

Cabinet

Date of Meeting: 10 September 2019

Report Title: Re-commission of Supported Accommodation / Independent Living for Cared for Children

Portfolio Holder: Cllr Dorothy Flude – Children and Families

Senior Officer: Mark Palethorpe – Acting Executive Director People

1. Report Summary

- 1.1. The Council currently commissions supported accommodation and independent living for our cared for children and care leavers aged 16+. The three year initial term of the contract for P3 to operate supported accommodation from Watermill House in Macclesfield ends on the 31 March 2020 and the contract for supported accommodation, emergency beds, taster flats and dispersed properties via Crewe YMCA will end on the 31 March 2020. This report recommends a re-commission for the service rather than taking the option to extend, as this will allow the Council greater flexibility to change the delivery model to meet need.
- 1.2. The total maximum value of the current commissioned service delivery is £498,000 per year (based on 100% occupancy for purposes of rent charges) for 25 units of accommodation (average cost per week per unit of accommodation is £383). The demand for accommodation and support for Unaccompanied Asylum Seeking Children (UASC) and availability of move-on accommodation in the Macclesfield area may require an increase of approximately 4 units of accommodation. A review of the sufficiency and geographical reach of 16+ accommodation and support, co-produced with young people, will be undertaken as part of the re-commission. An estimate for the annual value of the contracts going forward is £600,000. In order for the market to secure appropriate properties it is proposed to set a contract term of 5 years with a total contract value of £3,000,000.
- 1.3. The procurement process will ensure that the Council continues to deliver efficiency and effectiveness through its commissioning activity. The process

will also provide an opportunity for Children's Services to include in the specification for services a requirement for bidders to play an integral part in the development of a new Cheshire East 'Care Hub' (Bespoke). This aims to improve:

- the support to our children on the edge of care
- the ability of our children in residential settings to step down to fostering or return home
- the support to children leaving care

1.4. Cheshire East Council, as Corporate Parents, is passionate and decisive in its support for every young person in our care. Providing a choice of good quality and locally based accommodation for our care leavers at each stage of their pathway to independence is critical to ensure they are supported, nurtured and helped to be and feel safe, achieve their potential and grow into confident young people and adults.

1.5. This re-commission supports the strategic intentions and ambition for our children in care and demonstrates further evidence of the Council's passion and commitment to put children and particularly children in care at the heart of all that we do. Good supported accommodation and independent living for care leavers at the right time in their pathway plan is integral to achieving the priorities in our 2019 – 2022 Children and Young People's Plan, in particular, being safe and improving well-being. It is also a key feature of the Council's Pledge to care leavers and duty as a good Corporate Parent.

1.6. The Council's Corporate Plan 2017 – 2020 is clear in its priority that children and young people should get a good start in life, are prepared for the world of work and are equipped to live independent, self-sufficient lives, and to realise their particular talents and abilities. The Corporate Plan also looks to ensure quality and best value for local people, striving to get it right first time, and acting with integrity, being open, honest and accountable and delivering on our promises. This re-commission is an integral part in achieving these outcomes for a vulnerable group of young people who are leaving the care of the authority after often difficult starts to their lives.

2. Recommendations

That Cabinet

- 2.1. Approve the procurement of a Supported Accommodation and Independent Living service for cared for children and care leavers.

- 2.2. Delegate authority to the Executive Director People, to award the Supported Accommodation and Independent Living contracts.

