part of this exercise, several key themes were identified from all 8 boroughs to create 6 common challenges that the participating boroughs were facing. These were female genital mutilation; child sexual exploitation; neglect; domestic abuse/violence; children being missing; and youth violence/gangs.

In July 2018, the Board announced that a template would be prepared to outline what baseline information from SSDA903 data could be used. This template would then be circulated to the Operational Group for input and then to the Board for approval before approaching boroughs to request all the relevant information.

By October 2018, Operational Group members had submitted new SSDA903 returns data ahead of the DfE publication. SSDA903 data had been collected through a common template ("proforma") developed by the project staff. However, not all boroughs submitted their SSDA903 data due to data protection concerns.

Local authorities were asked to provide data on a monthly basis until October 2019, when data extraction was intended to be fully automated. Although project staff had highlighted the importance of this activity to make informed decisions based on market trends and to assess the value for money of the project, this activity was eventually discontinued due to some boroughs' decision not to share data, due to the time pressures they faced in doing so.

Market analysis

Borne out of the Needs Analysis were a set of recommendations and actions to help facilitate the delivery of the project. One of these recommendations was a clear commissioning strategy, consisting of a phased service delivery approach which would start to yield benefits at the end of a 12-month term. As part of this strategy, the second phase aimed to develop specialist arrangements from market intelligence delivered through the IT platform for potential mini-tenders. Engagement with providers was essential to gain an understanding of providers' attitudes towards different types of procurement models. For example, providers had indicated from previous provider events that children's residential care provider services were not amenable to block purchasing as this model would not be cost-effective.

Further to this, the SLCP undertook a second market analysis exercise mid-way through the procurement phase, to identify any provisional value for money outcomes related to the project. Following the tendering process, feedback from providers suggested that the combination of fee review mechanisms and compulsory discounts embedded in the APPA had led to front-loading of costs. Further market analysis was then deemed necessary to understand the extent to which the discount and fee conditions had deterred providers from bidding or had led to inflated prices. This is further detailed in our assessment of the SLCPs commissioning and procurement activity.

Referral form development

An important strand of the work carried out by SLCP was the development of a harmonised referral form that could be used across the participating boroughs. A specific working group was set up to agree on the contents of the form and ensure that it included all relevant information, while ensuring that it held-up from a legal standpoint. There were however, mixed views on the adequacy of this activity to meet overall project objectives. Some stakeholders noted that the standardisation of the form was a step in the right direction in encouraging unity across the boroughs, seeing this almost as a branding activity for the programme. Others, however, considered that this activity overlapped with what had already been developed by other stakeholders outside the partnership. In particular, some interviewees noted that Link Maker already provided a standard referral form. Other concerns were also related to the risk that releasing certain sensitive

information would endanger children and young people's well-being and mental health. For this reason, certain boroughs continued to use their own referral forms while discussion on the standard template were held.

The standard template forms were intended to be filled out by social workers, who would then provide them to the placement team for quality assurance. However, this process identified concerns about data protection, especially relating to the identification of the data controller to comply with the European Union's General Data Protection Regulation (GDPR).

Although in May 2019 a partial agreement at the Operational Group level was reached on some of the questions of the standard referral form, the activity was discontinued in September 2019. The Board came to the conclusion that it was not possible to implement a common referral form because boroughs had their own approaches to the matter due to established processes and practices.

Defining therapeutic care

In October 2018, the Operational Group conducted a preliminary assessment of the need to include a definition of 'therapeutic care' in the tender documents, due to the lack of an established definition of the phrase. Reaching consensus on what 'therapeutic care' entails was needed to enhance the transparency and the cost-effectiveness of the tendering process; for instance, historically, interviews suggested, that providers would be able to charge 'therapeutic care prices' without fulfilling the requirements of a therapeutic care provider. A clear definition would then be necessary to identify tangible differences between regular and therapeutic care.

The Operational Group explored the opportunity to formulate a definition of 'therapeutic care' alongside a needs matrix to identify the underpinning credentials. In particular, the Operational Group discussed whether it was necessary to focus on the different clinical models available and how they could benefit the child in care. Further to this, the Group discussed potential opt-outs from the service if this was not deemed necessary for the child.

In November 2018 it was thus decided to set up a Therapeutic Care Working Group. It was agreed that it was necessary to involve other services such as CAMHS or other clinicians. No further information has been received by the evaluation team on the progress made in providing a definition of therapeutic care.

Process mapping

This was a collaborative exercise undertaken by members of all local authorities, spanning social workers, IT, procurement, finance, etc. and to map all processes carried

out by the boroughs to place children. The centrepiece of the activity was the attribution of MoSCoW ratings to various processes to identify processes of complexity and inefficiency and highlighting processes of value. This resulted in some processes being removed or reprioritised to better achieve the overarching objectives of the project and help create a common process across the boroughs that will be implemented through the new joint commissioning approach. This activity, which was led by a member of the project staff defined by some interviewees as 'very knowledgeable about the processes', has been praised by the Board and Operational Group members.

Outcomes Framework development

An Outcomes Framework was another activity developed in a collaborative way, involving staff from local authorities, Operational Group members and service providers. Initially, the framework was intended to focus on the domains of care, education, and health. Two working groups were set up: 1 looking at independent fostering outcomes, the other working on residential outcomes, with a view to then merge both outcomes frameworks into a single document.

In undertaking such an activity, the Board compared existing outcomes frameworks and discussed how an outcomes framework and regular data collection would allow the project team to assess the impact of the project, and thus provide a basis to evaluate project delivery. In addition to this, Board members discussed compatibility between the outcomes framework and the IT system, in order to later track individual outcomes for the individual child placed through the IT system.

The Operational Group discussed issues related to the measuring, monitoring, and recording of outcomes, in particular with the intention of establishing continuity and consistency to allow for individual developments to be monitored over time.

The 2 draft frameworks for residential and foster care were then presented at the Operational Group meeting in March 2019. Work continued to ensure that the contents of the framework did not replicate other existing tools and to identify what outcomes could be amenable to measurement. Although the framework was found be a good overarching set of indicators, the Board recognised that it needed more streamlined processes for measuring outcomes. Discussions were thus held also with the Independent Children's Home Association (ICHA) and Nationwide Association of Fostering Providers (NAFP) about performance management arrangements.

In September 2019, it was decided to include an updated version of the outcomes framework in the tender documentation. However, it was also agreed that the tender documentation would include a clause stating that the framework would be updated post-contract award, in collaboration with service providers.

