

CABINET

23 May 2017

Title: Contract for Provision of Supported and Unsupported Accommodation with Outreach Support for Care Leavers	
Report of the Cabinet Member for Social Care and Health Integration	
Open Report	For Decision
Wards Affected: All	Key Decision: No
Report Author: Paul Klein (Housing Lead, Transformation of Children's Care and Support)	Contact Details: Tel: 07508 112370 E-mail: paulk.klein@lbbd.gov.uk
Accountable Director: Chris Bush; Commissioning Director for Children's Care and Support	
Accountable Strategic Director: Anne Bristow, Strategic Director for Service Development and Integration	
Summary: <p>The Council has a statutory duty under the Children's (Leaving Care) Act 2000 to act as Corporate Parents for young people leaving care. This duty requires the local Authority to provide accommodation and support tailored to the needs of each vulnerable young person.</p> <p>There are approximately 270 care leavers in various categories of accommodation and outreach support packages for care leavers depending on age and length of time in care.</p> <p>The approach outlined in this strategy aims to formalise the current agreements with providers and standardise the quality and specification requirements to ensure the Council is achieving value for money and simplify the commissioning process for all parties concerned.</p> <p>In order to meet these objectives, the Council will work with a number of highly experienced providers within the private and voluntary sector to secure appropriate, high quality accommodation and outreach support via a framework contract of approved suppliers for a four-year period in order to promote the best possible outcomes for young people and assist them in achieving a successful transition to adult life.</p> <p>The cost of accommodation and support payable by the Council to providers listed on the approved framework will be fixed at the levels agreed in this tender and then reviewed after an initial two-year period.</p> <p>This report requests authorisation to conduct a procurement exercise for the provision of supported and unsupported accommodation together with outreach support.</p> <p>This exercise will culminate in the creation of a framework of suitably qualified and</p>	

experienced providers for our Care Leavers, securing the peace of mind that a rigorously vetted framework of this nature offers.

It is anticipated that the new arrangements will take effect from September 2017 with the contracts awarded for a period of four years. Forecasts indicate that total expenditure in this area over the four-year period will be approximately £6.4m, though this approach i.e. a Framework Contract commits the Council to no minimum level of expenditure.

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree that the Council proceeds with the procurement of a four-year framework contract for the provision of supported and unsupported accommodation together with outreach support for Care Leavers in accordance with the strategy set out in this report; and
- (ii) Delegate authority to the Strategic Director of Service Development and Integration, in consultation with the Cabinet Member for Social Care and Health Integration, the Chief Operating Officer, and the Director of Law and Governance, to award and enter into the contract and access agreements.

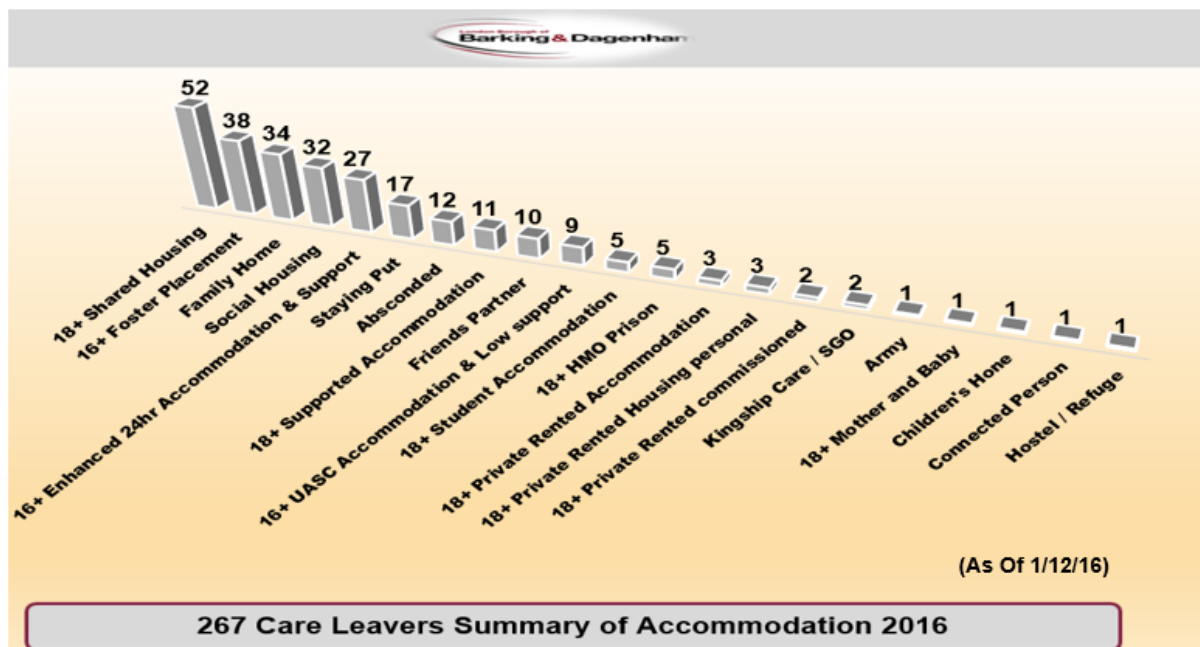
Reason(s)

