

SURREY COUNTY COUNCIL**CABINET****DATE: 17 DECEMBER 2013****REPORT OF: MRS MARY ANGELL, CABINET MEMBER FOR CHILDREN AND FAMILIES****LEAD OFFICER: MR NICK WILSON, STRATEGIC DIRECTOR OF CHILDREN, SCHOOLS AND FAMILIES****MRS JULIE FISHER, STRATEGIC DIRECTOR FOR BUSINESS SERVICES****SUBJECT: SUPPORTED ACCOMMODATION FRAMEWORK AGREEMENT FOR YOUNG PEOPLE****SUMMARY OF ISSUE:**

The purpose of supported accommodation is to ensure that all vulnerable young people countywide have safe and suitable accommodation that meets their needs. The Council has a statutory duty to provide a range of Supported accommodation for young people.

The Cabinet is asked to approve spend up to £3.1m per annum with the providers listed below and in the Part 2 Annex as part of a new Supported Accommodation Framework Agreement. The Framework Agreement will commence on 1 April 2014.

This report provides details of the procurement process followed by the evaluation process and demonstrates why the recommended providers will ensure that the Framework Agreement will deliver highly effective services for young people in Surrey.

Due to the commercial sensitivity involved in the contract award process, the names of the providers are listed in this report; however, all financial details and evaluation scores have been circulated in the Part 2 Annex (agenda item 24).

RECOMMENDATIONS:

It is recommended that:

1. The following providers are awarded a place on the four-year Framework as they have passed the Invitation To Tender evaluation process:

A2 Dominion Group, Above Beyond Care, Barnados, Care Tech, Cherchefelle, East to West, Guildford YMCA, Holmdene, Home Group LTD, Keychange Charity, Life, Morgan Brown, Moving on Care Management, Pathway to Independence, Prospect Housing, Reigate and Redhill YMCA, Sanctuary Housing, Step Ahead, Step by Step, Transform Housing and Watershed Care Services.

2. The authority to award contracts under this Framework Agreement, with individual contract value of over £500k, be delegated to the Strategic Director

for Children Schools and Families in consultation with the Leader and Cabinet Member for Children and Families.

REASONS FOR THE RECOMMENDATIONS:

Needs assessment work undertaken highlighted gaps in current supported accommodation provision in Surrey. These gaps formed the rationale for the re-commissioning process and all newly commissioned services will work towards ensuring that the gaps are filled and all needs met.

Surrey County Council (The Council) intends to award a number of contracts under this Framework Agreement to ensure safe and appropriate supported accommodation is available and delivered countywide for vulnerable young people. Providers awarded Framework Contracts will operate in one or more geographical lots.

Lot 1: North East Surrey (Elmbridge, Epsom and Ewell and Spelthorne)

Lot 2: South East Surrey (Mole Valley, Reigate and Banstead and Tandridge).

Lot 3: South West Surrey (Guildford and Waverley)

Lot 4: North West Surrey (Surrey Heath, Runnymede and Woking)

Lot 5: Out of County accommodation or placements

A full tender process, in compliance with the requirement of EU Procurement Legislation and Procurement Standing Orders has been completed. Thorough evaluation process resulted in a selection of most suitable providers able to deliver supported accommodation services.

This Framework will be for a maximum of four years and will include multiple providers. This will allow for further mini-competitions to ensure value for money. This Framework Agreement will govern the overall commercial arrangements between the Council and providers, providing a clear structure for service delivery, quality and price.

DETAILS:

Business Case

1. All Providers recommended for appointment to the Framework Agreement, have achieved a score of 50% or more at the Invitation to Tender (ITT) stage. They have also submitted an indicative price per hour of support and have indicated their actual and proposed capacity for each of the Lots and Accommodation Models.
2. Providers will be invited to refresh their pricing and submit responses to mini-competition questions in January. The winners of individual mini-competitions will be awarded contracts under the Framework Agreement for the particular Lot and Accommodation Model.
3. The Council reserves the right to add additional providers onto the Framework through a further repeating of the Invitation to Tender process. This process can be undertaken at the Council's discretion throughout the four-year period of the Framework Agreement.
4. The Council reserves the right to ask providers to refresh their prices for both spot purchase and during mini-competitions.

