

18 July 2022**REPORT OF THE SERVICE DIRECTOR, COMMISSIONING AND RESOURCES****INTERIM CONTRACT FOR THE DELIVERY OF SUPPORTED
ACCOMMODATION FOR YOUNG PEOPLE****Purpose of the Report**

1. This report seeks approval to direct award an interim contract to Framework Housing Association for the delivery of young people supported accommodation services for the period from 1 August 2022 until 31 July 2024.
2. This is a Key Decision because it will result in expenditure of £1million or over.
3. The report also seeks Cabinet Member agreement that this is an urgent decision as any delay likely to be caused by the call-in process would seriously prejudice the interests of the Council or the public and therefore it should not be subject to call-in.

Information

4. The Council sets out to drive service improvements and achieve improved outcomes for young people by redesigning the full suite of 16+ supported accommodation services.
5. 16+ supported accommodation provides 'support' and not 'care' to Looked After Children moving on from residential or other care settings, alongside the provision of emergency accommodation and support to homeless young people aged 16 and 17 which the Council has a statutory duty to provide.
6. The current 16+ supported accommodation contracts are due to expire on 31 July 2022. A thorough strategic review of provision took place from November 2020 through to June 2021, which included provider and stakeholder consultation sessions, a gap analysis, co-production with young people, and an options appraisal to determine the best way to proceed. It was intended that the new contracts would not simply be a recommissioning of the existing services, but would instead seek to provide a full range of services from intense solo support to weekly telephone support, depending on the level of independence of the young person. Five elements of service were identified and defined: Solo placement, Core plus, Core, Cluster, Tenancy Support, and it was hoped all five elements would be delivered by one provider or a consortium of providers per locality. The initial procurement

exercise commenced in August 2021 to procure new services with an anticipated new contract start date of 1 August 2022.

7. Unfortunately, only two compliant bids were received (covering the north of the County) during the first procurement exercise. Post market engagement discussions revealed the overriding reason providers felt unable to bid for the services was due to a lack of available accommodation to deliver the service from; this exposed a significant challenge of sourcing an appropriate site/building for a Core provision in the south of the County. As a result, commissioners changed the service specification to build in development time for potential providers to build or buy appropriate accommodation and a deadline of January 2024 for a service commencement date was established.
8. The second procurement exercise commenced in February 2022 and resulted in the award of contracts for all but one of the services. However, the acquisition or development of accommodation to fulfil the requirements of the specification will take some time and an interim contract with Framework Housing Association needs to be negotiated to avoid a gap in provision for looked after children and care leavers in the south of the County (Gedling, Broxtowe and Rushcliffe) and Ashfield. The final contract was awarded following a third procurement exercise which has just been concluded.
9. The service will commence in a stepped process, with the awarded providers stepping-up their delivery of the service on a phased basis as soon as they have acquired or developed appropriate accommodation up to the point where they are delivering the full service. The expected date that the full service will be provided by the awarded provider in the south of the County is expected to be 1 August 2024, although the exact date is predicated on a successful planning decision. The expected date that the full service will be provided by the awarded provider for the Ashfield service will be April 2023.
10. Framework Housing Association has been delivering young people supported accommodation services in the south of the County and Mansfield and Ashfield since the current contract was awarded in 2015. The contract was for an initial term of five years with a 24-month extension period which has been enacted. There are no further options to extend their current contracts.
11. Negotiations with Framework Housing Association have taken place to work through a solution to this complicated set of circumstances. Framework Housing Association is willing to continue to operate a service in the interim period until the successful providers in the south of the County and Ashfield have their accommodation available. Framework Housing Association have also sourced an additional nine bed unit in Carlton to alleviate capacity issues for the interim contract period. The interim contract will operate on a stepped-down process, with delivery transferring to the awarded providers on a phased basis as soon as their corresponding accommodation becomes available. The amount of service users accessing services through the interim contract will therefore decrease over the period of the interim contract. The financial costs of the interim contract will also decrease in correspondence with the stepping-down process.
12. The main 16+ supported accommodation service operating in the south of the County is at maximum capacity and has struggled to create the necessary throughput due to challenges with moving young people on from the service. This has resulted in a large waiting list for the service and has meant young people have had to remain in residential

or costly individual placements for longer than necessary. The additional nine bed unit proposed by Framework Housing Association is vital to reducing the backlog in this service in the interim contract period until the awarded providers have acquired and/or developed the necessary accommodation to commence their service delivery.