IT commissioning platform

In July 2018, during a Board meeting, introducing a new commissioning tool was discussed, during which 3 options, as proposed by the Operational Group, were highlighted:

- Do nothing;

- A manual paper platform

- An Online Integrated Commissioning Solution

At that point, the Board was keen to explore the online integrated commissioning solution, asking for a business case to highlight investment required and what savings would be realised.

In August 2018, the business case for this activity was circulated. Board members were asked whether a partnership arrangement would provide best value to deliver this tool. It was concluded that this would be appropriate, and Link Maker was identified as a potential partner. Board members agreed to go into partnership with an organisation, requiring further discussion with Croydon's procurement regarding this. An expression of interest went out to market for 1-2 weeks before a final decision was made on which organisation to partner with. A reference group was then established to assist with the development of the IT commissioning platform tool, comprised of IT, Legal, Procurement and Contracts representatives.

The project undertook a soft market testing exercise which received interest from 18 providers, only 5 of which submitted the required 2 A4 pages outlining how they proposed to meet the requirements. It was concluded to partner with LinkMaker. The Board also expected Link Maker to bring more quality while providing more information about children and how children and young people were looked after.

In October 2018, the Board agreed that Link Maker would own the platform but all the data within the system would be owned by SLCP. There was to be an agreement with Link Maker for an initial 3 years; further reassurance was received from Link Maker regarding the fact that, in the event that Link Maker was not able to deliver as required, the contract could be terminated with no penalty fee. The requirements would then be set out in a Service Specification document to be agreed with Link Maker. It was expected that the system would be piloted in January 2019 and that adjustment to the service would be made in different phases. The full roll-out of the system was expected by October 2019.

The contract with Link Maker was then assessed by Croydon's Legal Team in January 2019 for a review of the procurement procedure and risk assessment, while other

elements of the partnership had already been signed off. The agreement was then signed off by the Legal Team in Croydon in March 2019.

Questions were raised by the Operational Group on the extent to which providers were already operating on Link Maker. It was also underlined how Link Maker's background is in adoption processes and that the platform's approach might not be suitable for the urgency of emergency placements. Furthermore, concerns were expressed relating to data protection, although these were addressed by the Legal Team. The data processing agreement was then left to the individual boroughs to sign off.

It was agreed that Link Maker would be trialled in one Borough before it was gradually extended to other boroughs within the programme. The Operational Group agreed in May 2019 that the up-scaling phase would be prolonged until June-July 2019 to ensure that relevant changes could be made.

In July 2019, the Operational Group reported that the pilot test of Link Maker had so far been successful. Particularly, some technical issue had been resolved, and training had been provided to users. It was requested that Link Maker implemented a differentiation between Approved Providers and Spot Purchasing Providers. However, in August 2019, the Board highlighted how boroughs sought further clarification regarding the benefits of using Link Maker and on how the platform works. It was thus agreed that a SWOT analysis would be carried out. The Operational Group also requested improvements to the platform to be made prior to the tender. It was also suggested that providers should be encouraged to give feedback on the platform.

In September 2019, the Board confirmed that all boroughs would be piloting Link Maker by January 2020. Despite recommendations from the Legal Team to use a common platform to reduce administrative burden on providers, the Board agreed that the tender documents should state that boroughs will use IT systems of their choice until a firm decision on Link Maker is made. In the course of the Operational Group meeting in September 2019, a point was raised relative to smaller providers not having enough resources to regularly log into the portal.

In November 2019, the Board highlighted several issues related to the use of Link Maker in the pilot areas. Although the teams in one area used the platform more intensively (as fostering in this area is largely external, as opposed to the other pilot area where there is a large in-house fostering offer), the problems encountered were similar in the 2 boroughs. The main concerns related to functionality and responsiveness of the platform. Feedback received from the 2 boroughs' placement teams underlined how the platform appeared to generate a wide range of issues, including excessive workload, unsuitability for emergency placements, difficulties in navigating the platform, problems with sharing documents, and providers not being as responsive to requests compared to when

contacted by email. Additional feedback received by providers pointed out concerns relating to security of business information.

Despite these limitations, it was stressed that Link Maker was a reliable tool, which offered a better understanding of the needs, and was also secure. The Operational Group meeting further argued that it seemed arduous to assess the impact of the platform during the pilot phase as some boroughs were still pursuing a parallel approach to making placements.

The pilots were put on hold in December 2019. In January 2020, following the review of an options paper on the use of LinkMaker (see 'Configure and implement the IT platform; LinkMaker' for a detailed discussion on this paper), the Board agreed to terminate the Link Maker contract ahead of its natural expiry date. It was however confirmed that the 'All about Me' sections created for the platform could still be used.

Engagement

A series of events was aimed at engaging with providers and children and young people throughout the programme to ensure that the programme was designed based on a clear understanding of the needs of the end-users and of the providers.

Provider engagement events

Engagement of service providers took several forms, of which 2 had particular prominence in the design phase of the joint commissioning approach and developing the outcomes framework. The first, as already mentioned, took the form of an outcomes framework working group. The second took the form of large provider events which were used to gather views of industry on some of the key components of the procurement approach.

The Board commended the success of the provider engagement events organised in the initial phases of the project, although it was requested that the invitation to the SLCP events was extended to the Board members. During the October 2018 engagement event, which recorded the presence of one Board member, the logic of the procurement process was presented to providers, which considered the overview comprehensive.

Other events continued to attract providers that engaged in fruitful discussions with the SLCP. For the September 2019 provider event it was proposed to hold a Lunchtime Panel in which Board members and the SLCP would answer providers' questions whilst encouraging networking activity. All the feedback received from these events was then used to inform the SLCP's strategy. In November 2019, the Operational Group also suggested that providers that were not on the APPA should still be invited to participate.

Discussions were also held with The Independent Children's Homes Association (ICHA) and the Nationwide Association of Fostering Providers (NAFP), which provided advice on the project. The involvement with ICHA and NAFP also ensured that these associations contributed to promoting a culture of higher standards among providers in relation to GDPR and IT – 2 of the contentious issues highlighted by the SLCP. However, the associations also noted how the use of frameworks in this context had become increasingly rare due to a number of factors including the importance of more informal relationships and the need for urgent response in the case of emergency placements. One of the associations, in fact, highlighted how providers might see their engagement in a framework contract as marginal in this field. The feedback received from the associations was then be used to plan and deliver a workshop event taking place in March 2020. Further to this, ICHA and NAFP were granted the opportunity to attend the SLCP board meetings (although not for all business items) in the latter stages of the project.

