



Report to Policy Committee

Lead Officers of Report: Sally Willoughby,
Senior Manager, Strategy, Policy, Development
and Performance

**Becky Towle, Assistant Director, Children's
Services**

Tel: 0114 205 3834

Report of: Joe Horobin, Director of Integrated Commissioning
and Sally Williams Interim Director, Children's
Services

Report to: *Education, Children and Families Policy
Committee*

Date of Decision: *8th November 2022*

Subject: Request to extend the current Supported
Accommodation Contract (young people 16 to 25
years) from April 2023 to September 2024

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

If YES, what EIA reference number has it been given? 557

Has appropriate consultation taken place? Yes No

Has a Climate Impact Assessment (CIA) been undertaken? Yes No

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*"The (**report/appendix**) is not for publication because it contains exempt information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:

This report seeks approval to commission an extension to the current Supported
Accommodation DPS (young people 16 to 25 years) for 18 months from 1st April
2023 to 30th September 2024. The current term of the contract is the 1 August
2019 – 1 April 2023 (4 years).

The value of the extension is estimated to be £8.4m

Recommendations:

That the Education, Children and Families Policy Committee approves the commission of an 18-month extension (1 April 2023 – 30 September 2024) of the current Supported Accommodation (young people 16- 25 years) DPS with such variation having an estimated value of £8.4m.

Background Papers:

(Insert details of any background papers used in the compilation of the report.)

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>Kayleigh Inman</i>						
	Legal: <i>Richard Marik and Henry Watmough- Cownie</i>						
	Equalities & Consultation: <i>Bashir Khan</i>						
	Climate: <i>n/a</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	SLB member who approved submission: <i>Andrew Jones, Director of Children's Services</i>						
3	Committee Chair consulted: <i>Councillors Rooney, Dale, Holmshaw and Ross</i>						
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.						
	<table border="1"> <thead> <tr> <th>Lead Officer Name:</th> <th>Job Title:</th> </tr> </thead> <tbody> <tr> <td><i>Sally Willoughby</i> <i>S Willoughby</i></td> <td>Senior Manager, Strategy, Policy, Development & Performance</td> </tr> <tr> <td><i>Becky Towle</i> <i>R.E. Towle</i></td> <td><i>Assistant Director, Children's Services</i></td> </tr> </tbody> </table>	Lead Officer Name:	Job Title:	<i>Sally Willoughby</i> <i>S Willoughby</i>	Senior Manager, Strategy, Policy, Development & Performance	<i>Becky Towle</i> <i>R.E. Towle</i>	<i>Assistant Director, Children's Services</i>
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<i>Sally Willoughby</i> <i>S Willoughby</i>	Senior Manager, Strategy, Policy, Development & Performance						
<i>Becky Towle</i> <i>R.E. Towle</i>	<i>Assistant Director, Children's Services</i>						
Date: <i>30/09/2022</i>							

1. PROPOSAL

- 1.1 This report seeks approval to commission an extension to the Supported Accommodation (young people 16-25 years) Dynamic Purchasing System (DPS) contract for Looked After Children and Care Leavers by a further 18 months, with an estimated value of £8.4m, to provide support and accommodation for young people. The original term of the DPS was for 4 years (1 August 2019 to 1 April 2023).
- 1.2 The current Framework has been in place since 2019 and there are 26 approved providers across 3 separate lots. During the financial year of 2021 to 2022 a total of 219 young people were supported, with an average of 130 young people being supported at any one time.
- 1.3 The supported living service meets the accommodation and support needs of vulnerable young people and care leavers (16-25 years) which ensures a spread of accessible high quality accommodation and related daily living support. This statutory duty under the requirements to support Looked After Children and Care Leavers are contained in The Children (Leaving Care) Act 2000, the Children Act 1989 and 2004 and Care Leavers (England) Regulations 2010.
- 1.4 The purpose of purchasing Supported Accommodation is to meet the following key objectives:
- to ensure that young people can be supported with appropriate accommodation
 - to be available 24 hours a day, 7 days a week (where appropriate);
 - to promote contact with family and friends (where appropriate);
 - to develop a mixed economy of provision to meet diverse needs and requirements of young people
 - to work in partnership with independent and voluntary sector providers to raise the quality of support available to 16+ young people; and
 - to support young people into independence.
- 1.5 Three different types of service are provided under the DPS: 24-7 Group Living (Complex); 24-7 Group Living (Standard); and Supported tenancies with floating support.
- 1.6 In 2023, the Government is introducing new national standards for the registration, regulation, and inspection of supported accommodation for Looked after Children, aged 16 and 17 and Care Leavers, which will be overseen by an Ofsted-led provider registration and inspection regime. Ofsted will begin registering providers from April 2023 ahead of the new national standards becoming mandatory for all providers from Autumn 2023 and commence inspections in April 2024.

