Brighton & Hove City Council

Children Young People & Skills Committee

Agenda Item 44

Subject: Supported Accommodation for Young People Placements

Date of meeting: 9 January 2023

Report of: Executive Director Families, Children & Learning

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Ward(s) affected: All

For general release

1. Purpose of the report and policy context

1.1 This report seeks approval for the extension of the existing hybrid framework (as defined in paragraph 3.18) and the re-opening of the hybrid framework for new applications. This is to allow sufficient time to assess the implications of Ofsted's planned oversight of the sector and the potential creation of new Regional Care Cooperatives.

2. Recommendations

- 2.1 That Committee agrees to extend the Supported Accommodation for Young People hybrid framework for a further period of 2 years from 1 July 2023 to 30 June 2025.
- 2.2 That Committee delegates authority to the Executive Director of Families, Children & Learning to:
 - (i) take all necessary steps to extend the hybrid framework and to reopen it to operators in the new year, and
 - (ii) to procure and award call off contracts and individual placement agreements from the hybrid framework.

3. Context and background information

Background

3.1 Young people between age 16 and 24 needing support rather than care may be provided with supported accommodation. This will usually be staffed accommodation for those under age 18, or floating support for those aged 18 and above. This support helps young people transition into adulthood.

- 3.2 The Council does not currently provide in-house supported accommodation for young people services. There is a growing market of private and third sector providers and strategic commissioning has grown the local market for these services.
- 3.3 There continues to be a need to make supported accommodation placements for young people and a compliant means of procuring these services is required.

Current Contracting Arrangements

- 3.4 The Council has a joint hybrid framework agreement with East Sussex County Council (ESCC) for the provision of supported accommodation for young people placements which commenced on 1 July 2018 and expires on 30 June 2023. The hybrid framework agreement was for an initial period of 3 years with an optional extension of 2 years, which has been utilised.
- 3.5 ESCC were named on the OJEU Contract Notice as a party that may run Mini Tenders for contracts under the hybrid framework but did not contribute to its design. ESCC subsequently decided to run their own tender for supported accommodation for young people and their framework commenced in April 2019. ESCC are not currently using our hybrid framework and have awarded no contracts under it.
- 3.6 The hybrid framework was initially opened in 2018 and had 8 approved providers. It was re-opened for new applications in 2019, 2020 and 2021, and there are currently 26 approved providers. This has improved the sufficiency for supported accommodation for young people placements.
- 3.7 The current contracting arrangements are a result of a joint project between Housing and Families, Children & Learning. Housing lead on the prevention of homelessness for young people and are responsible for commissioning the majority of the block contracts under the hybrid framework. Families, Children & Learning lead on the commissioning of supported accommodation placements for young people in care and for care leavers. Families, Children & Learning commissioned placements in staffed units tend to be for higher levels of need than those commissioned by Housing.
- 3.8 The current number of supported accommodation placements in the independent sector commissioned by the Families, Children & Learning is shown below:

Figures at September 2022:

Families, Children & Learning commissioned block contracts:

Age 18+ floating support
4 placements

Families, Children & Learning commissioned individual placements:

Age 16/17 staffed units
Age 16/17 floating support
Age 18+ staffed units
32 placements
2 placements
1 placement

51 placements

Alternative Contracting Arrangements

3.9 The Council is not part of any other consortia-based commissioning of supported accommodation for young people services. This is primarily a locally based service need, although some placements are made out of area for either safeguarding reasons or to maintain networks.

National Care Review

- 3.10 The Independent Review of Children's Social Care by Josh MacAlister was published in May 2022 and can be found at: Home-The Independent Neview of Children's Social Care (childrenssocialcare.independent-review.uk)
- 3.11 The review includes a recommendation to establish of up to 20 Regional Care Cooperatives, owned and managed by councils, which would be responsible for the commissioning and management of all children's placements. It is not clear at this stage whether this recommendation will be taken forward, and if so, in what timescale, or if this will cover supported accommodation for young people in addition to foster care and residential child care.

Ofsted

- 3.12 The supported accommodation for young people provision is currently unregulated and not subject to oversight by Ofsted. However, Ofsted will conduct enforcement action if a supported accommodation provider provides care rather than support.
- 3.13 Ofsted conducted consultation on introducing a lighter touch regulatory regime for this sector and a phased implementation of regulatory oversight is due to be introduced for 16 and 17 year olds in placement. Further consultation on draft regulatory guidance and quality standards was published in December 2022. Registration of providers is expected to commence is 2023, with inspections starting in 2024.