Providers were also asked to provide feedback on the APPA, which was discussed by the Board in February 2020. Aspects that were touched on by providers were the complexity of the tender, the pricing structure and discounts, and the Ofsted criteria for admission of bidders.

Children and young people engagement events

A looked after children's Reference Group was set up for the purpose of ensuring children and young people's contribution to the programme. The SLCP team regularly met with 50 young people in care, but reached 180 at various activities and events. The intensity of engagement with children and young people increased over time.

The contribution of children and young people was particularly important in shaping the frameworks and developing the 'All about Me' and 'All about Us' guides, in which the person in care and the host would respectively introduce themselves as a way of ensuring a good match. All member boroughs of the SLCP project have approved the use of these documents in the placement matching process moving forward.

Commissioning and procurement

During Summer, 2018, 4 main commissioning options were considered for the tender procedure:

- Do nothing
- A Joint Provider List
- An Integrated Framework Agreement
- A Dynamic Purchasing System

The Operational Group recommended that a Dynamic Purchasing System was followed. The Group outlined the main advantages of this model, including:

- Streamlining of the placement identification process

- Easy and secure communication and document sharing with providers and partner local authorities

- The ability to monitor and control the market

- Visibility of the provider market

It was thus recommended by the Operational Group in November 2018 that the Commissioning Working Group and the Procurement Working Group would be merged into one entity. In January 2019, the Board highlighted the need to get approval from Cabinet with regard to the commissioning report.

Discussions on the commissioning model continued, and in April 2019, the Board discussed the feasibility of adopting a Framework Agreement approach compared to a Dynamic Purchasing System model, with the aim to define the method used by June 2019. Eventually, a framework agreement was approved.

One of the discussion points around the tender specifications was the split between quality and price criteria. Consensus was eventually reached on a 60%-quality, 40%-price split. It was also agreed that the contract duration would be 8 years in total (with an initial period of 3 years). It was also decided that only Ofsted-rated 'good' or 'outstanding' providers would be allowed on the APPA. In case a provider received a 'requires improvement' rating, it was agreed that the provider would have to present an action plan but would not be automatically dismissed from the framework. In August 2019, the Operational Group confirmed that newly registered providers would have to wait for the outcome of an Ofsted inspection in order to be eligible to join the framework.

In August 2019, the Board confirmed their intention to publish an Invitation to Tender on 27 September 2019. It was also confirmed that all the boroughs would have to complete their own internal governance processes prior to accessing the APPA. The Legal Team also circulated the first draft of the APPA Terms and Conditions, detailing the obligations for those who intended to use the APPA.

Discussions were still ongoing around how to frame price increases (i.e. pricing fee inflation). It was suggested by the Board that one example could be the contractual working of the West London Alliance. This contributed to delays to the tender publication, which was firstly re-scheduled for the beginning of October2019, and then postponed to the end of the month.

In September 2019, the Board recognised the need to introduce a clause that would allow for the Outcomes Framework to be remodelled post-contract award. The drafts of

the legal documentation of the tender was circulated to the boroughs for sign-off. However, at this stage no performance indicators were included in the draft contract, and it was thus highlighted how any material changes to the contract terms could automatically trigger the re-procurement process.

It was at this stage that the Board also agreed on the entity of the discount rates. Minimum discount rate for long-term, sibling groups, and bulk placements were set at 5% each. The SLCP appeared keen to ensure that providers did not raise their initial prices as a result of the discounts being proposed. Work undertaken by the Operational Group found that providers had increased placement costs as a result of prices being held down by other frameworks, which were also seeing increasing use of spot-purchasing as opposed to framework usage.

The SLCP received 86 Expressions of Interest (EoI) for the contract in October, which increased to 151 in November 2019. The initiative has been published on the London Tender Portal, as well as many different websites, including the SLCP's website and social media page. The number of EoI received was below expectations; it was suggested that one of the reasons for this could be the Ofsted rating requirements, and the Board ensured that they would consider the recommendations received from NAFP and ICHA on this matter. Further to this, the Board decided to explore conversion conventions to extend the procurement to providers based in Wales and Scotland which are not subject to Ofsted ratings.

At the end of the tender period, a total of 92 providers bid to join the APPA out of 151 which provided an EoI. The Board understood that some providers had decided not to bid in consideration of the discount requirements. However, as prices were fixed under the specifications of the APPA, there was no room for negotiation with providers regarding pricing. In light of the results of the procurement, it was agreed that the SLCP would arrange a meeting in December 2019 to discuss pricing and that a comparison of the costs previously paid by the boroughs and the costs in the APPA would be carried out in February 2020. It was also later understood that the West London Alliance do not require cumulative discounts, as previously thought. In January 2020, the Board further explored the outcomes of the procurement. It was highlighted that certain providers were not shortlisted for the APPA due to safeguarding issues, or social value, GDPR, and IT concerns. Further analysis is still ongoing and might lead to a refresh of the tender drawing from the lessons learnt from this procurement exercise. The Board have however, underlined that re-opening the tender would potentially lead to further delays.

