

# KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

## DECISION TO BE TAKEN BY:

Sue Chandler, Cabinet Member for Integrated Children's Services

## DECISION NO:

22/00017

## For publication

### Key decision: YES

*Key decision criteria. The decision will:*

- result in expenditure which is significant having regard to the budget for the service or function (currently defined by the Council as in excess of £1,000,000)

### Title of Decision

Shared Accommodation and Young Persons Supported Accommodation and Floating Support Service contracts

**Decision:** As Cabinet Member for Adult Social Care and Public Health, I propose to:

Agree to directly award a new contract, under the same terms and conditions to Clearsprings Ready Homes from 1 November 2022 to 31 March 2023 for Shared Accommodation services and directly award a new contract under the same terms and conditions to Look Ahead Care and Support, Sanctuary and YMCA from 1 October 2022 to 31 March 2023 for the Young Person's Supported Accommodation and Floating Support (YPSAFS) services.

Delegate the authority to the Corporate Director, Children, Young People and Education, or other officer, to undertake such actions as necessary to implement this decision, in consultation with the Cabinet Member

### Reason(s) for decision:

The current contract arrangements end on 31 October 2022 for Shared Accommodation and 30 September 2022 for Supported Accommodation.

Performance and quality monitoring confirms all providers are delivering well against the service requirements.

Significant commissioning activity has taken place over the last year culminating in a business case and commissioning plan. At the beginning of December 2021, as the reports were being prepared to re-commission the services, Ofsted announced an introduction of a regulation regime for all accommodation for 16/17-year-olds that currently sits outside of regulation, of which include these services. The age range for the current provision is 16-21.

This has derailed the commissioning intentions, developed through engagement with young people, KCC staff and District and Borough Councils, and requires a full commissioning programme once the requirements of KCC and of potential providers are known.

Since the announcement in December 2021, the implementation date has already moved from April 2022 to April 2023, although the lead-in time will still be to the Autumn of 2023, with inspections commencing in April 2024. The nature of these contracts is based on relationships with landlords

and establishing new short-term contracts where lease arrangements are in place would be complicated, costly and impact on the young people living in those properties.

In addition, there are changing demands for accommodation and support services. This is a result of population changes, increase in the number of adolescents entering care and an increase in the Unaccompanied Asylum-Seeking Children (UASC) population over previous years. Demand for all provisions has exceeded the anticipated forecast levels within the previous Sufficiency Strategy, which has put additional pressure on all services.

KCC has a statutory responsibility to safeguard and promote the welfare of Kent Children in Care and ensure best value for money it spends on behalf of the Kent population. It also has a statutory responsibility to ensure there is sufficient safe accommodation for Children in Care.

### **Financial Implications**

The annual value of these contracts is approximately £8.8million combined. The Shared Accommodation service element is largely funded from the Home Office grant and is the largest area of spend at £5.1m. The remainder of shared accommodation contract (£0.8m) along with the YPSAFS contract is funded from the General Fund revenue budget for Looked After Children and Care Leavers. The YPSAFS contract is £2.4-£2.8m per year dependent on the number of children in care placed in the service and the cost of this contract is split between the Looked After Children, Care leavers and Children in Need Integrated Children's Services Budget.

Assuming providers will accept a new contract for five/six months respectively at the same level of cost, this is already included in the revenue budget under the following budget lines: "Looked After Children- Care and Support", "Children in Need – Care and Support", "Care Leavers Service" and "Asylum".

### **Legal Implications**

The Council has a statutory duty to provide suitable and safe accommodation that has the right level of support for Children in Care (including UASC) in accordance with the Children's Act 1989. The Council must provide Care Leavers (including former UASC) with support and financial support to assist in promoting their welfare, especially in relation to maintaining suitable accommodation and helping them to access education, training, and employment.

Spending the Council's Money requires procurement to be competitive. Directly awarding the contract could be considered a suitable route under Regulation 72 of the Public Contract Regulations 2015.

### **Equality Implications**

An Equality Impact Assessment (EqIA) was completed as part of the planned redesign and recommissioning of the Shared Accommodation and YPSAFS service.

Directly awarding contracts would pose no immediate change to the service for those young people and therefore the risk of any adverse impact is limited. A full EqIA will be completed as part of the new full commissioning activity.

### **Data Protection Implications**

A Data Protection Impact Assessment (DPIA) for the new service will be implemented following contract award.

**Cabinet Committee recommendations and other consultation:** The proposed decision will be

**Any alternatives considered and rejected:**

**Options considered:**

The full range of options is now currently unclear as the level of detail from Ofsted needed is still in development. The one option that would allow services to continue to the point of known introduction of regulation would be to directly award contracts, under the same terms and conditions to the incumbent providers. This would allow time to run a compliant procurement understanding better the service requirements and specifying clearly the need.

The current challenges and re-commissioning risks have been identified

- Insufficient clarity of what the regulations may entail - Providers costing in the risk of regulation expecting it to be as robust as regulations for residential and fostering services.
- Current providers may not wish to become regulated - Uncertainty that the market has enough regulated provision to meet the Councils needs/demand and the level of qualified workforce required resulting in significant staffing costs being passed onto the Council.
- KCC commissions an accommodation service from 1 November 2022 as planned – Unclear specification requiring unknown risk to be costed in. Challenging timescales to achieve a successful procurement. Uncertainty could mean aborting the procurement, resetting and restarting
- KCC commissions a supported accommodation service from 1 November 2022 for 16/17-year-olds only advertising a regulated requirement - Providers not able to become regulated in that time. Potentially more expensive provision with 200 16- and 17-year-olds potentially having to move.
- KCC also commissions an accommodation service from 1 November 2022 for 18+ Care Leavers which would not be subject to the regulation, up to the age of 19 - All young people that turn 18 will need to be moved to the new service for over 18's only impacting on internal resources and time. Risk that this would not be desirable for the market to bid due to reduced number of placements.
- Not renewing the YPSAFS service placing all 16/17-year-olds including CIN into alternative accommodation which could include semi-independent spot purchased accommodation - Increased placement costs to the Council. No contract management to ensure outcomes are achieved. More 16/17-year-olds coming into care as YPSAF currently accommodates Children in Need.

**Any interest declared when the decision was taken and any dispensation granted by the Proper Officer: None**

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signed

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date