

## **Report to Lucy Butler, Executive Director of Children, Young People and Learning**

**December 2021**

### **Award of Block Contract Accommodation Services for Young People aged 16+**

**Report by Daniel Ruaux, Assistant Director Corporate Parenting**

**Electoral divisions: All**

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#### **Summary**

The County Council commissions a range of different accommodation options as part of preparing the children who we care for and care leavers aged 16 years and over for living independently. Accommodation is also provided for other eligible 16+ children who we care for and care leavers, such as unaccompanied asylum-seeking children.

A new Framework Agreement has recently been established to enable the County Council to purchase accommodation services for looked after young people aged 16+ and care leavers ([decision OKD13 \(21/22\) refers](#)). Under the terms of the Framework Agreement a mini-competition process has been undertaken to award a number of block contracts to provide local accommodation for children who we care for and care leavers.

Block contracts provide the Council with whole services of supported accommodation for children who we care for and care leavers. Increasing the number of young people in these arrangements reduces the need to commission individual spot purchase placements and offers better value for money.

The Council is now in a position to award the block contracts to successful providers.

#### **Recommendations**

The Executive Director of Children, Young People and Learning is asked to:

- (1) Approve the award of block contracts under the West Sussex County Council Framework for Accommodation and Support for Older Looked After Young People and Care Leavers to successful Service Providers as listed in paragraph 2.1 of the report, for an initial period of five (5) years commencing 1st April 2022. There is an option to extend these contracts for a further two (2) years should the service delivery and performance of the contracts be satisfactory.
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#### **Proposal**

## **1 Background and context**

- 1.1 Local Authorities have a statutory duty under the Children Act 1989 (as amended) to provide Young People who are looked after with safe and appropriate accommodation. Local Authorities also have a duty to support those leaving care until they are 21 years of age (or up to 25 years if they are accessing Higher Education). The Children Act also imposes a general duty on Local Authorities to safeguard and promote the welfare of children within their area who are in need. This can include the provision of accommodation for unaccompanied asylum-seeking children.
- 1.2 These duties are met primarily through accommodation services for 16+ children who we care for and care leavers being sourced by the Council via a Framework Agreement. These services take the form of both semi-independent and independent accommodation with outreach, on a planned or emergency basis, for any of the following groups as is appropriate:
- Children who we care for and Care Leavers including;
  - Young People with mental health issues
  - Pregnant Young People
  - Young offenders, including Young People fitted with an electronic tagging device
  - Young People affected by substance misuse
  - Young People from a traveller family background
  - Young People affected by domestic abuse
  - Unaccompanied Asylum-Seeking Young People who we care for and care leavers.
- 1.3 In March 2021 approval was obtained from the Cabinet Member for Children and Young People to commence a procurement to set up a Framework Agreement to source accommodation services (Decision [CYP03\(20/21\)](#) refers). As part of the decision, the Cabinet Member also approved the delegation of authority to the Executive Director of Children, Young People and Learning to both implement the Framework Agreement and award contracts to successful Service Providers on completion of mini competitions undertaken to obtain services from the Framework Agreement.
- 1.4 Since the decision to commence the procurement was taken by the Cabinet Member it was determined that the Framework Agreement Commencement Date be brought forward from 1<sup>st</sup> April 2022 to 1st September 2021. This was to enable the County Council to use the Framework Agreement to run mini-competitions for block contracts (larger contracts made up of multiple placements to provide particular accommodation requirements for young people) to allow for an appropriate mobilisation period. Further to receiving the delegated authority from the Cabinet Member the decision to implement the Framework Agreement was taken by the Executive Director in August 2021 (decision OKD13 (21/22) refers).
- 1.5 Under the terms of the Framework Agreement a mini-competition process has been undertaken to seek providers for block contracts comprising of 18 Lots as detailed in paragraph 2.1.