Annex II: Project theory of change

Figure 1: SLCP LAC Theory of Change
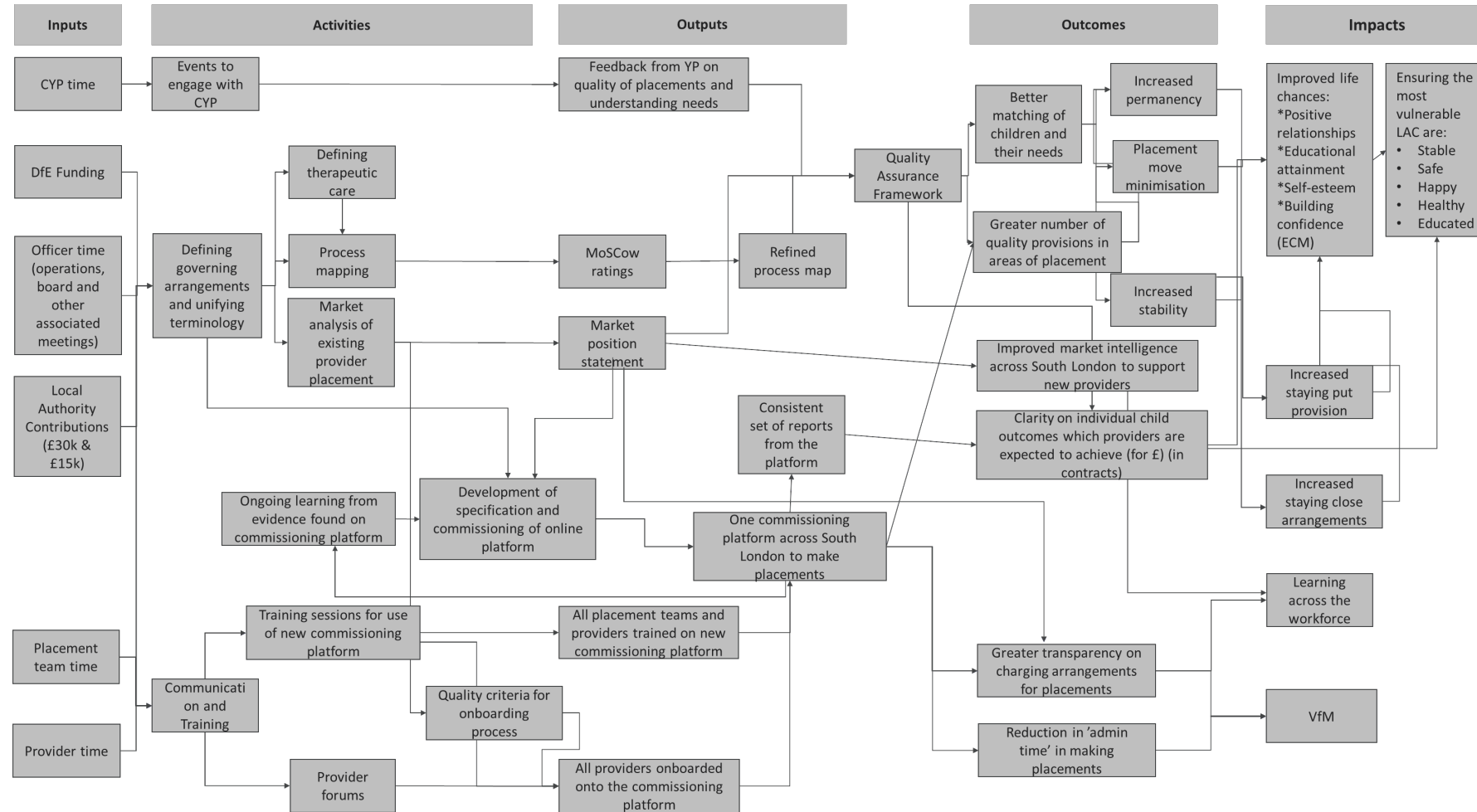
Source: SLCP project documentation; Consultation with SLCP project stakeholders. 2018

Annex III: Evaluation Questions Matrix

Criterion	Evaluation question	Assessment criteria	Methodology
Relevance	Has the project engaged service providers successfully? Has the project taken into consideration the views raised by service providers?	- How are providers engaged during the SLCP? - Are engagement opportunities used to highlight concerns with the proposed design of the SLCP commissioning framework? - How, if at all, are providers views and feedback reflected in the commissioning framework tender specification? - Has engagement with service providers resulted in high quality applications, as well as a high volume of applications? - Has the design of the new commissioning framework acted to encourage providers to submit innovative bids to join the framework? -	- In-depth interviews with project staff - In-depth interviews with Local Authorities' staff involved in engagement events - In-depth interviews with service providers
Relevance	Has the project engaged children and young people successfully? Have they been able to share their needs and opinions and to what extent have	- How have CYP needs been considered in the SLCP project? - What are the channels CYP have to raise their needs during the design phase of the SLCP project?	- In-depth interviews with project staff - In-depth interviews with LAC and young people participating in the engagement events

	these been incorporated in the design of the project?	- What types of problems have been encountered by the SLCP project in engaging with CYP over the course of the SLCP project? - Has the level of CYP engagement been in line with what was original planned for? - Has the SLCP made any changes to the SLCP project (scope or activities) as a result of feedback provided by CYP? - How engaged have CYP been in the selection of providers? How has this engagement occurred? - Has the SLCP clearly communicated its processes to CYP?	- In-depth interviews with Local Authorities' staff involved in engagement events
Relevance	Has the project engaged social workers and taken into consideration their views?	- How are social care workers' views on the SLCP and new commissioning framework gathered? - Have there been any changes in project (scope or activities) as a result of feedback provided by social workers? - How has the SLCP project engaged with social workers to better understand their way of operating and ways to incorporate this into the matching process?	- In-depth interviews with social care workers - In-depth interviews with project staff
Relevance	To what extent is the project aligned with the objectives of the children's social care innovation programme?	- Is the SLCP project expected to improve the life chances for children receiving help through the social care system?	- Literature review (rational of the programme and the project) - Analysis of monitoring data

		- Is the SLCP project encouraging the use of incentives and mechanisms for innovation in the social care sector? - How will the new commissioning framework deliver Value for Money for participating boroughs? - Has the project set up robust and adaptive governance arrangements for the delivery of their Innovation Programme project?	
Effectiveness	Has the project's progress been in line with the timeline? Have there been external or internal factors underpinning or hindering progress?	- Have the activities outlined in the delivery plan been completed on time or at the rate of pace expected at the outset of the project? - What factors have influenced the rate of pace in delivery the projects activities? - Were appropriate measures in place to mitigate against any delays in project delivery? - Have there been any unintended consequences for the project as a result of any delays to the project delivery?	- In-depth interviews with LA stakeholders (Board and operational group members) - In-depth interviews with project staff - Analysis of monitoring data
Effectiveness	Have the outputs produced so far been useful and relevant to achieve the expected outcomes? (Review of the outputs produced and decisions taken based on these)	- What are the completed outputs for each of the SLCP activities? - How are these relevant to the project aims and objectives? - Are there any stakeholders that the project has not engaged enough when creating these outputs?	- Review of outputs produced and decisions taken by the Board based on the outputs - In-depth interviews with Board members

		- Has the delivery of the SLCP project activities (or any outputs created) led to any early-outcomes, either for the local authorities engaging in the partnership of children being placed through the new commissioning framework?	
Effectiveness	What are the early indicators that the matching process for children has been improved with the new commissioning tool?	- How does the matching process differ from the existing process used by SLCP member boroughs? - What, if any, are the early indicators that the matching process for children has been improved through the new commissioning framework?	- In-depth interviews with CYP already placed through LinkMaker - In-depth interviews with care service providers. - In-depth interviews with project staff - In-depth interviews with placement teams (LAs) - In-depth interviews with social workers. - Analysis of monitoring data collected by the project staff
Efficiency	To what extent has the project provided learning across the workforce, and embedded this leaning within the commissioning processes?	- To what extent has the SLCP provided project staff, social care workers and placement teams with training opportunities (on or off the job) to harness new ways of commissioning placements for children and young people under the SLCP programme? - Have placement teams been trained to use the LinkMaker platform?	- In-depth interviews with service providers - In-depth interviews with project staff - In-depth interviews with social workers - In-depth interviews with placement teams within the boroughs