5. The Council will spot purchase directly from the Provider that achieved the best score at ITT stage. Should this Provider lack capacity, the Council will approach the next best scoring provider within the lot. The winners of mini-competitions will be awarded a contract for that particular Lot and Accommodation Model.
6. This project aims to ensure the most suitable provision of supported accommodation for young people. One of the key drivers is to ensure young people feel safe in their home. Service-user data showed that a quarter of care leavers do not currently feel safe in their home. This will be improved through the re-commissioning process ensuring that a young person 'feeling safe' is a key outcome of all services.
7. The new service model devised as part of this process is fit for purpose to reduce the need to spot purchase supported accommodation elsewhere or place a vulnerable young person in inappropriate accommodation such as bed and breakfast accommodation.
8. This re-commissioning project also provided an opportunity to redesign Surrey's supported accommodation services ensuring they are delivered to meet the needs of Surrey's young people in a holistic way. This should enable young people to move on and achieve independence. A strengthened outcome focussed service specification and one set of Terms and Conditions will ensure consistency of services.

Background and options considered.

9. The Council currently commissions supported accommodation services in a variety of ways. Existing contracts for supported accommodation for Looked After Children and Asylum Seeking Young People expire on 31 March 2014 and come under the budget of Children's services. Other supported accommodation for young people is contracted as part of the Supporting People budget, and these contracts also expire on 31 March 2014. Additional to this, the Council spot purchases supported accommodation for a number of other young people including care leavers and asylum seeking young people.
10. The Children's, Schools and Family Directorate, Commissioning and Procurement identified a need for the consolidation of supported accommodation for young people under one framework agreement.
11. After a full and detailed options analysis, consultation process and various events with market providers, it was decided to go out to tender for a range of supported accommodation services for young people which would be captured within one supported accommodation framework agreement.
12. Several options were considered prior to commencing the procurement activity. Tenders were invited for a number of different accommodation models based on the five geographical areas. This demonstrated best value for money and consistency and providers were able to bid for different accommodation models in one or more of the five area lots.
13. A multifunctional project team was set up and includes representatives from Procurement, Children's Commissioning, Children's Social Care, Youth Support Service, Finance and Districts and Borough housing representatives.

Use of market management activities

14. Market engagement events were used in order to stimulate interest in the new service delivery model and help attract current and new providers to tender. Contact was also made with bordering Local Authorities to engage with their current supported accommodation providers. The In-Tend tendering platform was used to ensure the procurement process was as efficient as possible for both providers and the Council.

Key Implications

15. By awarding contracts under this Framework Agreement, the Council will be meeting its statutory duties and ensuring the delivery of safe and appropriate supported accommodation. Providers performance will be monitored against the following outcomes:
- a) Improvement in Independent Living Skills
 - b) Improvement in a young person's pro-social behaviour
 - c) Improvements in a young person's physical, emotional wellbeing and mental health
 - d) Improvement in a young person feeling safe in their accommodation
 - e) Young people achieving through participation in Education, Training and Employment and pre-tenancy accreditation
 - f) Improvement in a young person's relationships with family and friends
 - g) Improvement in a young person's networks with their local community
 - h) Successful return (and remaining) to live with family or friends where it is safe and appropriate for them to do so
 - i) Timely move-on to appropriate, safe and secure accommodation
 - j) Evictions to be minimised along with the number of young people that are deemed intentionally homeless through eviction
16. Performance reviews will focus on the outcomes highlighted in the specification and take place on a quarterly basis.
17. Performance information will be shared by the Council with the relevant District and Borough housing leads to ensure alignment and collaborative working.

CONSULTATION

18. Consulted: Head of Youth Support Service; Children's Placement Team, Head of Children's Commissioning; Head of Leaving Care Service; Children's Safeguarding, housing representatives from Surrey's District and Boroughs, Children's Finance and Procurement.
19. A stakeholder consultation event also took place on 1 August 2013 which was well attended by external stakeholders.
20. Service users informed the commissioning intentions through taking part in representative groups, surveys and feedback. A care leavers specific focus group also took place.

RISK MANAGEMENT AND IMPLICATIONS:

21. This Framework Agreements includes termination provisions which protect the Council in the case of an unsatisfactory performance and/or any significant changes in legislation or Council Policy which may impact on the existing services. These provisions allow the Council to amend the contract or if termination is required, six months notice will be given to the provider/s.

