

## **Supported Accommodation for young people aged 16+ (in care and care leavers)**

### **1. EXECUTIVE SUMMARY**

Plymouth City Council has a statutory duty under Section 22G of the Children Act 1989 to ensure there are sufficient placements in the local area to meet the needs of children and young people in care. These placements need to cover a broad range of provision, including children's homes, residential special schools and foster care. This also includes supported accommodation for young people aged 16 and 17, and some young people as they leave care and step into independent living. This type of provision is not currently required to be regulated by Ofsted or the CQC, as it offers support rather than care. The DfE are currently considering the introduction of some national quality standards for this type of provision and this is welcomed in further driving up quality.

This business case describes the current contractual arrangement and the proposal for a new arrangement via a procurement. It also describes the longer term ambitions for a more integrated system for young people in care aged 16+ and care leavers.

This approach relates to existing revenue on spend for placements, and proposes some adjustments to how this funding is used to support value for money; it does not request additional funding or describe any reduction in service.

### **2. BACKGROUND**

Since 2006 Plymouth City Council has worked with other Peninsula local authority partners to jointly commission placements for children and young people in care. Between 2013 and 2019 a joint Peninsula contract (known as "Lot 4") for supported accommodation for young people aged 16 and 17 and young care leavers was held by Devon County Council, on behalf of Plymouth City Council and Torbay Council.

In 2019 Devon County Council procured a separate contract to meet local needs. The Peninsula contract was novated to Torbay Council to hold on behalf of Plymouth and Torbay. The intention was jointly to recommission the contract, with Torbay as lead commissioner. A specification was developed and co-designed with providers. Since then the priorities of the two local authorities in placement commissioning have diverged and a localised response for Plymouth is more appropriate.

The value of the current contract for Plymouth is approximately £1m per year, but as it is a framework contract it does not commit the Council to any spend, unless young people are placed.

Separately to this, the Complex Lives Alliance currently provides some other accommodation for young people in care aged 16+ and care leavers – this includes supported lodgings and supported accommodation in the Foyer.

### **3. NEEDS OF YOUNG PEOPLE**

The needs of the young people using this service range considerably, with some demonstrating significant levels of complexity:

- Poor emotional wellbeing and low self esteem;
- Poor mental health (some may be known to CAMHS, on waiting list or not engaging);

- Poor self-care, leading to poor physical health;
- Experience of domestic and/or sexual violence and abuse;
- Experience of neglect and poor parenting;
- Self-harming behaviour;
- Risk taking behaviours including risky sexual behaviour and relationships;
- Frequent missing episodes;
- Suicidal thoughts;
- Learning difficulties, on autistic spectrum;
- Substance misuse;
- Criminal activity and re-offending experiences;
- Poor social and practical skills including financial management;
- Challenging relationships with family/carers/ wider support networks including experience of rejection.

Young people may also struggle to reconcile being in or leaving care with a pull back towards their birth family, alongside anxieties about what will happen to them in the future.

Plymouth City Council is a Trauma Informed City and seeks to work with Providers who understand the impact of trauma on young people in relation to their complex behaviours.

#### **4. CURRENT CHALLENGES**

**Lack of local supply** - the pressure on the supply, quality and cost of placements continues to be a challenge for all local authorities, with an ongoing need for good quality local provision, offering good outcomes and value for money. Supported accommodation provision offers placements for a broad range of need, from those that need to live alone to those who can live with other young people. It supports young people who come into the care system later in their teenage years, and those young people stepping down from residential care and towards independent living.

Plymouth currently has two providers operating a range of 16+ provision locally on the existing contract. Both deliver good quality provision and outcomes for young people at weekly rates which are fairly related to the needs of the young people placed, some of whom are very complex. The aim of any procurement would be to further develop this provision and encourage good quality providers from elsewhere to add to the placements in the city, bringing new employment opportunities in Plymouth. This would ensure that a greater proportion of the placement budget is spent in the city, aligning with Spend4Plymouth. This would also reduce out of city travel, supporting climate change and low carbon initiatives. A significant benefit would be in reducing the number of Plymouth young people who are placed out of city due to lack of local provision.

