

LETTER OF APPOINTMENT AND CONTRACT TERMS

Part 1: Letter of Appointment

Dear Sirs/Madams

Letter of Appointment

This letter of Appointment dated 17th August 2021, is issued in accordance with the provisions of the DPS Agreement (RM6018) between CCS and the Supplier.

Capitalised terms and expressions used in this letter have the same meanings as in the Contract Terms unless the context otherwise requires.

Order Number:	[REDACTED]
From:	The Independent Review of Children's Social Care on behalf of The Department for Education (the "Customer")
To:	Alma Economics (the "Supplier")

Effective Date:	23 rd August 2021
Expiry Date:	End date of Initial Period: 31 st January 2021 End date of Maximum Extension Period: n/a Minimum written notice to Supplier in respect of extension: 1 month

Services required:	Set out in Part A -Specification of the DPS Agreement and refined by all of the following: Annex A - the Statement of Requirements Annex B - the Supplier's Proposal Annex C – the Price Schedule
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Key Individuals:	<u>For the Customer:</u> [REDACTED] <u>For the Supplier:</u>
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	[REDACTED]
Guarantor(s):	N/A

Contract Charges (excluding VAT, but including all other expenses related to Contract delivery):	£191,000
Insurance Requirements	See RM6018 Research Marketplace Contract Terms.
Liability Requirements	See RM6018 Research Marketplace Contract Terms.
Customer billing address for invoicing:	Department for Education Sanctuary Buildings Great Smith Street London SW1P 3BT

GDPR	See Contract Terms, Schedule 7
Alternative and/or additional provisions (including Schedule 8 (Additional clauses)):	Contract Terms Schedule 8 (Additional Clauses): 1 Safeguarding Children and Vulnerable Adults 2 Project Outputs 3 Departmental Security Standards for Business Services and ICT Contracts

FORMATION OF CONTRACT

BY SIGNING AND RETURNING THIS LETTER OF APPOINTMENT (which may be done by electronic means) the Supplier agrees to enter a Contract with the Customer to provide the Services in accordance with the terms of this letter and the Contract Terms.

The Parties hereby acknowledge and agree that they have read this letter and the Contract Terms.

The Parties hereby acknowledge and agree that this Contract shall be formed when the Customer acknowledges (which may be done by electronic means)

the receipt of the signed copy of this letter from the Supplier within two (2) Working Days from such receipt

**For and on behalf of the Supplier:
Customer:**

For and on behalf of the

Name and Title:

[REDACTED]

Signature:

[REDACTED]

Name and Title:

[REDACTED]

Signature:

[REDACTED]

Date: 18th August 2021

Date: 18th August 2021

ANNEX A

Statement of Requirements

INTRODUCTION/BACKGROUND

The Independent Review of Children's Social Care began on 1 March 2021. The review is asking **how we ensure children grow up in loving, stable and safe families and where that is not possible care provides the same foundations**. Underpinning this, the review will need to understand how money should be best spent to deliver improved outcomes for children and families.

It is therefore essential that we understand the immediate and lifelong cost to individuals, the state and society of adverse outcomes of children who interact with the care system and how money is currently being spent.

The review has committed to being evidence-based, using the most appropriate research and evidence, and will commission and carry out new analysis where appropriate. Where recommendations require spending they will be fully costed, with (as far as possible) the impact and benefits understood and expressed in costed terms.

This work will be broken down into two elements of work:

- Calculating the cost of the current system - including understanding the costs of adverse outcomes and the structure of current spending on children in and around the care system. To be completed by September 2021.
- Estimating and modelling the cost-effectiveness and value for money of the review's recommendations – to be completed by January 2022.

PURPOSE

The cost of the current system: estimating the cost of adverse outcomes and understanding when money is currently being spent

The aims of this analysis are to:

- Understand the poorer immediate and lifelong outcomes of children who are in receipt of support from children's social care in England, when compared to their counterparts. This includes education, employment, health, homelessness, criminal and other human or financial poorer outcomes and to quantify these adverse outcomes.
- Where possible, and in-line with HMT Green Book Guidance, calculate immediate and longer-term or lifetime costs to the individual, the state and society of these poorer outcomes.

- Estimate a total cost of adverse outcomes of all children in receipt of children's social care support in England per year (taking into account any double counting).
- Understand how much money the state currently spends on this cohort of children, where the money is going and how it is being spent.

This analysis will:

- Help to quantify poorer outcomes of children and young people, and help to communicate a compelling case for change.
- Allow us to understand the full fiscal and economic costs associated with vulnerable children supported by children's social care and where the money is currently going.
- Provide a business-as-usual counterfactual when establishing the impact of the review's recommendations and carrying out cost-benefit and value for money analysis of the review's findings.

The outputs will include:

- A model which quantifies adverse outcomes, assigning costs to i) the individual, ii) the state, iii) society of these outcomes, and an overall cost taking in to account any double counting. Completed by September 2021.
- A breakdown of current structure of spending on children in and around the care system.
- A supporting report of the findings.