3. Reasons for Recommendations

- 3.1. As corporate parent for over 230 care leavers, we need to ensure that a sufficient number, type and quality of accommodation is available in order to support the emotional / physical well-being of every care leaver and that they reach their potential in adult life. The model and configuration of our re-commission of supported accommodation and independent living plays a vital role in delivering against the Council's sufficiency duty under s22G of the Children Act 1989.
- 3.2. Supported accommodation and independent living is an essential service for our care leavers which supports effective pathways to independence, tenancy readiness and the ability to secure and sustain good quality accommodation that is local to their community and is safe.
- 3.3. This re-commission will ensure transparency of our purchasing of services, evidence testing of the market to ensure current market conditions are taken account and ensure the achievement of value for money.
- 3.4. The budget for cared for children external agency placements is under significant pressure. The current cost of the services provided via our two charitable organisations ie P3 and Crewe YMCA is on average £300 per week per care leaver less than the rates charged via our current use of the North West Framework for Supported Accommodation and Independent Living or spot purchasing. The re-commission of 25 to 29 units of accommodation will ensure cost effectiveness is maintained, whilst the cost across the other routes to market continue to increase.
- 3.5. The 16+ market for supported accommodation is unregulated and the quality has been mixed for many years. As the number of care leavers increases the number of new providers to the market is increasing however the quality of service delivery continues to be a concern. The scheduled re-opening of the North West Framework for Supported Accommodation and Independent Living was paused during 2018 due to concerns in respect of quality and a reflection on the evaluation of quality and market engagement took place before it was recently re-opened. Cheshire East Council's use of the North West Framework for Supported Accommodation and Independent Living is low compared to the rest of the North West. The re-commission recommended in this report allows for Cheshire East to take control of quality evaluation and ongoing contract performance management with providers that are invested in our care leavers through

the person centred planning and accommodation offer that is delivered through our partnership approach (Ignition).

4. Other Options Considered

- 4.1. One alternative is to utilise the North West Framework for Supported Accommodation and Independent Living Framework for all our care leaver placement requirements. However the scheduled re-opening of the North West Framework for Supported Accommodation and Independent Living was paused during 2018 due to concerns in respect of quality and a reflection on the evaluation of quality and market engagement took place before it was recently re-opened. The re-commission recommended in this report allows for Cheshire East to take control of quality evaluation and ongoing contract performance management with providers that are invested in our care leavers through the person centred planning and accommodation offer that is delivered through our partnership approach (Ignition). The current cost of the services provided via our two charitable organisations ie P3 and Crewe YMCA is on average £300 per week per care leaver less than the rates charged via the North West Framework for Supported Accommodation and Independent Living or spot purchasing. The re-commission recommended will sustain this cost effective position whilst the cost across the market continues to increase.
- 4.2. An in-house model of delivering supported accommodation and independent living has been considered. However the Council has never delivered this type of service and we are not aware of any other Council in the region that delivers this type of service in-house. The experience of operating this type of service is crucial in delivering the best life chances for our care leavers. The cost structure of an in-house service ie local government terms and conditions and pension costs is also a determining factor, especially when compared to our current commissioned services which are operated by charitable organisations.

5. Background

- 5.1. The requirement, under s22G Children Act 1989 for Local Authorities, to publish an annual Sufficiency Statement for children in care accommodation was introduced from April 2011. The sufficiency duty requires local authorities to do more than simply ensure that accommodation be 'sufficient' in terms of the number of beds provided. They must also have a regard to the benefits of securing a number of providers and a range of services. Fundamentally, the accommodation available must meet the needs of children. The model and configuration of our re-commission of supported accommodation and independent living plays a vital role in delivering against this duty.

- 5.2. As of 1st August 2019 there were 242 care-leavers (16-25 year old young people that have an allocated worker) supported by Cheshire East Council. Of those 107 are 16/17 year old cared for children where the local authority has a duty to provide accommodation. Not all cared for children aged 16+ require accommodation, some live with families or may return home, however there is a continued and growing need for 16+ accommodation in Cheshire East.
- 5.3. Over the last four years Children's Commissioning have put in place a good 16+ accommodation offer. In order to navigate the improved offer and develop it further through listening to the voice of young people Ignition was set up in January 2016. This gives Cheshire East cared for young people (aged 15+) and care leavers more choice and ownership in regards to their accommodation arrangements when they leave care. Children's Commissioning and the Care Leaver Service lead Ignition which brings together Housing, a variety of accommodation providers and social landlords. The young person attends Ignition to explain what they want for their future and services can then explain what they can offer. The young person can arrange to visit providers and make informed choices about their future with their Social Worker / Personal Advisor.
- 5.4. In 2018-19 50% of those young people presenting at Ignition wanted to live in the supported accommodation commissioned services. Our current commissioned services have been integral to growing the varied offer of accommodation that cared for children and care leavers have told us they need in order to progress well in their pathway to independence. In the main, our young people tell us that they would prefer to live close to their home community, which for 70% of cared for children is Crewe or Macclesfield and therefore, our commissioned services have, to date, focused on these areas.
- 5.5. A description of the current commissioned service offer is as follows:

Location and Housing Type	Number of beds
Watermill (Macclesfield)	
Semi-independent living	5
Emergency accommodation	1
Crewe YMCA	
Emergency accommodation (can be used as PACE beds)	2
Foyer Plus	3
Ignition move-on / taster flats in the community	5
Unaccompanied Asylum Seeking Children – dispersed accommodation in the community	9
Total	25

All the above housing options have varying levels of support hours depending on the needs of the young people. Occupancy rates are high however in order to ensure that accommodation is not blocked and independence / effective move-on is supported, a principle of 6 – 12 months in an accommodation has been set. The demand for accommodation and support for Unaccompanied Asylum Seeking Children (UASC) and availability of move-on accommodation in the Macclesfield area may require an increase of approximately 4 units of accommodation. A review of the sufficiency and geographical reach of 16+ accommodation and support, co-produced with young people, will be undertaken as part of the re-commission.

- 5.6. The Emergency beds have been used constantly, not only for 16/17yr olds but also older care-leavers for a night or two following the breakdown of a supported lodgings placement or when arrangements with families have failed.
- 5.7. The current commissioned service offer provides added value in terms of sustainability once a cared for young person turns 18yrs as they are able to remain at Watermill House (in the non-commissioned units of accommodation) and Crewe YMCA (in the main Foyer) and claim Housing Benefit to cover their costs. This means that a young person does then not face a further placement change or having to present as homeless at 18yrs of age. This move-on is not offered by placements sourced from the North West Framework, these placements expect the same fees if they continue to care for a young person post 18yrs or present the young person as homeless at 18yrs, which is an extremely poor outcome. The Ignition flats have also been able to accommodate not only a cared for or care-leaver but also their own child on two occasions. Both of these mothers have now obtained their own property.
- 5.8. One reason for the growing number of cared for young people and the growing need for 16+ accommodation is the increase of Unaccompanied Asylum Seeking Children (UASC) that we care for. In the financial year 2017-2018 10 UASC came into our care, Children's Services now support 41 current and former UASC's across our Cared for & Care-Leavers Service. Our commissioned service offer has grown specifically to cater for the differing needs of UASC.
- 5.9. Case study / feedback from a sample of our cared for children includes:

C initially wasn't sure about moving to Macclesfield as he felt his connections were in Crewe, however after a few days at Watermill house, he was eager to

move from the emergency flat and requested to take up a longer term placement. C has said that he feels listened to and has said he is enjoying having a safe and secure place to live with staff who make time for him.

S has stated that she feels listened to and that she has found someone she feels she can trust in her key worker. She has said that members of the support team, have helped her massively in working on her mental health and to stop using drugs, also to work on rebuilding her relationship with her mum.

M was very keen to go straight into the semi-independent setting of Watermill House, and specifically requested a placement with us. He is pleased to have his placement and has stated he is eager to remain with us until he is 18 and/or ready to move into an independent flat of his own. He has stated he thinks highly of his key worker and other members of the support team, and enjoys the time he spends with them.

5.10 The indicative procurement timeline for this re-commission is as follows:

Market and young people engagement – August / September 2019

Tender issue date – 14 October 2019

Submission deadline – 22 November 2019

Bids evaluated / interviews (incl young person panel) – 25 November 2019 and 2 December 2019

Approval (Officer Decision Record completed) – 9th December 2019

Final Award letter – 16th December 2019 (following standstill)

Mobilisation – December 2019 - March 2020

Please note that the mobilisation period may be extended by a further 3 – 5 months to ensure transfer of property agreement (current home for some of our care leavers), sourcing of new properties and effective TUPE processes if appropriate.

