

KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY:

Cabinet Member for Integrated Children's Services

DECISION NO:

23-00083

For publication [Do not include information which is exempt from publication under schedule 12a of the Local Government Act 1972]

Key decision: YES

Key decision criteria. The decision will:

- a) result in savings or 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); or
- b) be significant in terms of its effects on a significant proportion of the community living or working within two or more electoral divisions – which will include those decisions that involve:
 - the adoption or significant amendment of major strategies or frameworks;
 - significant service developments, significant service reductions, or significant changes in the way that services are delivered, whether County-wide or in a particular locality.

Subject Matter / Title of Decision: Supported Accommodation Service 16-19 and Transitional arrangements

Decision:

As Cabinet Member for Integrated Children's Services, I:

- A) agree to approve the new Supported Accommodation service for young adults up to the age of 19, for those new entrants to the service at the age of 16/17.
- B) agree to directly award a new contract, under the same terms and conditions to Clearsprings Ready Homes from 1 April 2024 to 31 March 2026 for 18+ Shared Accommodation services to support transition.
- C) agree to delegate to the Corporate Director of Children, Young People and Education, in consultation with the Cabinet Member for Integrated Children's Services, to negotiate, finalise and enter into the relevant contracts with the successful Providers to deliver the Supported Accommodation contract, as detailed in the Key Decision 22/00079.
- D) agree to delegate authority to the Corporate Director of Children, Young People and Education, to take other relevant actions, including but not limited to, finalising the terms of, and entering into required contracts or other legal agreements, as required to implement the decision.

Reason(s) for decision:

- Decision required because total value will exceed £1m and impact across multiple districts of the Local Authority and this introduces significant changes in the way that services are delivered.

Background:

Ofsted introduced regulations for current unregulated accommodation from 28 October 2023. Through 2021, Commissioners undertook a full review of the Shared Accommodation Service and Young Persons Supported Accommodation and Floating Support Service, where the contracts now expire on 31 March 2024 ([Decision - 22/00079 - Supported Accommodation \(kent.gov.uk\)](#).) The outcome of this work was to recommend that the services be aligned, categorised into levels of need, and expanded to reduce the reliance on spot purchased semi-independent accommodation and have one clear accommodation pathway.

Due to the Ofsted Regulations and the financial burden on KCC, Commissioners needed to explore

all options as to how the Authority moves forward in providing accommodation for Care Leavers. This included the potential impact of any decision to reduce the age range leading to reputational damage, media coverage, relationship breakdowns and lack of continuity of services for Care Leavers.

The Children's Commissioning Team, with colleagues across CYPE, developed a revised structured Supported Accommodation offer enabling progression through services until the young adult is ready to move on. This new service will ensure KCC are compliant with the new Ofsted Regulations effective from 28 October 2023, and that all 16/17-year-old children receive support to ensure they have the ability to live independently by achieving self-supporting independence at 19.

The decision is in line with KCC's statutory responsibilities relating to Children and Care Leavers. The recommendation report proposed activity in the Care Leavers service looks to promote young people achieving independence with their accommodation choices at the age of 19 with continued support via a Personal Advisor and access to all of the other opportunities for Care Leavers up to the age of 21. The accommodation is currently provided up to the age of 21 within the Shared Accommodation Service, where a two-year contract is proposed to allow a manageable transition.

The 2024/2025 budget reports presented to County Council in February 2023 included [Appendix F - 23-24 Revenue budget changes by Directorate.pdf \(kent.gov.uk\)](#) "pursue a policy where independence is reached by a Young Person's 19th birthday" delivering expected savings of £700k.

Alongside the period in which the budget was developed for 2023/2024, Ofsted was developing its final guidance on the new standards required for Supported Accommodation. KCC continued to request information and this was clarified by Ofsted in May 2023. At this point, it was clear that there needed to be two different service offers; one that included regulatory standards and support for 16/17-year-olds and one that did not include the same standards or support post 18. It is technically and legally viable for KCC to cease providing accommodation beyond the age of 18 and therefore develop a service model that would not offer accommodation to Care Leavers. This approach would involve relying on District Councils to accommodate Care Leavers under the Housing Authority duties. Such a change in approach would have been a substantial change in policy representing a pull back to statutory minimum.