1. To provide an appropriate, best-value service that delivers excellent outcomes for young people.
2. The Framework will standardise the quality of accommodation provided to young people to ensure an equitable position for all Care Leavers provided with accommodation and support where relevant.
3. To help relieve budget pressures by ensuring the best value for money options are available to the Nominated Officer when seeking to place a young person.

1. Introduction and Background

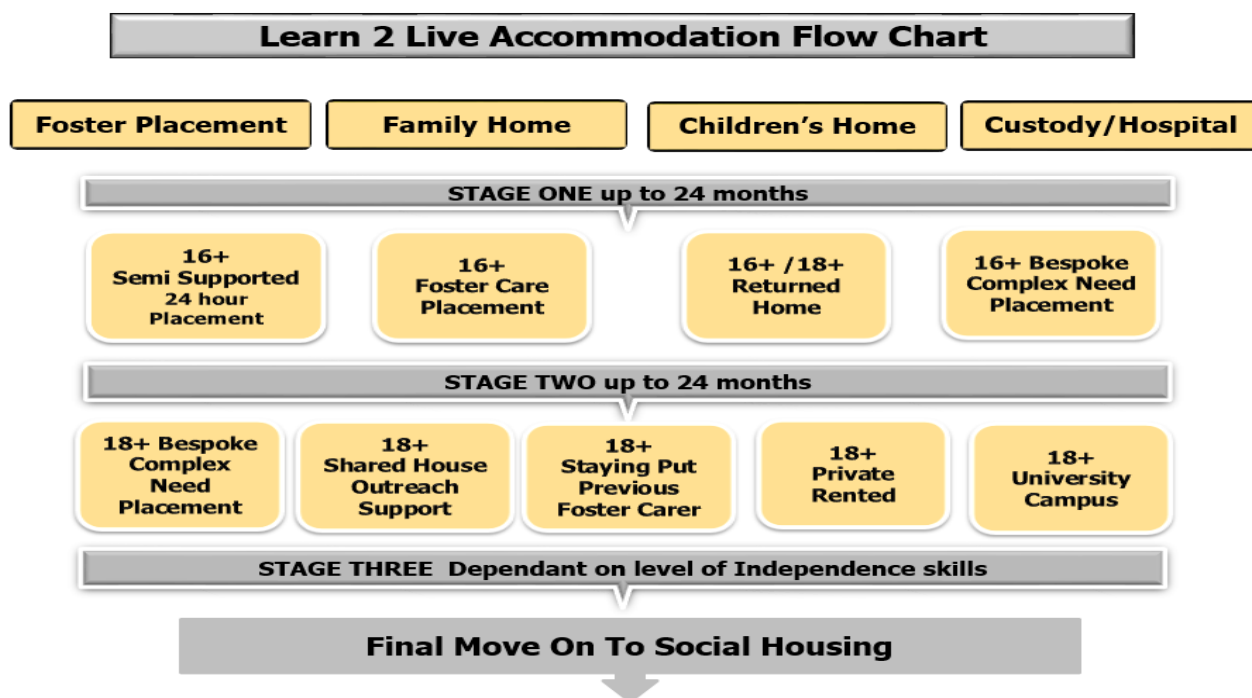
- 1.1 The purpose of this paper is to explain the reasons for establishing a Framework Contract for supported and unsupported accommodation together with outreach support provision and seek approval to proceed further.
- 1.2 The Council currently provides accommodation to 267 Care Leavers and has a duty under the Children's (Leaving Care) Act 2000 to provide relevant accommodation and support to particular groups of young people. The current profile of accommodation provision can be seen in the table below:

Current Care Leaver Accommodation Profile



Notes

1. Number and allocation of young people figure is as of 1st December 2016
- 1.3 As Council budgets continue to come under pressure, Children's Care and Support have been working closely with the SAFE Programme, private providers and the Council's Housing Services to source quality accommodation at a reduced cost against current provision for Care Leavers. This and other initiatives have gone some way to relieving pressure on budgets, reducing spend in 2016/17 by circa. £500k, with the full-year effect of this for 2017/18 equating to circa. £870k.
- 1.4 To formalise the approach to commissioning this provision, a new operating model is being designed with this framework at its centre to standardise agreements on quality, maximize value for money, maintain current good practice and simplify and shorten the commissioning process for Care Leaver accommodation and support. Savings from moving Care Leavers to private accommodation average £4,550 each. For 20 young people this amounted to £91k of savings which should be replicated in 17/18 for each young person moved together with savings estimated at £172k from moving young people to social housing based on being allocated 35 voids. Savings derived from other provision and support will be known upon completion of the tender exercise.
- 1.5 Where Social Housing is not available in sufficient number, suitable location, or in such a way as it is able to cater for specific young people's needs or circumstances, the proposed framework contract will fill the gap. This is intended to form part of a wider solution to accommodating and supporting Care Leavers together with the proposed allocation of social housing. As the social stock comes on stream we will be able to scale down the level of private housing and the nature of the proposed framework is that we only pay for occupancy with no long-term commitment.
- 1.6 The flow of how the young person moves through the various stages of accommodation through to fully independent living is shown in the slide below:



2. Proposed Procurement Strategy

2.1 Outline specification of the works, goods or services being procured.

- 2.1.1 Prior to the full tender a Prior Information Notice (PIN) was issued in February 2016, resulting in forty providers registering their interest to participate in the full tender which, illustrating the high level of interest in delivering these services locally.
- 2.1.2 The Council will invite responses from suitably qualified and experienced private and voluntary providers interested in joining a Framework Agreement to provide a range of supported and unsupported accommodation together with outreach support for Care Leavers, including provision for specific requirements such as teenage parent's disability, mental health or other needs. Supported accommodation is housing and 24hr care provision for 18 and 16-17 year old's, young parents and Care Leavers who have physical, mental health or other issues requiring supervision. Unsupported accommodation is private housing without 24hr supervision and is provided for 18+ young people as part of their pathway to independent living.
- 2.1.3 The framework will be accessible to all providers irrespective of whether they have provided an expression of interest to be included in this Framework.
- 2.1.4 The maximum number of participating firms will be forty and the Framework Agreement will run for 4 years with a two year no fault termination clause from the anticipated commencement date of September 2017. The framework will comprise 5 lots as follows:
1. 16-17 years' enhanced 24 hour supported accommodation;
 2. 16-17 years' accommodation and low-level support;
 3. Supported accommodation for young people who are parents;
 4. 18+ supported community accommodation;
 5. 18+ enhanced 24-hour supported accommodation.

The rationale for having a maximum of forty providers on the framework is to ensure that the performance of each provider can be monitored within the resources of the transport commissioning office

2.1.5 There are a number of accepted advantages to agreeing a contractual framework over spot-purchasing.

- Quality assurance monitoring can take place across the service both with regard to statistical returns, as well as regular meetings with providers;
- Good practice and training opportunities can be shared amongst providers through forums and bulletins;
- Good quality services lead to more consistent, needs-focused accommodation and support for our young people to assist them on their pathway to independent living;
- A pre-agreed pricing structure that commits the providers to maintain their prices across the term of the contract;
- Guaranteed pricing structure to enable LBBD in our financial planning and forecasting for budget setting and monitoring purposes.