		- Have social care workers been provided guidance to engage with their CYP as part of the new matching process? - Is there evidence of cross-borough communication to facilitate more efficient and effective matching of CYP under the SLCP project? - To what extent has inclusion of different borough representatives brought about wider learning for other local authorities in the SLCP? - To what extent have learnings been disseminated across the SLCP workforce and been embedded in the commissioning processes?	- In-depth interviews with therapeutic care providers
Efficiency	To what extent were the governing structures in place fit for purpose, and roles and responsibilities clear? Have all LAs engaged sufficiently in the project?	- What contribution has the Project Board and Operational Group in the delivery of the project? - Are the governing structures in place adequate for the delivery of the programme? - Are the responsibilities between the Board and Operational Group clearly distinguished? - Do the Board and the Operational Group effectively complement each other? - Are all boroughs equally engaged in the project? Are there any boroughs that are more or less engaged?	- Analysis of monitoring data - In-depth interviews with LAs representatives (from the Board, the operational group and the different working groups) - In-depth interviews with project staff - Observation through attendance to meetings

		- How do member boroughs ensure active participation in Operational Group and Programme Board meetings? - What is the overall satisfaction with the way the project has been managed so far?	
Sustainability	Is the project aligned with the commissioning services developed by other LAs outside the South London partnership? Is there potential to scale up the commissioning solution to other LAs?	- What approach have other local authorities taken to commission residential care and IFA placements? - What approach have other joint commissioning partnerships taken to commission residential care and IFA placements? - To what extent has the SLCP consulted with other joint commissioning partnerships when designing their own commissioning approach? - Is the SLCP complementary to, or competing with, other sub-regional joint commissioning approaches? - Is the SLCP designed adequately to allow the onboarding of new London boroughs?	- Document review of solutions proposed/being used by other LAs - In-depth interviews with selected project managers / LA commissioning services

Annex IV: Approach to carry out an economic and impact evaluation

This note sets out our proposed approach to assessing Value for Money of the South London Commissioning Partnership project, as well as the potential for further assessment of the outcomes realised from the intervention post March 2020.

We propose using robust statistical analyses to carry out a Value for Money assessment of the SLCP. Under the SLCP, it is expected that there will be significant cost savings in placing children through both fostering and residential care homes. This is driven in part by:

A coherent and coordinated approach to placing children, with streamlined processes and shared learnings across the boroughs

A common marketplace where placement costs are transparent between providers and commissioners, thereby driving competition

It is therefore hypothesised that there will be cost savings across the boroughs, measured as a reduction in placement cost (£) per child being placed.

Value for money assessment in the short term (one year after intervention starts)

Proposed methods

Estimating the value for money of the South London Commissioning Partnership requires, first, an estimation of the impact of the intervention, i.e. an estimation of the savings due to the project being in place. There are many factors that may affect the cost of placements. However, there are some impact evaluation approaches that help evaluators estimate the amount of savings that are attributed to the project, as opposed to other external factors such as market prices, or internal factors such as the characteristics of the children being placed.

We have identified two methods which could be used to estimate Value for Money of the South London Commissioning Partnership: Propensity Score Matching and multivariate regression analysis. In our opinion, the best approach would be a combination of both methods. This would entail building comparison groups using propensity score matching and then developing econometric models for the groups created, or combination of groups. This approach, however, cannot be carried out within the timeline of this evaluation. That is why we propose a second option using multivariate regression

analysis only, by which we would create a single econometric model using data pre-treatment.

Below, we explain each of these methods, as well as the advantages and disadvantages of using one or another.

Propensity Score Matching with multivariate regression analysis

Propensity Score Matching (PSM) is a quasi-experimental research method which can be used to estimate the effect of receiving treatment when random assignment of treatments to subjects is not feasible. PSM matches treated and untreated observations on the estimated probability of being treated (propensity score). A matched set consists of at least one participant in the treatment group and one in the control group with similar propensity scores. The goal is to approximate a random experiment, eliminating many of the problems that come with observational data analysis.

In the case of the SLCP, the application of PSM to balance treatment and control samples, would involve matching children and young people based on their demographic and placement requirement characteristics (e.g. age, ethnicity, placed out of borough, therapeutic care included). The basic steps to propensity score matching are:

10.   Collect and prepare the data for the treatment and control groups.

11.   Estimate the propensity scores. The true scores are unknown, but can be estimated by many methods including: discriminant analysis, logistic regression, and random forests.

12.   Match the participants using the estimated scores.

13.   Evaluate the covariates for an even spread across groups.

Once we have established matched groups, we propose using multi-variate regression[17] analysis. Using pre-commissioning solution and post-commissioning solution data provided via the boroughs, we would propose using econometric methods to estimate the cost savings incurred by Local Authorities as a result of the new commissioning solution. This is set out in the regression model below:

$$\gamma = \alpha + \partial D + \delta X + \varepsilon$$

Where:

γ is the dependent variable, i.e. cost of a placement;

∂D is the dummy variable indicating whether a child was allocated to the treatment or control group.

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[17] Regression is a statistical measurement used in finance, investing and other disciplines that attempts to determine the strength of the relationship between one dependent variable and a series of other changing variables, known as independent variables.

δX are the coefficients associated with the market conditions during the period in which the child is placed; and

ε is the error term which represents the effects on placement prices which are not otherwise captured by the variables included in the model.

At the end of this annex we include a preliminary list of child and placement characteristics variables that treatment and control groups would be matched on. Also included is a list of potential market variables to be included within the econometric model. We would propose organising a focus group with placement teams and service providers to better understand the variables that influence the cost of placements, and fine-tune the matching process and the econometric model.

The model above aims to estimate the difference in the average mean placement costs between the two groups (whilst controlling for confounding variables) and therefore represents the average savings made by boroughs placing children and young people through the new commissioning model. The difference in average means is captured by the dummy variable coefficient, ∂.

