



Derby City Council

## **COUNCIL CABINET** **30 April 2014**

# **ITEM 10**

Report of the Cabinet Member for Children and  
Young Peoples Directorate

### **Housing Related support for young people 16 and 17 years (who are Children in Need including Children in Care) and Care Leavers**

#### **SUMMARY**

- 1.1 The Local Authority has responsibility to provide suitable accommodation and support for 16 and 17 year olds who are homeless and for care leavers. This requirement is made more specific as part of the Southwark Judgement 2009. Historically there has been a framework in place (2011 – 2014) for Care Leavers but this has not included other vulnerable 16 and 17 year olds in need of housing support A future tender would join up care leavers and young people who are assessed as homeless who are also Children in Need (CIN). This joined up approach to retendering, would allow a clearer focus on the level of support required to match need, improve efficiency of process by sourcing requests from one place and offer potential savings during 2016/17.
- 1.2 Spend 2013/14 on housing and housing related support is forecast to be £493,945 against last year's actual expenditure of £784,357. This includes the contribution of £30,000 from Children and Young Peoples Department (CYPD) for emergency accommodation as part of the Adult Health and Housing (AHH) retender 2013. However this excludes bed and breakfast accommodation for families (forecast in 2013-14 as £352,000).
- 1.3 The contract value for the tender based on an understanding of need and current cost is £500,000. Savings of £290,412 have been made in this area since 2012/13, and Derby's assessed unit costs through the needs assessment are below the average of authorities benchmarked by 21%. This suggests that efficiencies have already been achieved by clearer gatekeeping, and ensuring parents meet their individual responsibilities for young people. It is assumed further savings and improved outcomes will be delivered by having greater control of the budgets by bringing together and commissioning from a framework with more providers.
- 1.4 The relevant budgets held in localities and through the external placement budget will need to be brought together to form the budget for the Housing Framework tender and contract. However the ending of the Emergency Support provision for 16/17 yr olds ( £174,000 ) currently held in AHH needs to be taken into account. These on-going costs need to be assessed alongside the new contract to be able to forecast clearer budget pressures in year 1 from September 2014. Through the project group and involving finance and procurement, a decision was made to deal with the AHH Bed and Breakfast tender separately. However support to families will be delivered using the same Bed and Breakfast providers where required to ensure consistent quality and value for money. The tender is about to go out to the market and CYPD

Commissioning is involved in the tender evaluation.

1.5

Going forward there are 2 options for procuring the framework. The options are - Option 1 would be to retain the separate tender for care leavers and continue to spot purchase for homeless Children in Need who are 16/17 yrs.

Option 2 would procure the Framework for 2 years with the option to extend and realign to when the AHH contract concludes in March 2016 with the budget for the Framework to be £500,000 being reviewed on a yearly basis for efficiencies.

Option 2 would provide a consistent approach, to unit cost and quality and provide a mechanism to negotiate individual packages through the terms and conditions of the framework. This approach would also allow a cost avoidance approach to spend in this area, allowing a review of the budget for this contract on a yearly basis.

1.6

Work has taken place with local providers and partners to develop the specification and young people have also been able to express their views through a selection of focus groups including the Children in Care (CIC) Council. Through the needs assessment it is known that complexity of need is fairly high for this cohort (needs assessment is included in appendix 2). Therefore the tender will go out as lots related to need which are currently defined within the East Midlands Framework for placements – core, enhanced and complex. Example case studies demonstrating the type of need will be outlined within the specification for clarity.

1.7

The timescale for the tender is May 2014 – August 2014 with the aim of a service being in place by September 2014.

## **RECOMMENDATION**

- 2.1 To agree the proposal in Option 2 for the specification for the Leaving Care Framework to be broadened to be able to meet the needs of vulnerable 16 and 17 year olds who are Children in Need (CIN) including Children in Care (CIC). This will also allow the sourcing and control of spend for this cohort within the Access to Resources Team within Commissioning.
- 2.2 To agree the contract value of £500,000 for year 1, with a review of the budget for year 2 with the option to extend this by a further year. Savings have already been achieved against this area and the unit costs are competitive in relation to other authorities. This would also allow a review of the impact of the Bed and Breakfast costs for assistance to families and the ending of the Emergency Accommodation Support Contract in March 2016.
- 2.3 To bring together the relevant budgets in localities and within external placement budget to form the funding for the contract. The contract will be managed within Commissioning and quarterly highlight reports presented to DMT to highlight any risk and / or significant variance.

## **REASONS FOR RECOMMENDATION**

- 3.1 Due to the changes in the provision from Adults Health and Housing and the evidence from the needs assessment (in supporting information) it is clear that there is a need to broaden the scope of the service specification to include the mentioned groups.
- 3.2 A significant amount of funding is held in a variety of places with no formal contract arrangements or quality assurance attached to it. Retendering and broadening the service specification will support all areas being contract compliant.
- 3.3 A new sourcing process will be put in place which will bring requests for Housing and housing related support into the Access to Resources Team. This will provide greater consistency of placement quality and enable clearer management of the demand.