- 1.6 The opportunity to tender for these block contracts was made through the West Sussex e-Sourcing Portal to all of the Service Providers on the Framework on 6<sup>th</sup> October 2021.
- 1.7 The procurement process resulted in 13 Service Providers submitting bids across 18 lots.
- 1.8 The award criteria to identify the winning provider for each Lot was based on both a technical element (70%) and a commercial element (30%). The technical element of the tender included eight method statement questions and minimum scoring/weighting requirements to determine the ability of the Service Providers to deliver the requirements of the service specification.

## 2 Proposal details

- 2.1 Based on the outcome of the competitive procurement process it is proposed the named 7 Service Providers in the table below are awarded block contracts to provide local accommodation for older looked after young people and care leavers. The Council received 79 tender bids across the 18 lots.

**Table 1**

Provider Name	Lot Number(s)	Total bed number
Asphaleia	5,16,17	16
Cranmead	3,8,14	19
PA Ark	1,3,4,6,13	38
Still I Rise	11,12	8
Stonepillow	4,7,10	16
Two Saints Ltd	18	9
YMCA Downslink	2,9	21
Not awarded	15	4

A decision has been taken not to award to lot 15 at this time. This lot only received one bid and this bid was of high cost particularly when compared to other similar lots and bed numbers. Due to the high cost, there is high risk to the Council in terms of void costs. This will be reviewed and may be considered for further procurement in the future.

Details of the type of accommodation provision being sought via these tender opportunities is set out in the table below

**Table 2**

Lot	Type of accommodation
Lots 1-3	24/7 Unaccompanied Asylum Seeking Children (UASC) who we care for shared staffed accommodation with dedicated support

Lots 4-6	Unstaffed UASC care leavers shared accommodation with outreach support
Lots 7-9	24/7 shared staffed accommodation with dedicated support
Lots 10-12	24/7 shared accommodation with increased dedicated support
Lots 13+14	24/7 self-contained shared accommodation with increased dedicated support
Lot 15	24/7 self-contained shared accommodation with increased dedicated support (not awarded)
Lots 16+17	24/7 shared accommodation with dedicated support
Lot 18	18+ unstaffed accommodation with staff on site 7 days a week

2.2 The block contracts will commence on 1<sup>st</sup> April 2022. The length of the contracts will be 5 years, with an option to extend for a further 2 years.

2.3 The new block contracts will:

- Achieve planned savings by increasing block contract provision to reduce reliance on spot purchasing (individual placements to accommodate a young person often urgently and potentially short term). The block contract percentage will increase from an average of 50% to 65/35% block/spot split, with an aspiration to potentially increase to nearer 80% in the future through increasing the block contract provision still further.
- Expand the breadth of block contract services to meet the different needs and demands of children who we care for and care leavers by introducing new service models that cater for more complex needs and risks; lots 10 to 14 will provide an increased level of support.
- Stabilise and increase market capacity to provide more choice for children who we care for and care leavers transitioning into their last period of being looked after and reduce reliance on more expensive residential care and spot purchasing for 16+ young people by increasing the amount of in-county block provision.
- Reduce out of county spot placements by increasing in-county provision that meets a wider range of need.
- Bring placements in county to allow the Council's current resource to manage a robust programme of planned quality assurance.
- Give greater choice of service provision to manage the housing pathway and improve outcomes for care leavers by including stepdown options and better distribution of services across the county to reduce the need for young people to relocate and provide a fair and equitable approach for District and Boroughs.

### **3 Other options considered (and reasons for not proposing)**

3.1 **Do nothing.** Not awarding the contracts would prevent suitable Service Providers from entering the market in West Sussex and widening the choice of Service Providers.