At a high level, one would be able to provide cost savings estimates by using the estimate of average placement cost saving (dummy variable coefficient, ∂) and multiplying this by the number of children placed through the online platform from March 2020 until the end of the analysis/evaluation period. We foresee however, more substantial cost savings for subsets of placements. For example, it may be that there were large variations in placement costs for those providers offering therapeutic care before the programme and the SLCP solution has allowed for a convergence of placement costs between providers. As such, the cost savings for those placements may be more significant than the average placement. To undertake such analysis would require matching subsets of young people on the characteristic/variable in question. This however, would require a comparatively larger sample, which may not be feasible within the timeframe of data collection.

Data requirements

Data before the joint commissioning tool is in place to build the econometric model

To undertake a robust assessment of the Value for Money of the SLCP, we would require microdata (child-level data) for all of the placements carried out across all of the boroughs partaking in the SLCP in the period leading up to the launch of the joint commissioning solution. The more data one has, the larger the pre-intervention sample would be for the matching exercise. This has the effect of improving the closeness in matching of the propensity scores between the two groups (treatment and control).

Alternatively, should it not be possible for all boroughs to collect microdata, we could carry out the analysis for a selected sample of boroughs. In this case, it should be noted that the results could not be extrapolated to the other boroughs, and we would estimate the value for money for the selected boroughs only.

Post-programme

For a robust Value for Money assessment, we would ideally collect data on all participating boroughs once they are all operating through the online commissioning tool (or, alternatively, the selected sample of boroughs). This would cover an extended period such that sufficient numbers of children are placed through the online platform. The reason for this is that we hypothesise that a larger marketplace will encourage providers to price their placements more competitively and drive cost reductions which would represent savings for the Programme. It is anticipated the SLCP will have sign off on the commissioning and procurement framework by the end of August 2019, with evaluations of bids taking place in November and December 2019 and final contracts being awarded by March 2020. It is at this point that the SLCP will be fully operational and is anticipated to begin making significant cost savings. To undertake this Value for Money assessment, data would need to be collected through the online commissioning platform from March 2020 to build the econometric model and to carry out the matching process. The duration of this data collection period will be contingent on the number of children and young people placed through the online tool, which directly informs the matched sample size.

To ease the process by which this information is collected and shared across boroughs and with the evaluation study team, Linkmaker would be required to add a feature to the platform which allows administrators to request a download of the data from the online platform into a readable output, such as a CSV or XLS file.

Multivariate regression analysis

Our second approach to estimate value for money for the South London Commissioning Partnership is to **compare costs of placements made through the new commissioning solution** with a **theoretic cost** that would have been incurred by LAs **if the joint commissioning solution had not been put in place**.

This section explains our proposed method to calculate the **theoretic cost** of placements (cost of the placement if the joint commissioning tool did not exist).

We propose using multi-variate regression analysis[18]. Using historic data (pre-commissioning solution) provided via the boroughs, we would propose using econometric

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[18] Regression is a statistical measurement used in finance, investing and other disciplines that attempts to determine the strength of the relationship between one dependent variable and a series of other changing variables, known as independent variables.

methods to estimate the relationship between child and placement characteristics and placement costs, whilst controlling for exogeneous variables, i.e. market conditions. This is set out in the regression model below:

$$\gamma = \alpha + \beta X + \theta X + \delta X + \varepsilon$$

Where:

- γ is the dependent variable, i.e. cost of a placement;

- βX are the coefficients associated with each of the child characteristic variables;

- θX are the coefficients associated with each of the placement characteristic variables;

- δX are the coefficients associated with the market conditions during the period in which the child is placed; and

- ε is the error term which represents the effects on placement prices which are not otherwise captured by the variables included in the model.

As mentioned above, the Appendix included at the end of this document includes a preliminary list of child, placement and market characteristics variables that could be included within the regression. We propose organising a focus group with placement teams and service providers to better understand the variables that influence the cost of placements. This will be essential in fine-tuning the econometric model.

The coefficients estimated in this model would then be applied to the values held for each child placed through the new online commissioning tool. This would provide estimates of the placement costs for each child, had that child been placed under the current placement and commissioning model (i.e. the theoretic cost of placements).

These estimated **theoretical** placement costs would then be aggregated and **compared** to aggregated **actual** costs of placing those children under the new commissioning and placement model. The difference in costs represents the savings brought on through efficiencies in new placement practice and greater transparency between providers and comissioners.

This analysis could be taken a step further by, for example, testing if there are any systematic differences in placement costs across groups of children, segmented by their demogrpahic or placement type, e.g. by age or by those in therapeutic care.

Data requirements

Data before the joint commissioning tool is in place to build the econometric model

Data requirements for this approach are the same as for the PSM approach. The more data we have, the more robust the econometric model would be.

Post-programme

Data requirements for this approach are the same as for the PSM approach. The difference with the first approach is that the model could be built ex-ante, and therefore post-programme data would only be needed for the analysis.

Challenges and risks for a Value for Money Assessment

In carrying out the proposed method above, there are several key Challenges to overcome before any data collection and or analysis begins:

Timings: there is a risk that the time elapsed between full roll-out of the platform and time of analysis is too short to detect any reductions in cost of placements.

Sample sizes: the sample size requirements depend on the effect size of the programme on cost savings. If the programme induces relatively large cost savings effects, then a reduced sample size would not restrict any statistically significant findings. However, if this effect size is relatively small, then a larger sample size would be required to detect any statistically significant cost savings. Should the study team progress with this VfM assessment, a review of literature on the effects of joint commissioning models on cost savings would help inform sample size targets.

Quality of the econometric model: to calculate the estimated cost savings, it is essential that the econometric model has high explanatory power and is specified in the right way. Specification errors can arise through omitted variables from the model, including irrelevant variables, and using the incorrect functional form of included variables. Specification errors which arise during estimation could cause significant variance when predicting the cost of a placement. It should be highlighted that **this risk is higher if only ITS is used as a method, instead of a combination of ITS and PSM.**

Advantages and disadvantages of our proposed methods

The table below sets out the advantages and disadvantages of our proposed methods.

Method	Advantages	Disadvantages
Propensity Score Matching	PSM can be employed to reasonably estimate the causal effect of a treatment by removing selection bias.	PSM requires a large sample with high dimensionality; such high dimensionality observations are

| | | sometimes not available in real life situations where PSM can be useful.

PSM might increase the bias due to matching as it does not account for dormant and unobserved confounding variables.