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Directorate

### SUPPORTING INFORMATION

#### 4.1 Legal Perspective for consideration

The Southwark Judgement, made by Law Lords in May 2009, is a piece of case law that obliges children's services to provide accommodation and support to homeless 16 & 17 yr old. The legislation i.e. the Children's Act 1989 actually states that Children's services will assess all homeless 16/17 year olds and, if they have needs other than just being homeless then they should be accommodated under s20. This does not exclude the needs that are being dealt by other agencies. In the case judgement it was stated by Baroness Hale that it would be rare for a homeless 16/17 year old to be homeless without having any other needs and therefore is likely to require to be accommodated. She gave an example of a YP who had been living independently before and had no other needs such as financial or welfare but these are unlikely to occur. She was reinforcing the duty that had been 'side-lined' by Children's services across the country following the Housing Priority Need Order in 2002 which stated that all 16/17 year olds would have a priority need under homelessness legislation.

4.2 The current process is included in Derby City Councils Joint Housing Protocol (in the Appendix). If a 16/17 year old presents as homeless directly at housing then housing would have a duty to take a homelessness approach, provide interim accommodation and carry out investigations. Housing is obliged to make a referral to CYPD in order to carry out an assessment under the Children's Act. If the young person presents to CYPD in the first instance then CYPD are obliged to provide interim accommodation whilst carrying out an assessment. If homeless and they have another need, the young person should be offered to be accommodated having been given all the details of what this entails and the benefits. If they refuse this then the housing duty would revert back to the housing authority as long as the young person is capable of making that judgement in their best interests. Someone can be accommodated under s20 for a period of time as often happens when children are under 16 years as they can return to parents or friends of course. Leaving Care duties depend on the length of time for which they have been accommodated and their age at that time.

4.3 Please see Appendix 2 for the needs assessment and financial assessment undertaken with internal and external providers.

- 4.4 The tables below show the financial analysis for spend on this cohort of young people in CYP. From the information it is clear that spend for this group has come from various sources within CYP. Spend within this area has been difficult to analyse accurately, due to the absence of a consistent approach to commissioning and quality assuring against the original framework. There are significant opportunities within the re tender to improve quality and value for money as well as meeting a broader range of complex needs
- 4.5 **The Actual expenditure for 2012/13 is shown in the table below:-**

<b>Area</b>	<b>Spend 2012-13</b>	<b>Contract</b>
Localities – Homeless 16-17 year olds	£73,945	No contract CYPD AHH contract including for emergency accommodation 16 and 17 year olds
Leaving Care	£156,608	Framework contract with 5 providers since 2011 held by Leaving Care
Additional Housing related support within residential budget for external residential placements	£553,804	No contract
Assistance to families across CYP payments to housing providers and accommodation *	£288,023	No contract – Please see below for breakdown of providers*
<b>Total Spend for CYP</b>	<b>£1,072,380</b>	
<b>Total Forecast Spend for CYP excluding Assistance to families</b>	<b>£784,357</b>	

4.6 **The Budget and forecast expenditure for 2013/14 is shown in the table below:-**

The table below shows spend for this cohort of young people. The total for the end of financial year 2013/14 is £493,945 not including the Assistance to families' budget. It is therefore assessed that the estimated annual contract value should be £500,000 with a review after one year to align with the terms of the AHH emergency accommodation contract.

<b>Area</b>	<b>Budget 2013-14</b>	<b>Forecast Spend 2013-14</b>	<b>Contract</b>
Localities – Homeless 16-17 year olds	£176,922	£73,945	No contract CYPD AHH contract including for emergency accommodation 16 and 17 year olds
Leaving Care	£150,000 Budget realigned to remove negative budget saving lines	£145,000 Revised forecast based on current levels of spend (Feb 2014)	Framework contract with 5 providers since 2011 held by Leaving Care
Additional Housing related support within residential budget for external residential placements	£0	£275,000 Community based alternatives revised spend as at Feb 2014	No contract – based on expenditure levels up to October this forecast has been reduced.
Assistance to families across CYP payments to housing providers and accommodation	Various budgets	£352,000	No contract
<b>Total forecast Spend for CYP</b>		<b>£845,945</b>	
<b>Total Forecast Spend for CYP excluding Assistance to families</b>		<b>£493,945</b>	
<b>Total estimated forecast cost for Framework per annum (please see needs assessment below)</b>		23 x £412 = £9,476  £9,476 x 26 wks = £246,376  £9,476 x 52 wks <b>£492,752</b>	

## OTHER OPTIONS CONSIDERED

- 5.1 Would be to retender the Framework at its current service specification not broadening out the cohort.