2.1.6 The contractual method recommended to Cabinet, that is a Framework Agreement, would have additional advantages. It would not oblige the local authority to purchase any volume from a provider but it guarantees the rates we will be charged for at least a minimum of two years.

2.2 Estimated Contract Value.

2.2.1 The contract will be a Framework Contract that will have no minimum value, nor will any commitment to expenditure by the Council be stipulated within the contract itself. Expenditure will only be incurred when referrals are made. The current expenditure for LB Barking and Dagenham is circa. £1.6m per annum (circa. £6.4m in total). The total value of the contract would, therefore, be circa. £6.4m.

2.3 Duration of the contract, including any options for extension.

2.3.1 The framework contract will be for 4 years with a two year no fault termination clause to allow for any changes in the content of the framework.

2.4 Is the contract subject to the (EU) Public Contracts Regulations 2015? If Yes and the Contract is for services, is it subject to the light touch regime?

2.4.1 This contract is subject to the (EU) Public Contracts Regulations 2015 and is thought to be subject to the light touch regime but clarification is sought from the Procurement Board.

2.5 Recommended procurement procedure and reasons for the recommendation.

2.5.1 The tender process will be conducted in compliance with any European Union rules and principles and the Council's Contract Rules. The tendering of this service will be advertised on the Council's website and on Contract Finder Contracts Finder which is a free service for businesses, government buyers and the public. The service comes from the government under its commitment to transparency and allows suppliers to find contract opportunities.

2.5.2 There is a requirement for the tender to be advertised in the OJEU as it is subject to the Regulations. The Council's own Contract Rules require a formal tender process to be followed and the EU Treaty principles of transparency, non-discrimination and equality of treatment do apply. The route of a tender process has previously worked well: providers engaged with and had no issues with the way in which the procurement process was run. Interested parties will be invited to tender on the basis of a compliant tender process

2.5.3 All providers who express an interest in the tender will be issued with a tender pack which will give clear details on the price/quality criteria and weightings. The proposed weighting will be 70% quality and 30% price This will be a single stage tender using the Open Process, this will offer the opportunity and support to less experienced providers to submit a tender for this framework contract.

2.5.4 The proposed weightings are based on previous experience of the large amount of poor quality accommodation and support in this market. A higher focus on cost has resulted in multiple moves for young people and increased costs for short term emergency provision together with an increased work load for all concerned. Over the past year, Children's Services has been successful in obtaining higher quality, lower cost private accommodation for 20 young people by working with providers to understand the need for high quality and has realised savings of £91,000 as a result of this increased emphasis on quality. In addition, our responsibility as corporate parents to ensure a high level of safeguarding for these vulnerable young people make it essential to provide the best environment possible in which to support their transition to independent living. The weightings are expected to be as follows (this is an overview; tenderers will be made aware of any sub criteria in the tender documents):

- Quality 70% (covering seven areas each making up a % of the total quality score)
 - Continuous Improvement
 - Safeguarding
 - Health & Safety
 - Accommodation Standards
 - Service Delivery
 - Equalities
 - Property Inspections
- Pricing 30%
 - For accommodation and Support per person per week based on the requirements listed in each specification
 - For stand-alone outreach support on a per hour basis (without travelling expenses, which will not be paid by LBBD)

Note: If there are any revisions to the weightings during the tender exercise all providers who have requested a tender pack will be informed immediately.

2.5.6 Providers will be ranked on the framework according to the % of the quality score from their tender submission.

Proposed Tender Milestones

Cabinet approval	May 2017
Advertise and send out tender application packs	June 2017
Tender submissions to be returned	July 2017
Tender evaluations and unannounced site visits	August 2017
Approval and award of contract	August 2017
Start of contract delivery	September 2017

2.5.7 Following the evaluation of the tenders, providers will be advised which specific Lots they have been successful and awarded a framework contract listing for

2.6 The contract delivery methodology and documentation to be adopted.

2.6.1 The Service will be delivered by external providers and will not open to other Local Authorities. Documentation to be adopted will be the Council's standard terms and conditions.

