

**From:** Matt Dunkley, Corporate Director Children, Young People and Education

**To:** Sue Chandler, Cabinet Member for Integrated Children's Services

**Decision No:** 20/00022

**Subject:** **The provision of Supported Lodgings and Staying Put accommodation for Children and Young People aged 16-21 years (or up to 25 if in further education)**

**Classification:** **Unrestricted**

**Future Pathway of Paper: Cabinet member Decision**

**Electoral Division:** All

**Summary:** This report asks the Cabinet Member for Integrated Children's Services to take the decision outlined below and includes the recommendations from CYPE Cabinet Committee on 11 March 2020.

**Recommendation(s):**

The Cabinet Member for Integrated Children's Services is asked to agree to take the proposed decision to:

- a) the continuation of Supported Lodgings and Staying Put accommodation for Children and Young People aged 16-21 years (or up to 25 if in further education) through a change of delivery from contracted provision to being managed in-house.
- b) a short extension of no more than nine months to the current contracted arrangements, currently due to expire on 31 May 2020, to enable the changes to take place.
- c) Delegate authority to the Corporate Director for Children, Young People and Education, in consultation with the Cabinet Member for Integrated Children's Services, to take relevant actions, including but not limited to establishing the new in-house service, as necessary to implement this decision.

**1. Introduction**

1.1 Kent County Council (KCC) currently has a two-year contract with Catch 22 for the provision of Supported Accommodation in a Family Environment (Supported Lodgings) which commenced on 1 June 2016 with a two-year extension. The contract's extension has been utilised and is due to expire on 31 May 2020.

- 1.2 The service is for the provision of accommodation and support to children in care and young people who are care leavers aged 16-21 years old (or up to 25 if in further education.) The young people in this service are living with a family (hosts) in their home, with their own bedroom, and receive support delivered by the hosts to develop practical skills and emotional stability, with the aim to achieve living independently.
- 1.3 Catch 22 manage the hosts under the contract and are required to recruit, train, manage and support the host families including any “Staying Put” arrangements. “Staying Put” is where a young person living in Foster Care wishes to remain in situ after their 18th birthday under Kent County Councils Staying Put Policy. This means that the Foster Carer (whether managed by KCC or an Independent Fostering Agency) will convert to a Host and will be managed by Catch 22.
- 1.4 The Hosts are required to provide three levels of support (Standard, Complex and Intensive) which are based on the number of hours required each week to support the young people, as determined by the Social Worker or Personal Advisor.
- 1.5 The annual contract value for this service is £335,976 for management costs and approximately £1.9 million for support costs/rent, which varies each year as this figure is based on demand.
- 1.6 Over the last year, in preparation for the contract ending, a full analysis has been undertaken reviewing how effective the current service is based on contract data, benchmarking of other local authorities, market factors and provider, host and young people’s feedback. Four options were considered which were:
  1. Do nothing (contract ends) – this was discounted as Supported Lodgings is a valued service that delivers good outcomes for young people and re-provision is necessary.
  2. Re-procure, via a competitive tender, a contract for Supported Lodgings and Staying Put placements – this was discounted following review of the analysis, value for money, availability of providers to challenge the current service provision and costs.
  3. Bring both Supported Lodgings placements and Staying Put placements in-house – this option has been explored and is the recommended option.
  4. Bring Staying Put in-house and re-procure, via a competitive tender, a contract for Supported Lodgings placements – this was the initial recommendation and further work identified the benefits of bringing both elements of the service in-house to improve and enhance the accommodation offer for children and young people.
- 1.7 This paper outlines the proposed recommendation (option 3) for future delivery of a Supported Lodgings service for 16-21-year olds (up to 25 if in further education) based on the key findings of the analysis and feedback.

## **2. Financial Implications**

- 2.1 The proposed service will be funded by using existing monies for the service, being £336k for management fees and £1.9m for placement fees. The cost for the 9-month extension to this contract will be £1,425,000.
- 2.2 The contract was structured to separate the support and rent payments (placement fees) from the management fee. The placement fees paid to the hosts would continue with some recognition to bring in-line annual increases with in-house Foster Carers going forward. The management fee of £336k would be utilised to enhance and improve all accommodation-based support services in KCC and could make a difference to all young people aged 16+.
- 2.3 Supported Lodgings is dependent on the ability to recruit “hosts” and the same issues faced by Foster Carer recruitment is also experienced in Supported Lodgings. It is KCC’s aim to reduce its use of semi-independent accommodation and expand Supported Lodgings. The proposal for managing Supported Lodgings in-house is part of a wider plan to reduce the use of semi-independent provision by improving the support offer to young people and the service providers.

