

Meeting:	Cabinet
Meeting date:	Tuesday 1 December 2020
Title of report:	Supported accommodation for care leavers – Development of a local framework
Report by:	Cabinet Member for Children and Families

Classification

Open

Decision type

Key

Wards affected

(All Wards);

Purpose

To approve the procurement and launch of a new local framework for the arranging and purchase of support and accommodation for care leavers and some looked after children who are 16+ years old. The services purchased via the framework will support young people to secure accommodation and develop their skills and resilience and provide opportunities for training and employment, engagement with relevant services and participation in their communities, to enable them to move towards independent living.

There are currently limited options for accommodating care leavers and 16 and 17 year old looked after children in Herefordshire. There is a reliance on “out of county” specialist placements, spot purchased at significant cost, and of varying quality. There are also gaps in support for young people at risk of homelessness. Young people require safe and affordable accommodation, aligned to support towards increased independence, underpinned by realistic opportunities for learning and work.

It is proposed this procurement process will commence in January 2021, with procurement evaluation, confirmation of contract, placement arrangements and administrative processes taking place over February and March 2021. There will be a soft launch of the framework on 1 April 2021. A review will take place in June with the aim of a fully operational framework by 1 July 2021.

The new framework will complement newly commissioned accommodation and support services for care leavers and vulnerable young people and support the vision and principles of the looked after children and complex needs placement sufficiency strategy 2019-2024. The placements will be led by the needs of the young people to achieve positive outcomes. The local framework will support the strategy to address the sufficiency, quality and sustainability of appropriate placement provision as well as value for money in Herefordshire.

Recommendation(s)

That:

- (a) a local framework be established for arranging and purchasing support and accommodation for care leavers and 16 plus looked after children be approved. And**
- (b) Conformation of the detailed terms and operating arrangements for the framework to be approved by the director for children and families, in consultation with the cabinet member for children and families.**

Alternative options

1. Not to establish a procurement framework for accommodation and support for care leavers and looked after children over 16 years of age. This option is not recommended as the council would not then have an opportunity to exert any control over the price and quality of accommodation or support placements for care leavers or looked after children (LAC) over 16 years of age. It would limit opportunities to promote and develop a more effective local accommodation and support market and would continue reliance on the regional framework which has not been effective for Herefordshire.
2. To establish a framework only for support of young people and rely on the council sourcing accommodation separately. This option is not recommended as although this approach would be preferred in the medium term, there is not sufficient availability of accommodation presently to enable a support only framework to be viable.

Key considerations

3. The framework will focus on providers able to offer services in Herefordshire to support young people's continued contact with social and family networks and community participation. The design and operation of the framework will seek to balance continuity of established local providers with regular refreshment of new providers able to join the local market.
4. The new framework for accommodation and support is part of a wider re-shaping and development of the market for provision in this sector. A new accommodation based support service for care leavers with complex needs has been established in a city centre building acquired for the purpose by the council in 2019. Redesigned services for vulnerable young people including mediation, outreach and accommodation are being commissioned to launch in February 2021.
5. An enhanced local offer of appropriate accommodation will allow vulnerable young people to remain close to their local connections and ensure they receive the support and opportunities to successfully transition into adulthood, whilst providing a cost effective service in county. The ability of the framework to operate will be reliant on the number of providers expressing their interest to join and meet the criteria for acceptance. The

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numbers on the framework will be limited to ensure the council has the ability to assert control over quality and price.

6. The data in the chart below shows the number of out of county placements as at 9 October 2020.

Type Of Placement Out of County	Children 16-17	Care leavers	Total
Residential	13	1	14
Fostering	4	2 Staying Put	6
Supported Accommodation	1	18	19
Overall total out of county placements.			39

7. At the time of writing there were no active placements made through the regional framework.
8. The local framework will create an opportunity for collaborative working between providers and the council to effectively develop a portfolio of appropriate and safe accommodation in Herefordshire. The framework will ensure that only providers who meet all the criteria set will access and remain on the framework. Those accepted will be in a position to apply through a mini competition to offer their service(s) of accommodation and/or support. Any provider failing to consistently bid for work will be removed from the framework, allowing the opportunity for new providers to join.
9. The current data on young people's accommodation and support needs reflects a recent trend of the decline in numbers of young people with moderate support needs. The data for the next two years shows a focus on those with light touch or complex/very complex support needs. The increased trend in demand among those with complex or very complex needs is reflected nationally by other authorities and providers of supported accommodation. The Department of Education published national data for care leavers in 2018/19 that indicated that 6% of those aged 19 to 21 years were in unsuitable accommodation with 360 homeless or of no fixed abode and 200 residing in emergency or bed and breakfast accommodation. Nationally 20% of all newly looked after children were 16 to 17 year olds, up from 18% in the previous year. This includes those accommodated under Section 20 due to homelessness and unaccompanied asylum seeking children (UASC).
10. Analysis work to forecast the needs of local care leavers has been undertaken. The data below identifies what the accommodation and support needs of the looked after population are likely to be when they become care leavers (turn 18). 48 current children looked after are identified as reaching 18 in the period from Spring 2020 to February 2022. Their likely accommodation needs are summarised below:

Type of need	Profile	Numbers	Anticipated accommodation demand
Light touch	Young person may need help to find appropriate accommodation and floating/light touch support tapering off over time.	27	Very Likely = 0 Likely = 3 Possibly = 3 Not very likely = 21
Moderate	Care leavers who present as homeless requiring accommodation and support to become independent. Support typically involves open door accommodation in a managed environment to transition to independence.	8	Very Likely = 0 Likely = 1 Possibly = 6 Not very likely = 1
Complex	Young people with chaotic or high risk behaviours. Substance misuse, undiagnosed or untreated mental health needs, antisocial behaviour, offending and vulnerability to criminal or sexual exploitation.	3	Very Likely = 0 Likely = 0 Possibly = 3 Not very likely = 0
Very Complex	Presenting risk to themselves or others, escalating to self-harm, suicide risk and/or significant violence. May also have undiagnosed or untreated mental health need and history of offending	10	Very Likely = 2 Likely = 4 Possibly = 3 Not very likely = 1

11. It is proposed that the new local framework runs for an initial period of four years, with options to review after years 2, 3 and 4. The length of the purchases (call-offs) will be appropriate to the needs of the young people and reflect value for money. A policy framework will set out the formal decision making for call-off contracts for accommodation/and or support. Awards will be based on a set of objectives and criteria and the terms of award made clear and transparent. The framework agreement will not itself commit either party to purchase or supply, but the procurement to establish a framework agreement is subject to procurement rules. It is proposed the operation of the framework will involve mini-competitions and award notices for call-offs published.
12. Measures which will contribute to this are that the proposed framework would enable providers to apply under one or more of three categories; accommodation and support, support only or accommodation only. Providers would have to demonstrate that they had capacity to deliver services locally at fairly short notice and satisfy the council's standards for quality, health and safety, safeguarding and other requirements. Success for a provider in a mini-competition would result in award of a specific contract to purchase an individual service or placement, using a contract format standard to the framework. The

use of such measures must be balanced with factors which attract providers to offer services locally and encourage competition.

13. The criteria set will support the appointment of the most suitable provider, to include selective matching, where it is in the best interest of the young person, to secure appropriate support for all needs, including complex or high risk cases. Whilst there will be a standstill period following the procurement of the framework, no standstill period is required for a call-off contract under a framework. The expertise and experience of Childrens Services will be required to call-off successful providers by matching and securing placements which can be awarded throughout the period of the agreement created through acceptance onto the framework.
14. In accordance with legislation organisations and projects that receive public money above a certain financial threshold, (over £663k) for the duration of this framework (4 years), must be published through the Official Journal of the European Union (OJEU). Suppliers access this website as a gateway to search for new business opportunities.
15. A small number of new commercial support providers have launched within Herefordshire in the last two years and at least one substantial voluntary sector provider based elsewhere has established itself locally. Consultation with the market has found interest from some registered housing providers and national children's charities. This offers sufficient evidence and viability that there is potential to procure a local framework to offer accommodation and support to care leavers.
16. Following advice from the Children and Young People Scrutiny Committee the introduction of the framework will be phased over a period of months in 2021. Following an initial soft launch in April 2021, the framework will operate in simple form and in parallel with existing placement and purchasing arrangements for three months. From July 2021 it will then operate more fully as the only route for purchasing accommodation and support for young people. This phased approach will support the opportunity for new providers entering the market to source accommodation and/or support. The soft launch period will allow time to successfully meet the objectives of quality control and the intricate balance of a pricing structure that will offer value for money in a profit driven sector dominated by private companies. The soft launch of the framework may coincide with the delayed findings from a government consultation on unregulated provision that considers proposals including national quality standards and expanded powers for Ofsted.
17. The quality standards currently set out in the spot purchase supported accommodation for looked after children aged 16+ have been reviewed and will be updated to support the quality standards of the new local framework, yet incorporating any proposals made in the government's delayed guidance and legislation currently lacking in this unregulated sector.
18. In proposing this framework the council will give due regard to all aspects of social value as defined in the Public Services (Social Value) Act 2012. This will include any opportunities for social value to enhance the wider benefit to the community and look at incorporating key elements into the procurement process and management of placements, in line with the council's procurement and commissioning strategy. There should be opportunities for young people to volunteer as part of pathways to training and employment.
19. The framework will be procured via an open bidding process, which will require bidders to demonstrate their capacity and availability, their prices and compliance with quality standards and other requirements. Care leavers and other young people will be involved in the process. The design, governance and procurement timetable will be as follows:

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20.

