



Executive Director/Director Non-Key Executive Decision Report

Author/Lead Officer of Report: Ann Ellis,
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Report to: *Executive Director of People Services*

Date of Decision: *(Insert date decision to be taken)*

Subject: *Young People's Supported Housing Short term re-procurement*

Which Cabinet Member Portfolio does this relate to? Jim Steinke, Neighbourhoods and Community Safety

Which Scrutiny and Policy Development Committee does this relate to? Safer and Stronger Communities Scrutiny and Policy Development Committee

Has an Equality Impact Assessment (EIA) been undertaken? Yes No

If YES, what EIA reference number has it been given? 387

Does the report contain confidential or exempt information? Yes No

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

*"The (**report/appendix**) is not for publication because it contains exempt information under Paragraph (**insert relevant paragraph number**) of Schedule 12A of the Local Government Act 1972 (as amended)."*

Purpose of Report:

A key decision was made by the Leader on 26 September 2018 approving, amongst other things, the re-procurement of a number of housing related support services. This Report now seeks approval of the procurement strategies for those re-procurements in accordance with the delegation made by the Leader in her decision.

Recommendations:

The Executive Director is recommended to approve the procurement strategies for the housing related support contracts as outlined in this Report.

Background Papers:

Leader's Key Decision dated 26th September 'Young People Service Review: Extension of current contracts'

Lead Officer to complete:-	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: <i>Paul Jefferies</i>
	Legal: <i>Sarah Bennett</i>
	Equalities: <i>Bashir Khan</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	Lead Officer Name: <i>Ann Ellis</i>
	Job Title: <i>Strategic Commissioning Manager or Head of Commissioning – Vulnerable People</i>
Date: 1st November 2018	

1. PROPOSAL

Background

1.1 On 18th July 2018, Cabinet made a decision that the Leader of the Council would conduct a review of the services the Council commissions or delivers that provide support to young people. This review is expected to report back to Cabinet later this year. The review is investigating the feasibility; opportunities and challenges of bringing a range of services that are currently managed and delivered in different ways into a new service model with a view to improving the effectiveness of delivery and improving outcomes for young people.

1.2 The services that are in the scope of the review include services the Council has contracts with external providers to deliver. In order to ensure that no break in provision occurred, on 26th September 2018, the Leader approved the re-procurement of those contracts that were due to expire before the review could be completed and its findings implemented and mobilised including a number of housing related support contracts.

1.3 At the time of the Leader's decision officers were not yet in a position to make recommendations as to the procurement strategies to be employed for the housing related support contracts and so the Leader delegated authority to the Executive Director of People Services, in consultation with the Director of Finance and Commercial Services and the Director of Legal and Governance as appropriate, to determine those procurement strategies.

1.4 This Report outlines the procurement strategies that it is recommended that the Executive Director approves in accordance with the delegation made by the Leader.

The Proposed Procurement Strategy

1.5 A recommended procurement strategy has now been developed to enable the Council to re-procure services to commence on 1st April 2019 and end on 30th September 2020.

1.6 It is recommended that 8 different services should be procured in 7 Lots as follows:

	Lot	Max budget for 18 months service
1.	Up to 65 units for young men and women in a scheme based or core and cluster model offering low to medium support 9:5 with 24 hour cover such as concierge	£355,800
2.	Up to 55 units in scheme based settings. Two	£898,200

	services with between 25-30 units for young men and women, offering medium to high support with 24 hr staff cover – sleep-in or waking cover.	
3.	14 units in a scheme based or core and cluster setting offering medium to high support with 24 hour sleep-in cover for young women, some of whom will have babies/toddlers	£242,200
4	13 units in a scheme based or core and cluster setting offering medium to high support with 24hour sleep in cover for young women who have experienced sexual abuse. Some of the young women will have babies/young children	£232,300
5	Mediation service for young people and their families for up to 12 weeks, plus mediation interviews and targeted support in addition to the 12 full mediations	£44,250
6	Supported Lodgings service for young people with an option to spot purchase additional places above the maximum contract budget	£57,000
7	Floating support for young men and women, young couples and young families in their own homes or moving into their new homes.	£344,100
	Total	£2,173,850

with procurement being via competitive tender, under the light touch approach, and advertised on YorTender and in the Official Journal of the European Union.

- 1.7 As well as containing appropriate extension and break provisions in accordance with the Leader's decision, all of the contracts will have some flexibility within them to enable the Council to spot purchase a small number of additional places over and above the contract prices if required and available. This will be solely at the discretion of the Council and within available resources in The Children's Social Care Budget. This is to enable a degree of flexibility to ensure sufficient provision for care leavers in the event of an increase in need, and may not be used. However, for Supported Lodgings in particular it is a strategic desire to grow this service and it is anticipated that a possible additional 6 units could be spot purchased over the 18 month period.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 The services outlined in this report help young people who are at risk of not progressing successfully into early adulthood and who are, for example, at risk of falling into crime, substance misuse, or homelessness and long term unemployment.