## **3. Strategic Statement and Policy Framework**

- 3.1 KCC’s Strategic Statement (2015-2020) ‘Increasing Opportunities, Improving Outcomes’ underpins the proposal for bringing Supported Lodgings and Staying Put placements under the management of Kent County Council in our aim to improve the lives of children and young people by giving them the best start in life. It meets our responsibility of being the best Corporate Parent we can be and being aspirational for our Care Leavers as they transition into adulthood. Approval of the Recommendation would improve the outcomes of Care Leavers by ensuring that they are given the best possible opportunities for their futures as adults. Supported Lodgings gives young people a home environment in which to develop independent skills to prepare them for this transition.

## **4. Proposed service model**

- 4.1 Following analysis of the current model, Supported Lodgings provision cannot be looked at in isolation. It must be part of a ‘menu’ of accommodation and support options. There should be a clear ambition to demonstrate that use of semi-independent accommodation will be limited. There must be a range of provision that enables our young people who are care leavers to move towards independence in a progressive way that reflects their readiness for independence along with a safety net and a ‘second chance’ philosophy.
- 4.2 The housing support offer needs to include:
  - Staying put arrangements, where, if the young person is eligible and both they and their foster carer agrees, they can remain with their foster carer at 18 under a ‘Staying put’ arrangement, that can last up to the age of 21 years.

- Other accommodation options such as taster and training flats, supported, semi supported and independent accommodation.
- 4.3 In order to reduce pressure on the placement budget and to look to re-invest resources across the range of accommodation options there needs to be a focused attempt to achieving the appropriate range of accommodation options for Kent's young people who are Care Leavers. Appendix One outlines the staffing profiles for a new model.
- 4.4 The Benefits of Change have been identified below:
- 4.4.1 We have a window of opportunity to review our 'accommodation and support offer' to our young people to improve the services provided by the Care Leavers 18+ team for all accommodation services.
- 4.4.2 This proposal aims to bring together different accommodation options and has a central focus on our Supported Lodgings offer. However, in taking a wider review of accommodation and support, we are ensuring Supported Lodgings is not looked at in isolation.
- 4.4.3 There is a strong consensus that we do need to review and change our accommodation offer. It is important that Kent has a clear, transparent and co-ordinated offer for our young people whom we have a corporate parenting responsibility for.
- 4.4.4 Different and more appropriate terminology that talks about need and support, to ensure our young people are in the right placement type; with the right support; at the right time. We will not achieve a young person centred 'offer' without some rethinking and re-investment and the basis for the proposal is seeking to formulate an offer that meets the needs of our current and future cohorts both citizen and unaccompanied asylum young people.
- 4.4.5 Payments for our Supported Lodgings hosts have remained static for many years with no increase in over ten years. We would be able to build in an annual review in line with the review of fees for in-house Foster Carers.
- 4.4.6 The accommodation offer needs to be better joined up and integrated. The integration proposed by having the integrated team, overseen by a Team Manager, for our carers and hosts, is beneficial to our young people as will ensure better working together and quicker resolution of problems as they arise.
- 4.4.7 The Supported Lodgings offer needs to be more flexible, as indeed does the whole accommodation offer. The current view is it is too fragmented. We should aim to support our young people move seamlessly towards independence.
- 4.4.8 A re-investment into Floating Support/Outreach Workers is a key element of this proposed model. These workers could be 'patch' based and highly flexible and be able to respond to need. They would work within the proposed integrated model and be deployed to our Shared Accommodation and Supported Lodgings provision. This provides an opportunity to reduce expenditure on unregulated semi-independent provision.
- 4.4.9 The proposal will see broader roles for the Team Manager/Accommodation Officer roles within the current structure.
- 4.4.10 With the increase in Care Leavers coming through into the 18+ Care Leavers Service over the next few years, the pressures will continue to grow, and we

need this holistic look at our support offer in order to reduce costs, whilst also providing an improved service.