- 1.7 The new National Standards will be based on four key areas: -
- Leadership and management
 - Child protection
 - Accommodation
 - Support
- 1.8 Given the forthcoming changes, regulation and inspection, the new quality standards will need to be incorporated within the provider performance management framework to ensure providers are preparing for registration appropriately.
- 1.9 Consequently, the contract will require a variation in line with these changes during the 18-month extension period in order to ensure providers are compliant with the new legislation and are providing quality registered supported accommodation. This will give providers time to ascertain how they will be progressing with their business and if they will remain providing this provision under the new regulations. The Council does not currently have the ability to provide this provision in-house.
- 1.10 Any providers not intending to apply these regulations to their provision will not be entitled to join the new framework and alternative accommodation will be sought for any young people affected.
- 1.11 Discussions and negotiations will continue to be undertaken by the Strategic Contracts and Access to Resources Team (SCART) and the Care Leavers Service alongside Legal and Commercial Services to reach agreement, with the current Service Providers, to maintain the prices attributed to the service from 1st April 2023 until 30th September 2024. Therefore, the proposal is that the prices remain the same as they are currently during the extension of the contract.
- 1.12 Commissioning an extension will allow sufficient time to conduct a full re-commissioning exercise that is co-produced with young people and Care Leavers.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 This decision supports the ambitions within the Our Sheffield Delivery Plan 22/23.
- strong and connected neighbourhoods which people are happy to call home
 - happy young people who have the start they need and the future they want
- 2.2 This decision will support the statutory duties under the Children Act 1989 and 2004 to prepare and support children for leaving care.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 Discussions are ongoing with providers as to the potential implications of the new Ofsted regime. A full consultation exercise will be undertaken with stakeholders and young people as part of the re-commissioning exercise, the results of which will feed into a future proposal and report for a new framework in 2024.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality Implications

- 4.1.1 Decisions need to consider 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.
- to help evidence meeting the requirements of the duty, we have carried out a full Equality Impact Assessment.

- 4.1.2 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
- sexual orientation

- 4.1.3 An Equality Impact Assessment was carried out at the start of the tender in 2019. A full Equality Impact Assessment will be completed as part of future commissioning.

4.2 Financial and Commercial Implications

- 4.2.1 The current contract is currently delivered by a framework of providers and is in the final year of the commissioning cycle. The proposal is to extend the current contract by 18 months and then to go out to competitive tender for a further 4 years with an implementation from 1st October 2024 with the option to extend for a further year. The total spend for the last financial year from 1st April 2021 to 31st March 2022 was £6,000,000.

- 4.2.2 Financial projections for 2022 / 2023 are currently forecast at approximately £5,600,000.
- 4.2.3 At current rates the estimated spend for the proposed extension of 18 months would therefore be approximately £8,400,000 based on the anticipated costs projections of £5,600,000 in 2022/23. As this is a demand led arrangement the actual cost of the extension could be higher or lower than the projections dependent upon how many young people are in need of and provided with support and their complexity of needs, therefore the cost of the extension could be higher than £8,400.000
- 4.2.4 The value of this contract means that a competitive tender process in accordance with the Public Contracts Regulations 2015 must be followed. The procurement process to be followed shall be compliant with these requirements and those of Contract Standing Orders and they will be conducted by Commercial Services with a dedicated procurement professional lead. It will also involve the Lead Contract Manager from the commissioning service.

4.3 Legal Implications

- 4.3.1 The Council has a duty to support and a power to accommodate looked after children and care leavers under the Children (Leaving Care) Act 2000, the Children Act 1989/2004 and the Care Leavers (England) Regulations 2010.
- 4.3.2 The arrangements to provide supported living for looked after children and care leavers under the DPS are permitted by the Local Government (Contracts) Act 1997 and should ensure the Council can meet their statutory duties.
- 4.3.3 The Public Sector Equality Duty came into force in April 2011 (S.149 of the Equality Act 2010) and public authorities are required, in carrying out their functions, to have due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010 (as cited above).
- 4.3.4 There is a reasonable legal argument that the proposed modification to the DPS (extension) is justified under Regulation 72 of the Public Contracts Regulations as not being “substantial” (Reg 72(8)).
- 4.3.5 Any variation to the agreement must be made in accordance with its terms and conditions (Schedule 10).
- 4.3.6 In seeking to vary the agreement, the Council must comply with the Contract Standing Orders and fulfil its Best Value Duty.

4.4 Climate Implications

- 4.4.1 There are no climate implications in relation to the delivery of this service.

4.5 Other Implications

- 4.5.1 There are no additional implications arising out of the request to extend the current contract.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Not to proceed with an extension to the contract- the alternative option considered is not to proceed with the proposed extension, however, this raises the risk of an appropriately specified and monitored contract not being in place, which would be in breach of the Contract Procedure Rules (2015).
- 5.2 Additionally, the Local Authority will not be in compliant in relation to its statutory duties to provide appropriate accommodation to Looked After Children and Care Leavers, therefore, this option is not recommended.
- 5.3 There are no additional implications arising out of the request to extend the current contract.

6. REASONS FOR RECOMMENDATIONS

- 6.1 Commissioning an extension to the existing arrangements will ensure our statutory duty continues to be met whilst allowing time for a full re-commissioning exercise to be undertaken.

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