<u>Due Diligence</u>

- 3.14 As there has been no regulatory oversight of this sector, the use of supported accommodation for young people providers carries a higher degree of risk. This is mitigated by either the quality questions and referencing checks when providers submit tenders to join the hybrid framework or through due diligence checks for spot placements.
- 3.15 Due diligence checks include:
 - Procurement Standard Selection Questionnaire
 - Accounts
 - Insurance

- Statement of Purpose
- Safer Recruitment Policy
- Health & Safety Policy
- References
- Companies House records
- Location Risk Assessment
- Company directors

Finance

- 3.16 Purchasing services through a framework or DPS gives better control of costs compared with spot purchasing.
- 3.17 The average cost of staffed and floating support placements made by the Council with a framework provider on 30 September 2022 is less than corresponding off-framework placements.

Procurement Plans

- 3.18 In this report 'hybrid framework' is used to describe an agreement between one or more contracting authorities and one or more economic operators which has been procured under the Light Touch Regime of the Public Contracts Regulations 2015, the purpose of which is to establish the terms governing contracts to be awarded during a given period. This is similar to a framework agreement under the Public Contracts Regulations 2015 but has the option to reopen for new applications once every year.
- 3.19 Extending the current hybrid framework will allow time to assess the implications of Ofsted's oversight of the sector and whether Regional Care Cooperatives will be established, which will inform future commissioning plans. Providers will still have the opportunity to apply to join the hybrid framework when reopened during the period of extension.
- 3.20 Housing has decided to incorporate the re-commissioning of their block contracts into wider commissioning plans and will be tendering their services separately rather than using the proposed hybrid framework for their recommission.

Procurement Advisory Board

3.21 The report was considered by the Council's Procurement Advisory Board on 21 November 2022 and the recommendations were approved.

4. Analysis and consideration of alternative options

4.1 Alternative procurement routes to market were assessed when authority to use the hybrid framework was originally sought from Committee. Details of each including the preferred option is detailed below:

Dynamic Purchasing System (DPS)

4.2 A DPS is not favoured for these services as it does not give the same level of control over pricing in comparison to a standard framework or hybrid framework. Providers can give notice on a DPS agreement and then immediately re-apply with new pricing.

Standard Framework

4.3 A standard framework is fixed for a 4 year period and does not allow for new applications during this period. This is not favoured as a number of providers would be expected to be interested in applying to join the framework during its life.

Hybrid Framework

4.4 A hybrid framework is considered to give better control of costs whilst allowing a degree of flexibility on admitting new suitably qualified providers to the hybrid framework.

5. Community engagement and consultation

5.1 Full consultation was undertaken as part of the development of the Housing and Homelessness Strategies and the Housing and Support Commissioning Strategy for Young People, which included service users and stakeholders.

6. Conclusion

6.1 Extending the current hybrid framework will allow sufficient time to assess the implications of Ofsted's planned oversight of the sector and the potential creation of new Regional Care Cooperatives

7. Financial implications

7.1 The hybrid framework has no value in itself, so there are no direct financial implications arising from the recommendations of the report. The framework provides more stability and control of contracting costs. The current available budget for placements for young people between 16-24 is £3.708m.

Name of finance officer consulted: David Ellis Date consulted: 18/11/22

8. Legal implications

8.1 The concept of a hybrid framework is not included in the Public Contracts Regulations 2015. These services are covered by the 'light touch regime' and the Council therefore has considerable flexibility as to how it procures these contracts provided it complies with the principles of transparency and equal treatment. Economic operators will be able to apply to join the hybrid framework when it is reopened in the new year.

Name of lawyer consulted: Alice Rowland Date consulted: 24.11.22

9. Equalities implications

- 9.1 An updated Equality Impact Assessment will be conducted however there is no change to either policy or budget in relation to this commissioning.
- 9.2 The Council has a responsibility to promote access to appropriate educational provision for all in accordance with legislation including the Equality Act 2010.

10. Sustainability implications

10.1 Subject to placement availability, placements for young people will be made as closely to networks as possible, where this is safe to do so, and in the young person's best interests.

11. Other Implications

Social Value and procurement implications

- 11.1 Much of the activity undertaken by providers of supported accommodation for young people through this hybrid framework will be of inherent social value given the nature of the service specification.
- 11.2 Admission to the hybrid framework is based on quality. To reflect the importance of Social Value, 10% of the tender evaluation weighting is given to a Method Statement Question on Social Value.
- 11.3 Bidders must score a minimum quality score of 50% in order to be accepted onto the hybrid framework. Providers are ranked into tiers to reflect the different levels of quality, and this can impact on the call-off process.

Crime & disorder implications:

11.4 The Outcomes Framework has a number of measures under basic needs (safety and health), functioning (control, relationships and achievement), personal resources (resilience, self-esteem and emotional intelligence) and preparation for adulthood (participation, independence, inclusion and wellbeing) that contribute to the prevention of crime and disorder.

Public health implications:

11.5 Improving health and wellbeing are two of the key objectives within the Outcomes Framework.

Supporting Documentation

1. Background documents

1. 'The Independent Review of Children's Social Care' by Josh MacAlister was published in May 2022 and can be found at: Final Report - The Independent Review of Children's Social Care (childrenssocialcare.independent-review.uk)