- 4.4.11 The service is highlighting the recommendation that there will be a finance post to support and monitor the finance relating to more than 1,800 young people who are Care Leavers. This will maximise the opportunity to recoup income from various sources, as suggested within the proposal model (Appendix One).
- 4.4.12 A minority of our young people who are care leavers require a more intensive specialist service. Nearly all such cases are young people where KCC will work with our partner agencies in planning, providing resource, joint funding and joint working. These young people require support in their mental health and 'high-level' criminal behaviour and associated risk. Therefore, we require strategic partnership working and protocols in place to address the needs of such young people.

## **5. Current arrangements**

- 5.1 The total number of individual Young People placed in this provision:
- 2016/17 - 420
  - 2017/18 - 368
  - 2018/19 - 349
- 5.2 As of August 2019, there were 188 young people accommodated within this provision, 89 (47%) were Staying Put placements. The level of demand has been quite static over the last three years and is expected to continue at this rate until 2022.
- 5.3 The key findings from the analysis of the current service model are:
- Placement stability has been a key benefit of the Supported Accommodation in a Family Environment (Supported Lodgings) service.
  - The current support level hours do not reflect the specific needs of the young person, but there is an opportunity for reviewing this in any future arrangement.
  - The current placements and matching made through the Total Placement Service and through the provider are judged to be of good quality due to the placement stability Key Performance Indicator's being consistently met over the term of the current contract.
  - The average cost of placements falls below two of the Councils' statistical neighbours.
  - The Staying Put transition from KCC to the provider in terms of practice issues i.e. late referrals, and transition from Foster Care to a Staying Put arrangement is not always smooth due to lack of information provided to the Foster Carers and the young people.
  - Complex and Intensive placements make up 21% of placements.
  - Strong links with the Fostering Service, including recruitment and marketing and robust policies and procedures in place to Safeguard and support young people.
  - Committed knowledgeable staff with a long-term history of Kent and understanding of the service.

- Young People feel safe, secure and supported within this provision which meets Statutory guidance and Legislation

- 5.4 There are currently a number of risks and challenges relating to commissioning a service with the independent sector. Historically there has been a limited market to externally manage this service. If a different provider is awarded the contract, there is a risk that all Hosts (SAiFE/Supported Lodgings & Staying Put) may not transfer. This would also be a risk if the service was to be brought in-house and as such, we have completed a consultation with the Hosts to ask them their views; all of the responses received were positive in transferring to a new arrangement. Staying Put transition and referral issues have been highlighted over the term of the current contract due to the Foster Carer transferring from KCC to the provider, which has also impacted negatively on the number of Foster Carers available to KCC due to them moving across to become Hosts.
- 5.5 The number and range of opportunities to bring the management of the service in-house far out-weigh the risks and therefore Integrated Children's Services favour this approach.

## **6. Legal Implications**

- 6.1 Given the nature of the current contract, TUPE may apply in its broadest sense, however, as job descriptions are developed and will encompass tasks currently undertaken by existing KCC staff, TUPE may not apply. This will be kept continually under review and discussions will continue through the development of the in-house service under the extended contractual arrangements.
- 6.2 KCC has a statutory duty to provide suitable and safe accommodation that has the right level of support for Children in Care up to the age of 18 years in accordance with the Children's Act 1989. The 2010 (revised January 2015) regulations set out under Volume 3 of the Children Act 1989 (Planning Transition to Adulthood for Care Leavers) have strengthened an emphasis on leaving care as being a transitional period rather than something that occurs at a particular point in time. Care leavers are expected to receive support from their responsible authority (the Local Authority that last looked after them) up to their 25th birthday if they so wish and are eligible. The aim of such continuing support is to ensure that young people who are care leavers are provided with comprehensive personal support so that they achieve their potential as they make the transition to adulthood.
- 6.3 Applying corporate parenting principles to looked-after children and care leavers (February 2018): This guidance is for local authorities and their 'relevant partners' (as defined in section 10 of the Children Act 2004) and others who contribute to services provided to looked-after children and care leavers. It promotes young people being safe and having stability which includes the need to maintain, as far as possible, consistency in the home environment, relationships with carers and professionals and school placement. For some care leavers, it may involve supporting a Staying Put arrangement where care leavers and their former foster carers wish to remain living together after the

young person reaches the age of 18. It may also mean wider support to help care leavers navigate the inevitable challenges of moving to independence through early preparation, good planning, securing a range of housing options and maintaining relationships with those whose continued support they might want or need during their transition to adulthood.