Activity	Timetable
Finalising framework proposals	October 2020
Governance and cabinet decision	November 2020
Complete governance and finalise specification and procurement process	December 2020
Framework procurement process	January 2021
Procurement evaluation and confirmation	February 2021
Confirmation of contract and placement arrangements and administrative processes	March 2021
Framework soft launch	1 st April 2021
Review operation of framework, quality standards and detailed processes.	1 June 2021
Framework fully operational	1 July 2021

Community impact

21. The council's County Plan 2020/24 has set out the key ambitions for Herefordshire over the next 4 years, and how these will be achieved. These ambitions are: Environment – protect and enhance our environment and keep Herefordshire a great place to live. Community – strengthen communities to ensure that everyone lives well and safely together. Economy – support an economy which builds on the county's strengths and resources. The adoption of an accommodation and support framework will improve services which support the wellbeing and mental health of residents, with an emphasis on community engagement and participation.
22. The County Plan is committed to implementing a care leaver's covenant that demonstrates the council's commitment to supporting children who are moving on from care and to develop the market for care leaver accommodation and support through the commissioning of housing related support services that meet local needs. Establishing a framework will meet this commitment, with opportunities for young people to access local supported accommodation.
23. This decision will also contribute to the implementation of key priorities in the draft accommodation strategy for vulnerable people and addresses priorities set out in the Health and Wellbeing Strategy in relation to vulnerable young people and mental health needs.
24. The Children and Young Peoples Plan 2019 – 2023 identifies that targeted support is needed to make a difference, particularly to our most vulnerable, to enable them to thrive and make a successful transition to adulthood. The focus of the framework will be to develop independent living skills and connect young people to universal services and

opportunities for education, training and employment, therefore reducing the numbers who are not economically active. Promoting independence will have a positive impact of both the individual and the wider community.

25. The proposed new framework will support the vision and principals of the looked after children and complex needs placement sufficiency strategy 2019-2024. The local framework will support the strategy to address the sufficiency, quality and sustainability of appropriate placement provision.
26. There will be an expectation that all accommodation provided through the framework will meet appropriate housing standards and accord with good health and safety practice.

Environmental Impact

27. This decision seeks to deliver the council's environmental policy and aligns to the following success measures in the County Plan.
 - Improve energy efficiency of homes and build standards for new housing
 - Increase the number of short distance trips being done by sustainable modes of travel – walking, cycling, public transport
28. The council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
29. The environmental impact of this proposal has been considered through the service specification and includes appropriate requirements on the contractor/delivery partner to minimise waste, reduce energy and carbon emissions and to consider opportunities to enhance biodiversity. This will be managed and reported through the ongoing contract management.

Equality duty

30. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
31. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the

delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation.

32. The Equality Act 2010 established a positive obligation on local authorities to promote equality and to reduce discrimination in relation to any of the nine 'protected characteristics' (age; disability; gender reassignment; pregnancy and maternity; marriage and civil partnership; race; religion or belief; sex; and sexual orientation). In particular, the council must have 'due regard' to the public sector equality duty when taking any decisions on service changes.
33. Establishing a local framework for accommodation and support for young people is expected over time to increase the availability and improve the quality of support and accommodation for people sharing protected characteristics, notably young people but also disabled people and potentially people from minority ethnic groups within the population.
34. An Equality Impact Assessment (EIA) is attached in Appendix 1. Overall, the proposal is not expected to have a detrimental effect on any groups of people with protected characteristics.