Risk Description	Mitigation Activity
<p>If demand for the service increases in excess of numbers proposed within the service specification. This could lead to increased cost to deliver the service to Surrey County Council.</p>	<p>The service specification outlines reliable data which captures numbers of people accessing services.</p> <p>Quarterly contract review meetings will also be held to monitor the performance of the service and the numbers of people accessing the service in order to predict future demand.</p> <p>The hourly support cost is fixed and will not alter with demand for the service.</p>
<p>Poor quality of service and service does not deliver outcomes.</p>	<p>Strong contract management and quarterly contract review meetings will mitigate the risk of a poor quality service.</p> <p>Failure to meet the service outcomes and objectives will enable Surrey County Council to restrict payment based on performance and ultimately terminate the contract if performance does not improve.</p>
<p>Disengagement of service users due to changes resulting from a new service provider</p>	<p>To ensure service users do not disengage from the service Surrey County Council will closely monitor data from the Providers, enable partnerships with key stakeholders and gather service user feedback as part of the contract management process.</p>
<p>Risk that all five geographical lots and accommodation types required are not commissioned due to lack of capacity of providers.</p>	<p>This risk should be mitigated by market engagement exercise and tendering process itself. Market shaping events were used in order to stimulate interest in the new service delivery model and help attract current and new providers to tender. If any gaps in service occur throughout the duration of the Framework Agreement, Surrey County Council will work with existing providers to cover these gaps. The Council reserves the right to add new providers to the Framework following a further competitive process. This will be undertaken, at the Council’s discretion, during the remaining period of the Framework Agreement.</p>

Financial and Value for Money Implications

22. Supported accommodation services are currently provided under both block contract and spot purchase arrangements resulting in a range of unit costs. This Framework Agreement will ensure consistency on price, quality and standards of care across all user groups. Providers were required to submit

indicative prices for both short term (under 12 weeks) and long term (over 12 weeks) placements guaranteeing value for money from all placements made.

23. Taking a strategic approach to purchase the right number and type of beds (based on a robust needs assessment), reduces the likelihood of the need to purchase more expensive options on a case by case basis and in emergencies.
24. Full details of the contract values and financial implications are set out in the Part 2 Annex 1 (agenda item 24).

Section 151 Officer Commentary

25. Through the competitive tendering process and price and quality evaluation, the Section 151 Officer confirms that the financial and business implications have been considered. Activity levels and costs of the framework will be monitored to ensure savings are realised.

Legal Implications – Monitoring Officer

26. There are no monitoring officer issues arising from this procurement as is reported above a full tender process has been undertaken in compliance with the requirement of EU Procurement Legislation and Procurement Standing Orders has been completed and an equalities impact assessment has been undertaken.

Equalities and Diversity

27. An Equalities Impact Assessment has been completed and no adverse impact was identified in carrying out the Review.
28. Once the mini competitions have been awarded we will update the Equalities Impact Assessment to reflect any changes to providers and the potential impact on children, young people and families and whether TUPE would apply.
29. The service specification has been developed with input from Children and Young People, families and providers and will be managed and monitored in line with the council's obligations under the equalities monitoring framework as part of the wider Public Sector Equalities Duty.

Corporate Parenting/Looked After Children:

30. This Framework Agreement captures the provision for Looked After Children and Care Leavers. The new service will ensure that safe, appropriate accommodation is in place which is in line with prices charged for all other client groups. The Assistant Team Manager for Looked After Children Placements has been fully involved in evaluation process and is satisfied with the quality of the providers awarded a place on the Framework.

Safeguarding responsibilities for vulnerable children and adults:
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31. All providers on the Framework have submitted their Safeguarding policies and procedures. Surrey Safeguarding procedures are also clearly highlighted in the service specification which providers have signed up to adhere to.

WHAT HAPPENS NEXT:

Action	Date
Cabinet decision to award	17/12/13
Call in and standstill period ends	31/12/13
Confirmation providers are on framework	Late December/early January
Mini Competitions	Mid January
Contract Signature	Early March
Framework Commencement date	01/04/2014

32. Procurement and Commissioning will work closely with the successful providers to ensure a smooth transition from the current provision to new services.
33. Following the Cabinet decision, Procurement will send out successful and unsuccessful award letters to providers, this will be in late December/early January. Mini-Competitions will start in January 2014.

Contact Officer:

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 Jo Lee – Senior Commissioner, 01372 833940
 Anna Tobiasz – Senior Category Specialist, 020 8541 7351
 Nick Woodward – Category Specialist, 01483 518861

Consulted:

Ian Banner – Head of Children’s Commissioning
 Ben Byrne – Head of Youth Support
 Jo Lee – Senior Commissioner, Children’s Services
 Donna Leedham – Housing Development Manager, Youth Support Service
 Anne Dickinson – Assistant Team Manager, Placements Team
 Christine Westwood – Team Manager, Care Leaving Service
 Kathryn Brooks – Area Manager, Youth Support Service
 Louise Simpson – Senior Principal Accountant, Finance
 Carmel McLoughlin – Principal Lawyer, Legal Services
 Laura Langstaff – Head of Procurement
 Christian George – Category Manager Adults and Children and Young People
 Anna Tobiasz – Senior Category Specialist

Annexes:

Part 2 Annex 1 attached as agenda item 24
 Annex 2 - Equalities Impact Assessments

Sources/background papers:

None

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