**This report has been approved by the following officers:**

<b>Legal officer</b> <b>Financial officer</b> <b>Human Resources officer</b> <b>Estates/Property officer</b> <b>Service Director(s)</b> <b>Other(s)</b>	David Swallow Janice Hadfield  Frank McGhee Jackie Colley
<b>For more information contact:</b> <b>Background papers:</b> <b>List of appendices:</b>	Catherine Hadfield Acting Commissioning Manager 01332 642703 catherine.hadfield@derby.gov.uk Appendix 1 – Implications Appendix 2 Needs assessment

## IMPLICATIONS

### Financial and Value for Money

- 1.1 Control of this budget within commissioning and the framework incorporating the full scope of the cohort of 16-21 year old will allow for control and review on the spend and each individual package to be put in place.

Commissioning will be leading on the placements and negotiations of packages with set reviews, this will ensure that the local authority gains value for money while outcomes are being met for our young people and further cost avoidance for the directorate.

### Legal

- 2.1 The new Framework will be tendered in accordance with the internal and external contractual and procurement requirements, including compliance with European based legislation, and the procurement and the Contract preparation will be carried out with Legal and Procurement support.

The intention is to establish a Framework for the registration of Suppliers of Service; together with a prescribed Call Off contract, subject to which individual packages of work will be offered by and under 'mini' tendering arrangements, to the Framework registered Providers of Service. The specification for the Service will be clear, measurable and monitored and will be both general, as prescribed under the Framework, and specific, being related to the individual needs of the users of the Services. The linkage between such users and the other participants in the arrangement, particularly the Council, which will effect and authorise the placements, will be established within Individual Placement Agreements. The Framework will last for four years from the date of its commencement (with provision for its earlier termination in the light of experience, change and need. The term of the individual placements and therefore each call off contract, will be indeterminate, dependent on the Service User's needs.

The design of the system is based on encouragement of outcomes.

The Framework can be refreshed during the period of its operation by the creation of a new Framework to meet then current needs, which could then be used to succeed the Framework now to be created. In this way a framework and a process will be created which is designed to be compliant, efficient, effective and flexible.

The proposed arrangements will also take into account and ensure that Derby C C complies with sector specific background law relating to support of and safety of CYP's and general background law.

In relation to sector specific law, the recent case known as The Southwark Judgement is very relevant and has been quoted at length earlier in the report.

## **Personnel**

3.1 None

## **Equalities Impact**

4.1 None

## **Health and Safety**

5.1 None

## **Environmental Sustainability**

6.1 None

## **Property and Asset Management**

7.1

## **Risk Management**

8.1 None

## **Corporate objectives and priorities for change**

9.1 This fits with the priority of – good quality services that meet local need and better outcomes for communities.

## **Appendix 2**

### **Summary Needs Assessment data Homeless 16 and 17 year olds and Care Leavers**

A needs assessment has been undertaken to inform our understanding of this cohort of young people and the budget that will need to be allocated to the future framework agreement. It is clear from the needs assessment undertaken and consultation with providers and internal operational staff that this needs of this group have changed.

They present with more complex high needs where risks are being identified such as . child exploitation, substance misuse issues, offending behaviour and risk of absconding.

It is essential that these packages are delivered to a high standard, are cost effective and value for money for the Local Authority.

#### **Summary of the Data**

The needs assessment undertaken looked at referrals, needs and cost between October 2012 and October 2013

Considering information from providers and from internal assessments over the 12 month period mentioned the following information is indicated.

- 239 young people were supported between the ages of 16-25 years
- Discounting the YMCA submission due to the overlap with the housing options numbers and the lack of identification of young person needs, 44 young people (age 16-18 yrs) were supported by the other providers. Of those 44, 42 were categorised as care leavers/Children in Care and 2 were categorised as Children in Need.
- Therefore 195 young people were not identified as either children in care, care leavers or children in need. (these are the cohort via the YMCA supporting people contract)

From the information gathered from internal resources:

- Between 10 -13 young people were accommodated in Independent accommodation at any one time (care leavers).
- Housing colleagues identified that during the time frame mentioned 192 required supported accommodation via housing. 68 were accommodated in

Bed & Breakfast and 124 accommodated in supported housing (supporting people contracts)

- Current provision through Adults Health and Housing emergency contract for young people is for 120 per annum.

Therefore subtracting 120 from 192 would leave a cohort of **72** young people who are likely to become Children in need requiring accommodation via CYPD, this would also be very dependent on the outcome of the assessment process

### **Total Numbers of Young People requiring accommodation**

- **72 + 44 = 116** young people requiring housing over one year's period, including the figures above for care leavers in independent living at 13 any one time
- **23** young people at any one time.
- £412 cost of an average package per week.

From the needs assessment completed with providers we also ascertained the information below about the cohort of young people:

- Average length of stay is 5 months. However we also know that this can be a population with changes in accommodation due to individual circumstances and with different providers.
- 70% of the young people presented as having high needs and 19% medium with 9.2% lower needs.
- 30% required between 6-10 support hours per week.
- Presenting needs of the young people:
  - Child sexual exploitation
  - Offending behaviour (with differing risk levels due to offences)
  - Substance misuse
  - Homelessness and benefits issues