Resource implications

35. Out of county spot purchase agreements currently total 19, for the provision of accommodation and support, these placements are covered by 15 individual providers. The current cost of these placements is £23k per week, with the weekly costs ranging from the lowest £175 to the highest £3,300. Spot purchase agreements in Herefordshire currently account for 11 placements in county with four separate providers. The current cost of these placements is £17k a week, with weekly costs ranging from £458 to £3,500.
36. There are no capital costs arising from this proposal. However, the development of a framework for young people's accommodation may underline the value for the council acquiring or developing property in the future for the provision of accommodation. This could lead to future proposals for investment in property to support this purpose, subject to the availability of capital funding.
37. The proposed framework has no direct implications for revenue expenditure in the short term, as it does not involve the commissioning or purchase of any new services. It is intended that once established, a framework will enable the council to impose some increased control over prices paid for services and placements.
38. It is envisaged that the framework will not increase the need for additional resources to award off the framework as the framework is an additional resource for Placements Team to utilise as an option after exhausting block contracts and prior to spot purchasing. It is accepted that some reliance on spot-purchasing individual placements will continue for some years. Additional resource to run the framework could be absorbed within commissioning while the framework remains at a maximum of five or six providers at any one time. It is worth noting that this council has committed to not procuring a single supplier framework.
39. Currently, there is continuing reliance on placements and accommodation services spot purchased from outside Herefordshire.

Legal implications

40. All public procurements must be based on value for money, quality and effectiveness and follow the legal requirements as set out in the EU Public Sector Directive 2014 (“the Directive) and the Public Contract Regulations 2015(PCR 2015). The proposed procurement framework will need to comply with the requirements of the Directive and the PCR 2015.
41. It is anticipated that the framework for accommodation and support services will be procured by way of a competitive open tender process.

Risk management

42. The procurement of a local framework for accommodation and support service will create opportunities to improve the availability and potentially quality and value for money of services for young people. The risks arising from the proposal are essentially limited to how effective the framework is in achieving those improvements

Risk / opportunity	Mitigation
Frameworks can be unresponsive if they are not able to allow for change, there may be new suppliers or new solutions within the market that were not available when the framework was procured.	The framework will run for four years but with options to review after years two, three and four to mitigate this risk and be responsive to new opportunities in the market.
If there are insufficient providers on the framework to meet need or they do not bid for services via it, professionals will lose confidence in it and be obliged to purchase outside the framework, so rendering it ineffective.	The framework needs to be made attractive to providers by being seen as fair, economic and the only route to receiving placements. The framework will include a requirement for providers to respond with sufficient frequency to purchase opportunities or be removed from it.
If the controls of cost or other factors incorporated in the framework are sufficient disincentive for providers, they will not join the framework. This would render it ineffective.	Controls on cost in particular would be introduced gradually and evaluated to avoid disincentives and to optimise joiners of the framework.
New entrants to the support and accommodation market may have limited resilience and capacity and could fail if expanding too rapidly.	This challenge exists in the market already. A framework provides a somewhat improved means of managing the risk and balancing the development of the market.
Competition on price and separation of accommodation and support costs may be	Price banding based on levels of need can impose more control over cost but are complicated to operate. An incremental approach to the pricing and quality regimes

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insufficient to reduce costs of placements significantly.	is proposed to enable the market time to adjust to the framework and evaluate the impact of each measure.
The number and frequency of placements offered through the framework may be too few to provide economic incentive for some providers to join it.	There is an option to pre-limit the number of providers on the framework at any time to help ensure sufficient opportunity for them.
The framework will offer an opportunity to ensure actual competition on price between providers and improve transparency as to what the council is paying for in purchasing support and accommodation.	
An effective framework will enable an increase in local accommodation and support for vulnerable young people and reduced reliance on placements outside Herefordshire.	

43. Any risks will be appropriately identified and can be recorded within the Adults and Communities or Children and Families risk registers, where they will be escalated if required.

Consultees

44. There has been extensive consultation with a wide range of providers in the markets for accommodation and support of young people, over a number of years. This included a market engagement exercise in 2019 over the proposal to establish a framework. This generated interest in the proposals, with a number of providers indicating they would seek to join a framework, once established. In addition there has been a recent procurement of a new service for care leavers with complex needs and a procurement of housing related support services for young people is concluding shortly. These will provide further learning to inform development of a framework.
45. The needs of care leavers are very much central to development of the proposal. There has been extensive engagement around accommodation needs over several years through the corporate parenting panel and one to one and group discussions were undertaken in 2019. There is regular engagement with looked after young people and care leavers around their accommodation and support needs.
46. Reporting to the children and young people scrutiny committee was part of the process of consulting in developing proposals for a framework. The views and advice of the committee have been taken into account in finalising the detailed proposals for the framework.
47. Consultation with council members via political group leaders has taken place relating to this decision and no comments or suggestions have been received.

Appendices

Appendix 1 Equality Impact Assessment (EIA)

Background papers

None identified