**Fragmented system** - there is currently a disconnect with the 16+ provision offered by the Complex Lives Alliance (this includes supported lodgings and supported accommodation). Strategic Commissioning manages referrals for the Peninsula 16+ contract, and Alliance referrals are considered separately. This means in practice that social workers are rarely able to consider all the possible placement options for supported accommodation at the same time.

There remains the need for a broad range of provision in the city, so having additional provision alongside the Alliance is currently required, particularly when a small number of young people are placed out of city to meet their needs.

**Cost of provision** – all placements made under the current framework are spot purchased, only paid for when a young person is placed. This leads to higher costs per placement as providers need to factor in the costs and risk of empty beds. In reality, the provisions which are regularly used in Plymouth are of good quality and rarely have a vacant bed.

## 5. PROPOSAL

It is proposed to commission a 4-year framework contract for 16+ supported accommodation, divided into 3 lots:

Lot 1 – block purchased provision in Plymouth (5 beds to be block purchased initially, representing a third of current usage)

Lot 2 – spot purchase provision in Plymouth and within 20 miles of the city

Lot 3 – spot purchased provision outside 20 miles

The framework for all three Lots would have regular entry points, to allow new provision to be added (without commitment for the Council to use it except for Lot 1), to support growth in the local market. This would also enable more beds to be added to the block contract, if the evidence showed that levels of demand warranted it. The same mechanism for adding block beds could be used as with the residential children's home block contract, based on demand, the quality of the provision and the weekly price offered.

The budget for the service and approval for any spend would remain with Children, Young People and Families, via the Children's Resource Panel. This would meet the short to medium need to have a contract in place to replace the Peninsula arrangement, and enable the specification for the service and quality standards to be brought up to date.

In the medium to longer term, it is proposed to carry out co-design sessions with internal and external partners (led through the Children and Young People Accommodation Sub-Group), to design a future integrated pathway of accommodation for young people in care and homeless, aged 16+. This would aim to bring together pathways of provision, budgets and brokerage functions to further improve access to provision, the offer of accommodation and support, and development of independent living skills. In turn this would inform future commissioning and procurement proposals.

At tender, providers will be tested on their model of delivery against the specification, and their skills in local partnership working, particularly in relation to the Complex Lives Alliance and local support services. We would also seek greater clarity on the price of provision as linked to the delivery model. Providers bidding for Lot 1 (block contract) would need to demonstrate a preferential weekly price against market rates. The possible financial benefits of this approach are set out below.

Weekly placement cost for 5 beds (approximate)	Annual cost of 5 placements	Annual saving if 3% discount on weekly fee	Annual saving if 5% discount on weekly fee	Total contract savings (4 years)
£6,500	£338,910	£10,167	£16,945	£40,668 (3%) 67,780 (5%)

The procurement would include the option to add more beds to the block contract, during the contract term, if the evidence shows that demand is high enough to warrant this (to reduce the risk of voids) and that the providers continue to offer good quality provision. If ten beds were contracted the annual savings would be £33,890. A block contract would offer providers greater financial stability and closer partnership working with the Council.

The children's home residential block contract contains a clause whereby any vacant beds can be offered to our neighbouring local authorities (in consultation with the provider, and dependent on risk and matching with young people already placed). It is proposed to include the same clause in this contract.

## 6. CONTRACTUAL/LEGAL EVALUATION

The contract used will be the standard Plymouth City Council terms and conditions, with special conditions included to reflect the particular requirements of providing support to vulnerable young people. The service specification will be a core part of the contract document.

The KPIs will be monitored regularly and reviewed annually to ensure the thresholds for the satisfactory standards of service provision have been set correctly.

## 7. TIMETABLE

The proposed timetable for the procurement is as follows:

Activity	Target date
Business case considered at Cabinet	13 <sup>th</sup> October 2020
Procurement launched	23 <sup>rd</sup> October 2020
Procurement closes	4 <sup>th</sup> December 2020
Evaluation	Until mid-January 2021
Contract award (delegated decision by Portfolio Holder)	End of January 2021
Contract mobilisation	February and March 2021
Contract starts	1 <sup>st</sup> April 2021