6. Implications of the Recommendations

6.1. Legal Implications

6.1.1. The recommendations, if made, support the Council's adherence to its statutory duty under the Children Act 1989, in particular, the sufficiency duty under s.22G.

6.1.2. A procurement process will need to be undertaken in accordance with the Public Contracts Regulations 2015 and the Council's own Contract

Procedure Rules. Legal Services will continue to support the new model and commission of services.

- 6.1.3. Assuming the service is not brought in-house to the Council, there will be no employment law/TUPE implications for the Council as any TUPE matters will be between the out-going and incoming providers. The Council will need to ensure that sufficient information is given to bidders as part of the tender process to enable them to consider TUPE staffing costs and to obtain further information.

6.2. Finance Implications

- 6.2.1. The anticipated annual value of the Supported Accommodation and Independent Living commission is £600,000 and £3,000,000 over the proposed five year term of the contract. The commission is charged to the overall external agency placement budget which is currently under significant pressure for 2019/20. However the average cost per unit of accommodation is on average £300 per week less than the alternative option of utilising the NW Supported Accommodation and Independent Living Framework and is therefore a more cost effective option. The configuration of the re-commission will look to maximise the positive impact on controlling the current budget pressure.

6.3. Policy Implications

- 6.3.1. The review will put cared for children at the centre of Council policy and decision making. The review will be undertaken with clear reference to the Children and Young People's Plan, Corporate Parenting Strategy and Sufficiency Statement.

6.4. Equality Implications

- 6.4.1. All public sector authorities are bound by the Public Sector Equality Duty as set out in section 149 of the Equality Act 2010. An Equality Impact Assessment will be carried out early in the re-commissioning cycle and the needs of persons with protected characteristics as set out in equalities legislation will be taken into account.

6.5. Human Resources Implications

- 6.5.1. There are no human resources implications for the Council. If there is a change in supplier then it will be for the outgoing and incoming suppliers to work through any TUPE implications.

6.6. Risk Management Implications

6.6.1. Cared for children and care leavers are a vulnerable group that are risk of a number of factors – poor education and training, health, safeguarding and transition into adulthood. The design of an effective supported accommodation offer will aim to mitigate these risks to our children.

6.7. Rural Communities Implications

6.7.1. There are no direct implications for rural communities.

6.8. Implications for Children & Young People/Cared for Children

6.8.1. There are direct, significant and lasting implications for children in care and care leavers when delivering supported accommodation and independent living. Supported accommodation and independent living is an essential service for our care leavers which supports effective pathways to independence, tenancy readiness and the ability to secure and sustain good quality accommodation that is local to their community and is safe.

6.9. Public Health Implications

6.9.1 Cared for children are more at risk of health inequalities than their peers. The proposals are expected to improve the awareness and response in respect of these health needs.

6.10 Climate Change Implications

6.10.1 There are no direct implications for climate change.

7. Ward Members Affected

7.1 The recommended re-commission includes a review of the sufficiency and geographical reach of 16+ accommodation and support and therefore has the potential to affect all areas of Cheshire East.

8. Consultation & Engagement

8.1. Consultation and engagement will take place with our cared for children and care leavers prior to the procurement in order to configure the highest quality commission of supported accommodation that will meet the needs of this vulnerable group. Our cared for children and care leavers will also play an important part of tender evaluation and ongoing contract management.

- 8.2. Market engagement will take place prior to the procurement process starting in order to promote this exciting opportunity to support our cared for children and care leavers and gain best practice from across the market.

9. Access to Information

- 9.1. Link to Cared for Children Accommodation Sufficiency statement:
<https://www.cheshireeast.gov.uk/livewell/care-and-support-for-children/services-from-childrens-social-care/cared-for-children/cared-for-children.aspx>

10. Contact Information

- 10.1. Any questions relating to this report should be directed to the following officer:

Name: Dave Leadbetter

Job Title: Head of Children's Commissioning

Email: dave.leadbetter@cheshireeast.gov.uk