2.6.2 Tenders will be assessed on a balance between the cost of the service and the quality of the service they offer, that is to say 'the value for money' they offer the authority. This is the optimum balance of whole-life costs and benefits that meet the customer's requirements. The Council will request written Statements to detail how they will meet the individual evaluation criteria below using the same headings.

2.6.3 The Tenderer may decide how much detail to include in each Statement but should ensure that the Statement "collectively" demonstrates to the Council that the Contractor is able consistently to provide a high-quality service under a complex contract of this type. Each Statement must NOT exceed 400 words. The evaluation will determine the most economically advantageous offer by means of applying the following main criteria:

Quality: 70%, Price: 30%

2.6.4 Referrals will be made by the Local Authority directly to the Provider in accordance with the Referral Process described below. Placements will be identified for both planned (Regular Referral Process) and unplanned (Expedited Referral Process) placements based on the criteria set out below.

2.6.5 The Nominated Officer will issue a referral request detailing the requirements for meeting the specific needs of the young person to be placed. This request could be to a number of or a single provider and will include a risk assessment of the young person and an initial assessment of the young person's needs and the support package required. The referral request and the deadline to respond will be emailed to the Provider(s) in the relevant Lot who can meet the specialist services relevant to the young person.

- 2.6.6 The Provider must respond to the Nominated Officer confirming how they propose to meet the requirements of the placement and confirming the rates applicable to the proposed placement based on the Pricing Details in the Provider's final tender. No responses submitted after the deadline set will be assessed.
- 2.6.7 The Nominated Officer will assess the Proposals and select the Provider that best meets the requirements of the specific placement.
- 2.6.8 The assessment of the proposals will be against criteria which will be ranked by descending order of importance on a case by case basis according to the requirements of the specific placement and set out in the referral document. The criteria are:
- Geographical Location
 - Compatibility of profile / Skills of the proposed Keyworker with the young person's needs
 - Overall suitability of the Provider for meeting the young person's needs
 - Weekly price of delivering the requirements of the placement
- 2.6.9 A record of the referral request/assessment will be kept by the Nominated Officer. Once a preferred Provider has been selected for the placement, the following will be discussed with the Provider either by telephone or in a pre-placement meeting:
- A pre-placement visit to the accommodation by the young person
 - A placement planning meeting date agreed on or before the date of admission
 - A date for the placement to start.

In the instance of an emergency placement, the Nominated Officer retains the right to expedite the process as they see fit based on the needs and situation of the YP. Once satisfactory arrangements have been fully agreed, an Individual Placement Agreement will be completed with the Provider for that placement.

2.7 Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract.

- 2.7.1 Standardising the specification and quality of accommodation and support will ensure that all relevant young people will be assured of the highest quality service and provision from their corporate parent.
- 2.7.2 A test of the market to ensure that LBBB are receiving the best value for money possible and where possible contribute to relieving pressures on budgets via a reduction in costs.
- 2.7.3 Enabling the sharing of best practice and learning amongst providers to ensure continual improvement of service provision for Care Leavers in order for them to be able to move to independent living from a stable base.
- 2.7.4 Fixed prices for the first two years of the framework will assist LBBB in financial planning and budget setting/monitoring.
- 2.7.5 Simplifying and shortening the commissioning process will save time for LBBB staff and reduce the cost of managing the service.

2.7.6 From the perspective of the five Every Child Matters outcomes, accommodation impacts on 'staying safe' in its broader interpretation.

2.8 Criteria against which the tenderers are to be selected and contract is to be awarded

2.8.1 The price quality ratio upon which contracts will be awarded will be 70% quality and 30% price. Providers will be ranked in each lot based on the quality % of their tender submission.

2.9 How the procurement will address and implement the Council's Social Value policies.

2.9.1 The Council's Social Value policies and the Social Value Act 2012 are broadly aligned, and thus, these contracts will address and implement the aims by:

- **Promoting employment and economic sustainability:** tackle unemployment and facilitate the development of skills amongst providers
- **Building the capacity and sustainability of the private and voluntary sector:** enabling companies to provide the service and encourage volunteering and employment of local residents where applicable
- **Creating opportunities for SME's and social enterprises:** Enabling the development of local businesses in the provision of this service.