- 3.2 Not awarding the block contracts would result in the Council being fully reliant on spot purchasing for all placements and this will increase placement spend and not achieve the agreed savings.
- 3.3 Not awarding would limit the Council’s ability to stabilise and increase market capacity to provide more choice for children who we care for and care leavers transitioning into their last period of being looked after and also not allow the Council to reduce reliance on more expensive residential care.
- 3.4 This would not support the Council in meeting demand for 16+ services, during a time when the looked-after child population is rising, both nationally and locally.
- 3.5 It would also not allow the Council’s current resource to undertake a full quality assurance of services due to the likelihood of placements being out of county, meaning that there would be no effective management of placements through which to exercise robust quality control. This in turn would likely lead to a widespread failure to meet the needs of young people, a failure in a statutory duty under other arrangements and escalating costs.

#### 4 Consultation, engagement and advice

- 4.1 A virtual bidders briefing event was held in October 2021 to outline proposals and gain feedback from the market.

#### 5 Finance

- 5.1 Revenue consequences

The Children’s Services budget already funds placements for eligible Young People aged 16+. This proposal will improve the efficiency and cost-effectiveness of such placements. Savings planned for within the current medium term financial strategy will be delivered through the outcome of this recommissioning project.

**Table 3**

	<b>Current Year</b> 2021/22 £m	<b>Year 2</b> 2022/23 £m	<b>Year 3</b> 2023/24 £m	<b>Year 4</b> 2024/25 £m
Revenue budget – 16+ placements	6.2	6.1	6.0	6.0
Change from Proposal	-0.1	-0.1	-	-
Remaining budget	6.1	6.0	6.0	6.0

Note – although the new block contracts will not start until April 2022, a saving of £0.1m is on track to be delivered in 2021/22 through improved management of voids on existing block contracts.

- 5.2 The effect of the proposal:

(a) **How the cost represents good value**

- Value will be improved through moving to a more efficient proportion of block contracted placements, as opposed to spot purchased placements.

- Block contracts provide the Council with exclusive services for West Sussex Young People at a lower cost compared to spot purchases.
- The duration of the contracts are 5 years with an option to extend for a further 2 years. In year 1 the costs are closely comparable but from year 2 and onwards these block contracts will protect against inflationary price rises as spot purchase costs rise in line with inflation.
- All block services will be local which supports the Council's aim to have Young People placed locally. This will also reduce the need for Social Workers to travel long distances to visit their Young People. An out of county visit will often take a whole day.
- 'What benefit'? Key principles that underpin the contract will benefit both Young People and support the Council's strategic aims;
- Services must establish a housing pathway for each young person by establishing clear links and relationships with local District and Borough Council's Housing Options teams, Department of Work and Pensions and third sector partners to maximise outcomes for long term planning for adulthood.
- Services must promote West Sussex Young People's Voice and Participation in the development, design and day to day operations to ensure services are shaped that have the children who we care for and care leavers at the centre.
- Services will need to have their own Outcomes Framework that focuses on children and young people we care for and care leavers preparing to leave care and the support they will receive to help and assist them in making a successful transition to adulthood; this must be in partnership with all parties involved in the local provision of housing, education and training to ensure maximum opportunity and sustainability.
- Services must deliver their service with a Trauma Informed approach that embraces an understanding of trauma, is restorative and strength based at every step of service delivery. This model requires a compassionate and understanding attitude, in order to address the intersecting effects that trauma can have on people's lives. It seeks to create a culture of non-violence, learning, and collaboration in all aspects of service delivery, while also recognising the physical, psychological and emotional importance of Young Peoples' and providers' safety.

**(b) Future savings/efficiencies being delivered**

This proposal will deliver the remaining savings already planned for within the current medium term financial strategy.

**(c) Human Resources, IT and Assets Impact**

The Council has one block contract with a Service Provider which is delivered from a Council asset – Tempe on Market Avenue, Chichester. This service forms part of the new block contract awards.

Consultation with Legal Services has confirmed that TUPE may apply in relation to some block contracts. The Council has discharged its obligations to facilitate

the sharing of TUPE information within the tender documentation. This sharing of the incumbents' TUPE information has allowed all bidders to provide a fully considered tender response. The TUPE implications will need to be considered between incumbent Service Providers and new Service Providers.