PSM cannot account for time variant variables, for example, changes in the market conditions. Using a follow-on multivariate regression will try to mitigate against this limitation however. |
|---|---|---|
| Multivariate regression analysis | Assuming the econometric model has been correctly specified, multivariate regression analysis can control for time varying factors, such as market conditions. | Regression methods impose a form on relationships (usually linear) which may or may not be accurate |

Assessment of value for money in the medium-long term (measuring outcomes for children)

This section introduces a method to calculate the value for money of the project in the medium-long term (after one year of the commissioning platform being run), through a Cost-Benefit Analysis (CBA). The current timings of the evaluation funded by the Department of Education do not allow for this approach to be carried out.[19] However, such analysis could be carried out by the project staff or external consultants. The purpose of this note is to outline a methodological approach to conduct the analysis, as well as to raise awareness on the data collection requirements.

Definition. Cost-benefit analysis (CBA) is a method of evaluating the net economic impact of public interventions. The aim of CBA is to determine whether an intervention is desirable from the point of view of social welfare, by means of the algebraic sum of the time-discounted economic costs and benefits of the intervention. CBA entails identifying, evaluating and monetising the expected economic, environmental and social benefits and costs of proposed public initiatives. A measure is considered to be justified where net benefits can be expected from the intervention.

Purpose. CBA can be used ex-post to assess value for money of an intervention. In Impact Assessment (IA), CBA can be used to compare various options in order to determine not only whether they provide net benefits, but also which option offers the best benefit-cost ratio. CBA is only feasible and useful when most significant costs and benefits can be quantified and monetised, and when there is a certain degree of choice as regards the extent to which objectives should be met (as a function of the costs associated with the proposed measures).

Process. Typically, a CBA of a project or intervention is undertaken in the following key steps:

1.   Estimate costs and benefits: One needs to consider both direct / internal and indirect / external costs and benefits, quantify and monetise them to the greatest extent possible.

2.   Discount costs and benefits: Discounting is used to compare costs and benefits that occur in different time periods and is based on the principle that, generally, people prefer to receive goods and services now rather than later. The HMT Green Book Guidelines recommend using a standard discount rate of 3.5%.

3.   Estimate gross value added (GVA): GVA is an indicator of wealth creation that measures the contribution to the economy of each individual producer/industry/sector. Where the benefits accrue in the form of e.g. improved educational attainment amongst

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[19] Final Report of the Evaluation will be submitted in March 2020

children and young people, it is necessary to convert this to GVA to demonstrate its impact on the economy as a whole.

4.   Calculate additionality: A number of confounding factors may apply (including deadweight, leakage, substitution, displacement, multiplier effects) and need to be accounted for to arrive at a solid measure of additionality of an intervention.

5.   Calculate net present value (NPV): The NPV is calculated by subtracting the discounted costs from the discounted benefits (after additionality is taken into account). The NPV is the primary criterion for deciding whether government action can be justified or for comparing options for an intervention.

6.   Assess risks and uncertainties: Finally, risk and/or sensitivity analysis should be applied where significant uncertainties exist.

What are the expected outcomes of the programme?

Through examination of programme documents, including the business case, as well as consultations with SLCP programme participants, we have drafted an intervention logic model which maps out the inputs of the programme, through to the outcomes and long-term impacts for various stakeholders.

The project aims are predominantly directed at improving outcomes for children and young people, with wider benefits felt across local authorities (including cost savings, as above), service providers and social care workers through a unified approach to referring, placing and caring for children and young people.

Once the IT commissioning platform developed by Linkmaker goes live and is operational across all SLCP boroughs with the features developed by the project (e.g. referral form, agreements with service providers, etc.), children placed through the new system are expected to experience improvements in outcomes in the medium and long term (3-5 years) in the areas of care, education and health, according to the outcomes framework[20] developed by the project.

In addition, the project expects to achieve the following outcomes felt more broadly across a wider array of beneficiaries in the fostering and residential care service market:

- Improve outcomes for CYP, in areas such as building positive relationships, educational attainment and achievement, healthy lifestyles and building self-esteem;

- Ensuring the most vulnerable LAC are stable, safe, happy, healthy and educated;

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[20] It should be noted that the outcomes framework is still under development as part of the outcomes framework working groups' activity.

- Increase placement stability and staying put provision through the use of an integrated commissioning solution;

- Increased provision of high-quality and outcomes-focused placements;

- Increased staying close arrangements;

- Improved matching of suitable and sustainable placements to CYP needs, enabled through streamlined processes which allow for more targeted referrals;

- Improved market intelligence across South London to support new providers entering the market;

- Learning and sharing best practice across the workforce;

- Reduction in Local Authority placement costs enabled by a stronger relationship with the market and increased transparency of service providers' placement price points and provisions; and,

- A joint approach to sufficiency planning to ensure longer-term supply.

Which outcomes can be included within a cost-benefit analysis?

Any outcomes that can be realised and measured within one year are subject to be included in the CBA. Data could be provided via official statistics (e.g. SSDA903 returns), LAs monitoring records, or surveys to LAC and young people placed before and after the commissioning tool is in place, or a combination of data sources. Each option has different limitations and costs.

Below is a list of potential outcomes which may be realised within one year of the platform going live and therefore suitable for inclusion within a cost benefit analysis. This list is included here for illustrative purposes only. It would need to reviewed via a participatory approach (with the SLCP project staff and LAs representatives).

Outcome of interest: Reduction in young people classed as missing (defined as not at their placement or the place they are expected to be (for example school) and their whereabouts is not known).

Data source for measurement: available in SSDA903

Outcome of interest: Increased proportion of children looked after who are placed within the local authority's boundaries.[21]

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[21] It should be noted that some children may be required to be placed outside of their 'home' borough due to external risks they may face – examples include proximity to gangs, proximity to family members where domestic abuse has been reported, etc. This will need to be controlled for within the proposed estimation methods.

Data source for measurement: available in SSDA903

Outcome of interest: Number/proportion of unauthorised school absences (under-17s) or Number/ proportion of young people (within a specified age group and over a given time) who are in Education, Employment and Training (EET) (over-17s).

Data source for measurement: available in the National Pupil Dataset for under 17s and SSDA903 for care leavers

Outcome of interest: Number and proportion of re-referrals (defined as children referred to children's social care within 12 months of a previous referral)

Data source for measurement: CIN national data

Counterfactual or (quasi) experimental impact evaluation

To undertake a robust cost-benefit analysis which can calculate the net economic benefit of the SLCP Programme, a counter-factual impact evaluation is needed. This is aimed to estimate the benefits on children and young people that are attributed to the project.,

Definition. Counterfactual impact evaluation (CIE) techniques measure the net effect of a given policy, programme or project. The key concept in the CIE techniques is the understanding of impact which refers to the difference in the indicator of interest with the intervention and without the intervention. The main challenge of this method is precisely how to identify the counterfactual value in a rigorous manner. The counterfactual situation is hypothetical, thus can rarely (or never) be observed. However, effects and impacts can be inferred, as long as the available data allows a credible way to approximate the counterfactual. Thus, CIE techniques either design an intervention with otherwise identical treatment and non-treatment groups to isolate its effects, or develop the counterfactual ex post facto by taking advantage of 'natural' experiments, cut-off points or statistical techniques.