## **7. Equality Implications**

- 7.1 The people most likely to be impacted by changes to this service are the recipients of the current service and their host families. However, the young people themselves are unlikely to experience a change in host family, unless the host family does not want to work to KCC, and the decision may be that the young person needs to move. The consultation with hosts has evidenced that there is a positive response to host providers transferring to be supported by KCC. Overall the positive impact is likely to outweigh the negative as the service will be more integrated with the KCC offer for smoother transition through other services into independence.

## **8. CYPE Cabinet Committee**

- 8.1 At its meeting on 11 March 2020, the Children, Young People and Education Cabinet Committee considered this proposal and recommended the following alteration to the decision was made and the Minute extract is as follows:

Cabinet Committee resolved to recommend the following changes to the proposed decision:

- Limit the extension of the current arrangements to 6 months
- Require explicit reference to officer consultation with the relevant Cabinet Member in relation to delegated decision-making.

Proposed decision as recommended by Cabinet Committee:

As Cabinet Member for Integrated Children's Services, I propose to;

- A) Agree to the continuation of Supported Lodgings and Staying Put accommodation for Children and Young People aged 16-21 years (or up to 25 if in further education) through a change of delivery from contracted provision to being managed in-house
- B) Agree to a short extension of 6 months to the current contract that expires on 31 May 2020 to enable the changes to take place; and
- C) Delegate decisions about the establishment of the new service to the Corporate Director of Children, Young People and Education, or other Officer as instructed by the Corporate Director of Children, Young People and Education, in consultation with the Cabinet Member for Integrated Children's Services.

### **8.2 Corporate Director Response.**

The actions identified in the project plan can only commence at the point that the Key Decision is taken. The recommendation to bring the service in-house was proposed as a result of the analysis of market capability and competition and how the internal accommodation offer has developed since the restructure of Integrated Children's Services.

Key areas covered in the plan to implement include:

- Identifying TUPE implications, transferring of staff or (where TUPE does not apply) recruitment and training of staff
- Consideration of desk space, IT, property etc – internal agreements with Cantium Business Support and costings
- Confirmation of Hosts transferring to KCC, all details, bank accounts, and potential manual set up with consideration of GDPR requirements
- Systems changes needed with financial coding implications and transferring children and young peoples records from one placement to another (maximum estimated time for change is 26 weeks for scoping change, making change, testing change and acceptance)
- Agreements to be developed with Invicta Law, shared with Hosts and signed – to include insurances considerations
- Documents for KCC service offer – including Host Handbooks, Privacy Statements, processes for Holiday/Respite etc
- Policy development for KCC to include mentoring, appointments, Staying Put, parent and child placements
- Establish in Rates and Charges, recruitment of Hosts panels alongside Fostering, DBS checks, relief Hosts, marketing, Payments process

The project plan is scoped for a six-month timeframe. It is believed that the usual maximum 26-week requirement for systems changes would be based on the Fostering functionality reducing some of the scoping and development time.

The Proposed Record of Decision required an “up to nine months” extension to enable some contingency to the planned six months. However, it is also recognised that some staff, where TUPE does not apply, could be at risk of redundancy close to Christmas. It is now considered, with the Covid-19 pandemic, that more of the contingency period would be required to set up the new service with a smooth transition to Hosts, particularly with regular and correct payments to their bank accounts. A high proportion of Hosts are over retirement age and considering whether to continue to offer this service.

## **8. Recommendation(s)**

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The Cabinet Member for Integrated Children’s Services is asked to agree to take the proposed decision to

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- b) a short extension of no more than nine months to the current contracted arrangements, currently due to expire on 31 May 2020, to enable the changes to take place.

- c) Delegate authority to the Corporate Director for Children, Young People and Education, in consultation with the Cabinet Member for Integrated Children's Services, to take relevant actions, including but not limited to establishing the new in-house service, as necessary to implement this decision.

## 10. Background Documents

10.1 None

## 11. Contact details

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