## 6 Risk implications and mitigations

Risk	Mitigating Action (in place or planned)
As a result of the competitive process a risk that incumbent Service Providers may not be awarded new block contracts and so lose business.	Procurement process has been fair, open and transparent and meticulously followed. To ensure the process was fair and equitable all bidders had opportunity via the Procurement Portal to ask questions and clarify any areas of the tender pack.
Service Providers of existing block contracts are not successful in their bid to retain current services and young people currently residing in their accommodation may need to move placement as a result.	Sufficient mobilisation period for Social Workers, current Service Providers and the new Service Providers to adequately plan transitions. Current premises/leases may be transferable, the transfer of properties between Service Providers will avoid a physical move for Young People.
As part of the procurement process all bidders were required to submit mobilisation planning, risks and mitigation. There are several dependencies that could disrupt timely outcomes.	Commissioning team to regularly meet with all awarded Service Providers to monitor their planning, target dates and actions for mitigation to identify possible delays to the contract start date.

## 7 Policy alignment and compliance

### 7.1 Legal Implications

- (a) The procurement of the block contracts was completed in compliance with the terms and conditions of the Framework Agreement which commenced on 1<sup>st</sup> September 2021 and have therefore been compliantly procured in line with Public Contract Regulations 2015 as well as the Council's Standing Orders on Contracts and Procurements.
- (b) The block contracts commence on 1<sup>st</sup> April 2022 and between the date of this decision report and 1<sup>st</sup> April 2022, legal services will need to work with its HR colleagues to ensure that any TUPE implications, affecting five new providers taking on services from incumbent providers, are fully reviewed and dealt with.

### 7.2 Equality duty and Human Rights assessment

These proposals will support the Council in meeting its duties and continue supported accommodation arrangements which provide essential services for those children who we care for and care leavers who may be at a disadvantage as they transition to adulthood; for example Young People with an education, health and care plan (EHCP) for whom training for independence and support in developing life skills may be vital, or unaccompanied asylum seeking children.

### 7.3 **Climate Change**

Commissioned block services under the new Framework will be located within West Sussex limiting the need for extensive travel, and therefore emissions/carbon footprint will be reduced for both the Young People and their professional network.

### 7.4 **Crime and Disorder**

Service Providers will be encouraged to work with Young People in a restorative way, with the aim of building healthy communities, increasing social capital, decreasing crime and antisocial behaviour, repairing harm and restoring relationships. All services will be linked with their local Police Community Support Officer (PCSO), who will visit services and interact with the Young People. Community Safety teams will also be available to be contacted by the Service Provider should an issue arise.

### 7.5 **Public Health**

One of the key goals for the West Sussex Joint Health and Wellbeing Strategy 2019-24, under the 'starting well' priority, is that Children and Young People leaving care are healthy and independent and that services therefore work to ensure comprehensive pathways and care packages are available to support care leavers, recognising the positive impact that this can have on Young People's physical and mental health and wellbeing and life chances. The new Framework Agreement and block contracts will continue to support the strategy.

### 7.6 **Social Value**

One of the fundamental objectives of these services is to support the Young Person leaving care to develop a strong sense of themselves and their identity. The development of positive self-image and understanding of their background and history will enable the formation of a positive sense of citizenship. This will enable the Young Person to hold a sense of belonging and ownership of the community they live in and a connection to society in general. Services will also work to develop confidence and self-esteem within the Young Person, so they have the ability to make informed choices moving forward and be able to voice their opinions and thoughts on key issues that affect them.

A social value commitment from Service Providers was part of the award criteria for all block contracts accounting for up to 10% of the scores.

Daniel Ruaux

**Assistant Director Corporate Parenting**

**Contact Officer:** Shelly Dichello, Children's Contracts and Commissioning Manager 0330 222 4131, shelly.dichello@westsussex.gov.uk

**Background Papers** - None