Purpose. CIE techniques seek to find out if a policy caused a particular outcome to occur. If used appropriately, they can be a credible and useful tool for understanding effects of the policy and its role in supporting change. In other words, the CIE techniques can successfully address the question of attribution of a certain policy, programme or project in the evaluation.

Process. CIE techniques require both a measure of the outcome and a means of estimating what would have happened without the policy. This could involve using:

Quasi-experimental designs (QED) –shares similarities with the traditional Randomised Control Trial (RCT), but it specifically lacks the element of random assignment to treatment or control. Instead, quasi-experimental designs typically allow the researcher to

control the assignment to the treatment condition, but using some criterion other than random assignment (e.g., an eligibility cut-off mark). QEDs allow the selection bias to be modelled using regression or matching:

Propensity Score Matching (PSM) – is a matching technique involving predicting the probability of an individual belonging to treatment or control through a scoring system (made up of several variables) so that treatment individuals can be matched to control individuals on the basis of an equal, or near equal score.

Exploiting time trends (Difference-in-difference) – requires observations on years before and after the beginning of the treatment. In order to distinguish the treatment effect from other influences the treatment group is compared to control group before and after the beginning of the treatment.

Regression Discontinuity Design (RDD) - this method is applicable when the eligibility for a programme is determined by a rule of the following type: those above a certain threshold are eligible for the programme, while those below are not eligible (or vice versa).

Synthetic control groups - It involves the construction of a weighted combination of groups used as controls, to which the treatment group is compared. Unlike difference in differences approaches, this method can account for the effects of confounders changing over time, by weighting the control group to better match the treatment group before the intervention.

Instrumental variables - This method is relevant when the exposure to a policy is not determined only by the decisions of the individuals involved, but also, to a significant degree, by events and processes outside their control. This involuntary variation (instrumental variables) allows a way to eliminate selection bias.

Alternative methods (without comparison groups):

Interrupted Time Series (ITS) – attempt to estimate counterfactual from a forecast or projection of the outcome measure derived from the pre-policy history, and compares it with the actual outcome.

Once this analysis has been conducted, we would obtain a quantification of the benefits of the programme, such as: number of placement breakdowns avoided, difference in education attainment level, mental health, etc.

How can impacts be monetised?

By using the administrative datasets listed above, as well as data collected through individual boroughs, we can illustrate the 'state-of-play' in each outcome area before the

programme. In the case of the SLCP, that would be data covering the period Nov 18' – Nov 19'. We recognise however, that the period of coverage for some administrative datasets do not align with the timings of the intervention.[22] This may limit the viability of some datasets in any analysis as they may not accurately reflect the true picture of the specified outcome area before and/or after the intervention. This will require further investigation, should a CBA be the approach taken by the SLCP.

Each of the outcomes of interest will need to be translated into a monetary value (£), using estimates included within established cost benefit models. Such examples of these types of models include the New Economy Model which has been used in the Greater Manchester combined Authority; the Cost Calculator developed by the University of Loughborough; and the Troubled Families Cost Savings Calculator, published by the Ministry of Housing, Communities and Local Government (MHCLG). All of these models include data on the costs of an intervention, such as staffing, training, travel and accommodation/respite, and also include estimated on costs avoided vis-à-vis outcomes relating to education of young people excluded from schools and needing to address domestic violence, amongst others.

These outcome areas can then be compared to the 'state-of-play' post-intervention, via the data proforma collected through the online platform and through official statistics.

This approach should allow for a comparison of costs avoided, which would be seen as a net economic benefit of the programme vs. BAU. These benefits, including the cost savings to local authorities (see above), would be divided by the costs of the programme (e.g. financial allocation and staff time used in developing and implementing the SLCP), to calculate a cost-benefit ratio.

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[22] The SSDA903 returns cover the period April 1st – March 31st annually.

List of independent variables for regression analysis

The following child and placement characteristic variables have been taken directly from the data proforma which lists the variables being collected through the online commissioning tool once 'live'. It is not yet clear which of the below variables have been collected before the SLCP programme goes live.

Child characteristics

Variable name	Type of variable	Available pre-programme data?	Available post-programme data?
Child age	Continuous	TBC	
Gender	Categorical	TBC	
Ethnicity	Categorical	TBC	
UASC status	Categorical	TBC	
Reason why child came into care (presenting need)	Categorical	TBC	
Number of missing episodes	Continuous	TBC	
Female Genital Mutilation	Categorical	TBC	
Child sexual exploitation	Categorical	TBC	
Number of placement breakdowns	Continuous	TBC	
Number of siblings	Continuous	TBC	

Placement characteristics

Variable name	Type of variable	Collected pre-programme	Collected during programme
Borough making the placement	Categorical	TBC	Yes

Placement type (residential, fostering)	Categorical	TBC	Yes
Placement within LA boundary	Categorical	TBC	Yes
Who has requested for a change in placement	Categorical	TBC	Yes
Reason why a change of placement	Categorical	TBC	Yes
Distance from home	Continuous	TBC	Yes
Type of provision (Private, voluntary, etc.)	Categorical	TBC	Yes
Planned emergency placement	Categorical	TBC	Yes
Legal status (full care order, single period of accommodation, etc.)	Categorical	TBC	Yes
Length of placement (months)	Continuous	TBC	Yes
Education components	Categorical	TBC	Yes
CAMHS involvement	Categorical	TBC	Yes
Therapeutic support required	Categorical	TBC	Yes
Permanency plan	Categorical	TBC	Yes
Tri-partite funding	Categorical	TBC	Yes

Any additional add-ons	Unknown	TBC	Yes

Market Characteristics

Variable name	Type of variable	Collected pre-programme	Collected during programme
Market share of service provider (number of placements offered as % of total placements on offer in borough)	Continuous	TBC	Yes
UK House Price Index	Continuous	Yes	Yes
Number of children being placed (Index, base 100 = 2009)	Continuous	TBC	Yes
Exogeneous factors (such as inflationary pressures on staffing costs)	Multiple	Yes	Yes
Quality of residential care provider (Ofsted rating)	Continuous?	Yes	Yes
Household Costs Indices	Continuous	Yes	Yes