3. Options Appraisal

3.1 Option 1: Do nothing

Current agreements with providers have varying quality standards and pricing which together with the administration of spot purchasing governance and documentation has resulted in an inefficient process that does not deliver proven value for money. If we do nothing this will continue to add pressure to service budgets and provide an inconsistent service to our young people.

3.2 Option 2: Join an existing framework

There are no suitable existing frameworks in place that will enable LBBD to specify the providers and standards of delivery we require across the geographical boundaries stipulated in our tender.

3.3 Option 3: Put in place an LBBD framework contract

This will enable LBBD to select providers based on our standards of quality and specification and ensure we have achieved maximum value for money and efficiency in delivering services to our young people.

4. Waiver

4.1 Not applicable.

5 Equalities and other Customer Impact

- 5.1 Wellbeing of children in the borough: and ensuring that potentially vulnerable children and young people are safely housed and supported based on their needs, is a fundamental responsibility for the Council, staff and Members. Indeed, this is a responsibility for all Members as corporate parents.
- 5.2 Integrated service provision: the ability for children and young people to be safeguarded while being housed allows them to experience services within the community in a safe way, thereby, contributing to positive life chances, educational and social development.

6. Other Considerations and Implications

6.1 Risk and Risk Management

- 6.1.1 As a Framework Agreement there is no specific guarantee to any provider of a level of service and, by extension, expenditure. A Framework is likely to attract a higher level of interest from potential providers than spot purchasing, so encouraging more competitive pricing and minimising the risk from default by any individual provider.
- 6.1.2 Given the statutory duty upon the Council, a suitable and safe provision for children, young people and adults with special needs and/or disabilities could be considered as risk mitigation. This framework would tie providers into contractual obligations that would better ensure continuity of provision, as well as service quality for service users. The key elements of this can be summarised as follows:
- 6.1.3 The Providers are required to ensure that all staff working with young people shall be trained or have attained the following minimum qualification in Social Care:
- Manager: NVQ Level 4 or equivalent;
 - Keyworker: NVQ Level 3 or equivalent.
- 6.1.4 The Providers are required to ensure where staff are currently attaining relevant qualifications there shall be a comprehensive training and development plan in place.

VETTING:

- 6.1.5 The Provider shall appropriately vet all staff within the organisation prior to taking up a post. The Provider shall obtain:
- Verification of ID (passport, birth certificate);
 - Proof of address (bank statement, utility bill etc)
 - Enhanced Criminal Records Bureau Checks and ensure that all staff have a full enhanced DBS with a validity of 3 years; DBS to include POCA & POVA);
 - Work Permit (if appropriate);
 - Drivers Licence (if appropriate);
 - Certificates of training;
 - Confirmation of qualifications
 - General Social Care Council Register (or equivalent)

- 6.1.6 The Rehabilitation of Offenders Act 1974 does not apply and therefore all staff working in the Service shall declare any previous convictions prior to taking up any appointment. If a member of staff declares or is found to have any previous convictions. The Provider shall ensure continued employment is agreed with the Local Authority's.
- 6.1.7 Upon recruitment of all new staff a new enhanced DBS check must be requested. This member of staff shall not commence work on the Service until the DBS has been received.
- 6.1.8 The risk to service users will be minimised considerably through providers being held to key quality standards within the terms of the Framework Agreement, such as:
- Ensuring compliance with its duties under the Children Acts;
 - Demonstrating that its functions are discharged having regard to the need to safeguard and promote the welfare of Children & Young People;
 - Ensuring Enhanced DBS checks are undertaken for all staff
 - Adopting the London Child Protection Procedures and work to the Local Safeguarding Children Board guidance and procedures whilst ensuring that they comply with child protection procedures relevant to the local authority in which the young person is placed. This shall be reflected in the Provider's internal policies and procedures;
 - Ensuring that there is a designated Named Senior Officer within the organisation who will deal with all aspects of Child Protection including all allegations. This person shall receive appropriate training or briefing on their role and responsibilities and will be known as the Named Senior Officer;
 - Ensuring that all staff receive child protection training within their period of induction and thereafter regular updates; and
 - Ensuring that all staff recruitment complies with guidance on 'Safer Recruitment' as outlined by the Children's Workforce Development Council – www.cwdcouncil.org.uk.