13. The following service delivery model has been agreed with Framework Housing Association for the interim period:

Ashfield

Start date	End date	16+ units	Young parent units
01/08/2022	31/03/2023	35	7

South

Start date	End date	16+ units	Young parent units	Total
01/08/2022	31/10/2022	43	5	48
01/11/2022	30/04/2023	43	0	43
01/05/2023	31/12/2023	33	0	33
01/10/2024	31/07/2024	33	0	33

Other Options Considered

14. A review of the options appraisal and consideration of alternative service delivery models has taken place, alongside discussions of developing an in-house service to meet this need. The Council lacks sufficient accommodation to develop an in-house service, so this option was discounted, and further reconfiguration of the service and re-tender was deemed inappropriate due to the timescale and knowledge of the provider market.
15. The final option considered was ceasing this contract on 1 August 2022 and sourcing placements via the High Needs Dynamic Purchasing System (Approved Provider list), however this option would be unlikely to respond to the number of placements required, does not offer good value for money and would not be able to provide accommodation to our care leaver population. Therefore, this is not an option because it will not meet the service needs as it does not have the required capacity and cannot take care leaver placements from 1 August 2022.
16. The chosen route is an interim direct award to Framework Housing Association, as the current provider of the service; this option prevents disruption to young people and their placements and offers good value for money.
17. As detailed above, two procurement exercises have been carried out. The Council has awarded these services to providers, but due to the need to source accommodation to provide the services, the new providers will be starting to deliver the services on a staggered basis up to 31 July 2024. This interim contract will ensure that the services

continue to be delivered during that period, otherwise the Council would be left with no provision and would not be meeting its statutory duty.

Reason/s for Recommendation/s

18. To avoid approximately 100 young people needing to leave their accommodation on 1 August 2022 with no alternative suitable accommodation options available to them. The Local Authority would fail to meet its statutory requirements for placing homeless 16/17 year olds and looked after children.
19. Due to the end-date of the existing contract and the potential for serious prejudicial impact on the Council and the young people who access these services as a result of any delay to the start of the interim contract, officers advise that this matter should be treated as urgent and not one which is subject to the call-in process.

Statutory and Policy Implications

20. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

21. The cost of the interim contract will be £1,823,519 across three financial years. as set out in the table below:

Year	Total £
2022-23	845,182
2023-24	719,262
1 April 2024 – 31 July 2024	259,074
Total	1,823,519

22. A detailed breakdown of the costs of the interim contract are included in the **Exempt Appendix**. This information is exempt Under Schedule 12A of the Local Government Act 1972 (as amended) as it relates to the financial and business affairs of the provider and the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Legal advice is also included in the **Exempt Appendix**.

Human Resources Implications

23. There are no direct HR implications arising out of these proposals in so far as they relate to a continuation of current externally commissioned services.

RECOMMENDATION/S

That:

- 1) approval be given to the award of the interim contract to Framework Housing Association to provide 16+ Supported Accommodation Services as set out in **paragraph 13** for an interim period from 1 August 2022 until 31 July 2024.
- 2) after careful consideration it is agreed that the decision is urgent for the reasons set out in the report and therefore in the opinion of the decision maker should not be subject to call-in, and that the agreement of the Chairman of Overview Committee that the decision proposed is reasonable in the circumstances and that it should be treated as an urgent matter and not be subject to the call-in processes is sought.

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Constitutional Comments (CEH 08/07/22)

24. The recommendation falls within the remit of the Cabinet Member for Children and Young People.

Financial Comments (CDS 13/07/22)

25. The contract cost would need to be contained within existing local authority revenue budgets.
26. More detailed financial comments are included in the **Exempt Appendix**.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None.

Electoral Division(s) and Member(s) Affected

All.

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