The Executive do not support such an extensive reduction, so the proposed decisions instead represent a balance between the core requirement to provide Supported Accommodation for relevant children up to the age of 18 and also maintain Care Leaver accommodation provision for those until they turn 19 – supporting a transition for these young people. The proposed approach, while delivering the required 16 to 18 accommodation and Care Leaver transition accommodation at age 19, does still involve in a reduction of the previous age cap for the service which is currently 21. This is therefore a policy change in terms of eligibility for accessing services and also a savings decision. The proposal is necessary to deliver the savings outlined in the budget book, as referred to earlier in the report.

Financial implications

The forecasted 2023/2024 annual value of the Supported Accommodation service, which is being tendered, is between £10.2m to £10.6m broken down as follows:

- The year one price for High/Medium Need for Children in Care is £1.97m (with the offset costs from semi-independent of £1.4million).
- The year one price for Low Need for Children in Care, Children in Need and UAS children is £5.34m (with the offset costs from Children in Need rent contributions of £430k).
- The year one price for Transitional Accommodation for 18-year-old Care Leavers is £3.3m (with the offset costs from 50% Housing Benefit reclaim and offset costs from Council Tax

and TV Licenses of £1.13m).

The total contract cost has been forecasted to increase by approximately 21% (accounting for inflation and sufficiency figures) by 2028 to £12.4m. It is anticipated that Housing Benefit reclaim would be considerably higher than 50% come 2028.

The Transitional Accommodation Lot for 18-year-old Care Leavers and Low Need Supported Accommodation Lot is largely funded from the Home Office grant as that has 90% Unaccompanied Asylum-Seeking Children and young adults accommodated and is the largest area of spend at £8.64m. Some of these accommodation costs along with the High/Medium Need Supported Accommodation Lot is funded from the General Fund. The current YPSAFS contract is £2.4m to £2.9m per year depending on the number of children in care placed in the service.

Assuming Clearsprings Ready Homes accept a new contract for 24-months at the same level and cost, this is 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".

There is a saving identified of £700k in the 2023/2024 budget in pursuing a policy of independence for young people from the age of 19. The new contract will not directly deliver the savings, however the additional focus from the Care Leavers service to actively identify those who are ready to move on will achieve the savings, along with the receipt of housing benefit.

The Department for Education included investment to Ofsted¹ from the Spending Review worth £17m between April 2022 and March 2025 to build up the capacity and capability to deliver the new system of regulation and inspection. They state that "a further £121m from the overall settlement for these reforms will be distributed to councils to cover the cost associated with introducing the national standards." And that "the Department for Education will also invest an additional £1.25m from the Spending Review settlement to help ready the sector for the reforms."

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 UAS children) in accordance with the Children's Act 1989.

The Council must provide Care Leavers (including former UAS children) with support and financial support to assist in promoting their welfare, especially in relation to maintaining suitable accommodation and helping them access education, training, and employment. There is no statutory duty for Kent County Council to provide accommodation to Care Leavers above the age of 18.

Spending the Council's Money requires procurement of this value to be competitive. Directly awarding the contract for accommodation for those aged 18-21 is considered a suitable route under Regulation 72(b) and (e) of the Public Contract Regulations 2015, given the current circumstances and new Legislation introduced for Supported Accommodation.

Equalities implications

An Equality Impact Assessment (EqIA) was originally completed as part of the planned redesign and commissioning of the Supported Accommodation service and has been reviewed to reflect young people moving on at the age of 19, for those new service entrants.

The majority of young adults aged 18+ in the service are former UAS children that have aged through the Shared Accommodation service and the expectation is these individuals will be moved into their own home, supported by their Personal Advisor.

¹ <https://www.gov.uk/government/news/transformational-investment-in-childrens-social-care-placements>

All non-eligible former Children in Need young adults will either return to their family home or be sign-posted to the appropriate local housing authority where they have a local connection to or, where appropriate, to adult social care services.

Cabinet Committee recommendations and other consultation:

Any alternatives considered and rejected:

1. Continue to accommodate young people aged 16-21 (All 18+ within the accommodation only model).
2. Move people on at the age of 19 with no transitional period for over 19's.
3. Move young people on at the age of 19 with transitional contract for 12 months (to 31 March 25) to allow phased 19+ move on approach.
4. Move young people on at the age of 18 with no transitional period for over 18's.
5. Move young people on at the age of 18 with transitional contract for 12-months (to 31 March 25) to allow phased 18+ move on approach.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:

signed		date