- 2.2 The services delivered develop the independent living skills of vulnerable and homeless young people who are unable to live with their parents and who are dealing with a range of problems such as low self-esteem, a history of trauma, substance misuse issues, risk of harm. The providers will bring with them accommodation and our will provide support for these young people.
- 2.3 The provision of these services will assist the Council to discharge its statutory duties in respect of young people who may be considered vulnerable including preventing crime, antisocial behavior and homelessness.
- 2.4 The procurement strategies recommended will assist the Council in purchasing services that offer the best value for money by opening them up to competition with a weighting for quality, price and social value.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 There has been no specific consultation on the proposals in this report and no statutory requirement to do so in these circumstances. Extending current services and re-procuring identical ones will ensure that the provision to users continues.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 Decisions need to take into account the requirements of the Public Sector Equality Duty contained in Section 149 of the Equality Act 2010. This is the duty to have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it

The Equality Act 2010 identifies the following groups as a protected characteristic: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation.

An Equality Impact Assessment has been carried out and highlights that this decision will ensure that services that provide this accommodation and support continue until such time as any new service is developed or existing services recommissioned in line with the outcome of the review process. Extending/re-procuring the contracts will benefit this disadvantaged group of young people and will not have any detriment to

other people with protected characteristics.

4.2 Financial and Commercial Implications

4.2.1

Lot	Max budget for 18 months service per block contract	Potential estimated additional cost if spot purchase	Estimated total maximum cost if additional 2 units purchased within each accommodation service and 6 units in Supported Lodgings.
1	£355,800	£10,947	£366,747
2	£898,200	£32,000	£930,200
3	£242,200	£34,600	£276,800
4	£232,300	£35,700	£268,000
5	£44,250	N/A	£44,250
6	£57,000	£29,000	£86,000
7	£439,700	N/A	£439,700
Total	£2,173,850	£142,247	£2,316,097

4.2.2 Funding is available and budgeted for within the Housing Independence service budget for the block contracts.

4.2.3 Flexibility has been built into the contracts for the accommodation services to give the Council the flexibility to procure additional services if required. This would be at the Council's discretion if the facilities are available from the provider. It is most likely that this provision would be utilised by Children's Social Care services for care leavers where alternative options might be less suitable and more expensive. The additional costs are estimated based on 2 units for the whole 18 months, however it is unlikely that these units will be purchased for the whole length of the contract so this is an indicative budget. Funding for these additional units would be provided from the Children's' Social Care budget to spot purchase additional units. Supported Lodgings is an exception as this is a service where we would like to see strategic growth therefore up to 6 addition hosts could be funded. Given the nature of this service it relies on hosts volunteering and there is a process of assessment and approval. It is unlikely that even if 6 new hosts are available this will be staggered and the costs would not be for the whole period of the contract. Up to £86,000 is available in the Housing Independence budget for this growth.

4.3 Legal Implications

- 4.3.1 Local Authorities are under a duty to prevent needs for care and support following implementation of the Care Act 2014. Under sections 2(1)(a) and (b) of the Act the authority must provide or arrange for the provision of services, facilities or resources, or take other steps which it considers will contribute towards preventing or delaying the development by adults in its area of needs for care and support; and to reduce the needs for care and support of adults in its area. Under sections 2(2)(a) and (b) a local authority in performing that duty must have regard to the importance of identifying services, facilities and resources already available in the authority's area and the extent to which the authority could involve or make use of them in performing that duty; and the importance of identifying adults in the authority's area with needs for care and support which are not being met (by the authority or otherwise)..
- 4.3.2 Local Authorities are also under a duty to provide advice and assistance to persons in its area who are homeless or threatened with homelessness or threatened with homelessness and to provide accommodation for persons in its area who are eligible, homeless and in priority need under Part VII of the Housing Act 1996.
- 4.3.3 Procurements carried out by the Council must be in accordance with Contracts Standing Orders and the Public Contract Regulations 2015. The procurement strategies outlined in this report are consistent with these requirements.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Option 1 - An alternative option considered was to re-procure all the contracts so that they had an end date of 30th September 2019. This option has been rejected because, at best, this gives only 11 months to conduct a potentially complex service redesign, commissioning and implementation process. If the process is not completed by that date extensions or further re-procurements would then be required at potentially short notice, not in line with the forward plan and at extra cost.
- Option 2 - An alternative option considered was to allow some, or all, of the contracts to expire, and transfer the service delivery from the current provider to the Council. This option has been rejected because the services are complex (for example including use of buildings the Council does not own), and include a significant range of resources and staff. It is estimated that this option would take many months to implement, and is not a viable short term solution.

6. REASONS FOR RECOMMENDATIONS

- 6.1 To enable the Council to run a short term re-procurement of housing the related support contracts for the period from 1st April 2019 to 30th

September 2020 with an appropriate break clause at 30th September 2019 to enable earlier termination in the event that a new service delivery model is ready for implementation.

This strategy will allow flexibility to extend contracts at the Council's sole discretion. We anticipate this may not to be required but it is prudent to at this point ensure the council has flexibility in the event that unforeseen circumstances lead to a delay in implementation of any new strategic approach.