Analytical considerations:

The review will recommend good sources of research and analysis on outcomes for children who interact with children's social care to include in this analysis.

Where possible, the analysis should be disaggregated by level of intervention. For example, comparing the cost of adverse outcomes for children referred who require no further action, children in need, children in care, adopted children, etc.

The comparator group for the analysis will need to be considered and agreed (e.g. compared to the average individual in the UK, those who haven't interacted with the care system, those on the edge of care, etc).

It may not be possible to determine the adverse outcomes that are attributable to the care system, this is because there may be other factors (such as experiences before a child is on a child in need plan, or child protection plan) which may also lead to an increased likelihood of poorer outcomes.

It is important that analysis carefully distinguishes fiscal from economic or social

costs of adverse outcomes and distinguishes direct and immediate from longer-term costs.

Calculating the cost-effectiveness and value for money of the review's recommendations

The aims of this analysis are to:

- Develop a set of scenarios and a modelling framework that will allow the review's recommendations to have a cost benefit analysis and to be tested as they are being developed.
- Calculate or estimate the cost of the review's recommendations.
- Use the analysis above and a theory of change provided by the review team as an input to the framework for scenarios, estimate the savings/income to the individual, the state and society.
- Estimate the cost-benefit ratio of the review's recommendations and their value for money where there are multiple options of achieving the same outcome(s).

This analysis will:

- Provide evidence of the expected impact of the review's recommendations.
- Provide evidence of the cost-effectiveness and value for money of the review's recommendations.
- Allow the recommendations to be compared.

The outputs will include:

- A model that allows different scenarios to be tested and which quantifies the cost-benefit and value for money of recommendations (individually and in total – if possible). Completed by January 2022.
- A supporting report of the findings.

Analytical considerations:

The review will recommend good sources of research and analysis on outcomes for children who interact with children's social care and the expected benefits of interventions to include in this analysis.

The timeframe of this analysis will need to be considered and agreed with the review team (e.g. 5 years, 10 years, life-time of a child).

If possible, the total cost and benefit of the review's recommendations should be estimated.

Limitations

The analysis will be dependent on the availability of good quality, robust evidence and research. This includes the evidence of poorer outcomes across a range of lifelong outcomes, if/how other factors (such as poverty) are controlled for, being able to quantifying these outcomes, and ensuing that there is no double counting.

The analysis will also depend on a robust theory of change for each recommendation, being able to monetise outcomes, and calculating an accurate figure for the cost of each recommendation.

Evidence from different sources will be used, and so the analysis will need to be clearly caveated, with any proxies and all assumptions clearly explained.

Governance

This work will be overseen by the Independent Review Team which will work closely with the Alma team. The project will be led by a Senior Officer from the team with oversight from a Grade 6 and contractual support from the Review's Strategy and Delivery Team. Together, the Review team and Alma will refine the scope of the analysis and the analytical approach, and develop a sensible and achievable work plan. The Review team will monitor progress and offer constructive challenge and support.

Management Information

The Alma Economics team will be asked to provide regular updates to the Care Review team, via management information and regular check-ins on progress. The Review Team will be seeking reassurance and demonstration of achievements towards the KPIs through monthly formal performance conversations. These meetings will also provide opportunities to discuss next steps and to agree any changes or developments to the approach to the project; escalating issues and resolving problems. However, given the pace of the project and it's interdependencies with other elements of the review, it is likely that there will need to be more frequent meetings.

KPI's

KPI1	Work on the cost of the current system completed by end September 2021
KPI2	Full documentation and training provided on the cost of adverse outcomes analysis to the Research and Analysis unit within the Review Team by October 2021
KPI3	Work on the cost benefit analysis of recommendations completed by end January 2022

KPI4	Full documentation and training provided on benefit analysis of recommendations to the Research and Analysis unit within the Review Team by January 2022
KPI5	The project milestones are monitored and reported back to the Review Team on a monthly basis, with informal meetings in between
KPI6	The analysis is robust and fulfils the specification in the ITT

Contract Management

Alma Economics will be supported by a nominated contract manager from within the Care Review team. The contract manager will be responsible for monitoring KPIs and objectives and working with the contractor to ensure high quality delivery of the outputs of the project, through the management information provided and via regular check-in meetings. It is expected that the contractor will comply with all requests for information promptly and thoroughly.

Supply Chain

It is not anticipated that this tender will require or demand any third party suppliers. If the tenderer believes that this will be necessary, they should set out clearly why and what provisions they intend to make for these arrangements in their bid document (under the 'project delivery' heading).

ANNEX B
Supplier Proposal

Mobilisation Plan

[REDACTED]

Consolidated Declaration

[REDACTED]

Technical Questionnaire

[REDACTED]

ANNEX C
Price Schedule

[REDACTED]