(Full details of the quality and safeguarding required of providers are contained in the framework specification which is attached in appendix A)

6.2 Safeguarding Children

- 6.2.1 Wellbeing of children in the borough: ensuring that potentially vulnerable children and young people are safely housed and, where appropriate, supported, is a fundamental responsibility for the Council, staff and Members. Indeed, this is a responsibility for all Members as corporate parents.
- 6.2.2 Integrated service provision: the ability for children and young people to be housed and supported in a joined-up provision allows them to experience life within the community in a safe way and improve their progress to fully independent living.

6.3 Health Issues

- 6.3.1 A Framework Agreement that delivers common high standards of quality will ensure that the housing and support needs of vulnerable members of society are better

supported, particularly with regard to where young people have complex physical, psychological and/or sensory needs.

7. Consultation

- 7.1 Consultation for this tender exercise has taken place through circulation of this Cabinet Report. The draft report after having been circulated to all required consultees as listed at the beginning of this report was then put forward and approved at the Corporate Procurement Board Meeting of 18th April 2017.

8. Corporate Procurement

Implications completed by: Francis Parker – Senior Procurement Manager

- 8.1 Setting up a framework is the most applicable option for this service. It offers flexibility but also means that less administration is necessary for the service to operate.
- 8.2 The Price/Quality split is suitable for this type of procurement. Quality must be obtained through the tender process due to the vulnerable service users, therefore a high weighting is necessary. Pass/Fail criteria could be used as an alternative to ensure a minimum standard of quality is delivered and then the price weighting could be higher.
- 8.3 Forty providers is a sensible number to ensure there is competition through the framework. An Open procurement will ensure that the widest number of providers are able to apply and therefore those chosen for the framework will have already gone through the most thorough competition already.

9. Financial Implications

Implications completed by: Daksha Chauhan, Group Accountant, Children's Finance

- 9.1 This report requests approval to run a procurement exercise for a four-year framework contract for the provision of supported and unsupported accommodation together with outreach support for Care Leavers.
- 9.2 There will be no commitment of spend on this contract as it is a framework agreement and the total spend value will be dependent on individual service budgets and their requirements.
- 9.3 Spend will be managed within existing individual service budgets.

10. Legal Implications

Implications completed by: Kayleigh Eaton, Contracts and Procurement Solicitor, Law & Governance

- 10.1 This report is seeking approval to tender a four-year framework, on a 2 year + 2-year basis, for the provision of supported and unsupported accommodation with outreach support for LBBD Care Leavers from 1st September 2017.

- 10.2 The services being procured appear to be subject to the Light Touch Regime under the Public Contracts Regulations 2015 (the Regulations). The threshold for application of this regime is currently £589,148. The value of the proposed contract is above this threshold meaning that it will need to be advertised in the Official Journal of the European Union (OJEU). There are no prescribed procurement processes under the light touch regime, therefore the Council may use its discretion as to how it conducts the procurement process provided that it discharges its duty to comply with the Treaty principles of equal treatment, non-discrimination and fair competition; conducts the procurement in conformance with the information that it provides in the OJEU advert; and ensures that the time limits that it imposes on suppliers, such as for responding to adverts is reasonable and proportionate. Following the procurement, a contract award notice is required to be published in OJEU.
- 10.3 Clause 2.5.1 of this report states that the contract will be advertised in OJEU as well as on the Council's website and Contracts Finder and 2.5.3 notes that the process will follow an Open tender process as set out in the Regulations. This appears to comply with the requirements of the Regulations and the Council's Contract Rules and therefore would appear to be following a compliant tender process.
- 10.4 Contract Rule 28.7 of the Council's Contract Rules requires that all procurements of contracts above £500,000 in value must be submitted to Cabinet for approval.
- 10.5 In line with Contract Rule 50.15, Cabinet can indicate whether it is content for the Chief Officer to award the contract following the procurement process with the approval of Corporate Finance.
- 10.6 The report author and responsible directorate are advised to keep the Law and Governance Team fully informed at every stage of the proposed tender exercise. The team will be on hand and available to assist and answer any questions that may arise.

Public Background Papers Used in the Preparation of the Report: None

List of Appendices: None