

## **LONDON BOROUGH OF HAMMERSMITH & FULHAM**

**Report to:** Jacqui McShannon, Executive Director of People's Services, in consultation with the Deputy Leader  
Bram Kainth, Executive Director of Place, in consultation with the Cabinet Member for Economy

**Date:** 22<sup>nd</sup> April 2025

**Subject:** Contract variation for semi-independent Living (SIL) services for children looked after, care experienced and young people at risk of homelessness

**Report author:** Sophie Veitch – Senior Commissioning and Transformation Lead

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### **SUMMARY**

This report seeks approval to vary the semi-independent living (SIL) services for care experienced young people, 16 years old and over, and young people at risk (YPAR) of becoming homeless across London Borough of Hammersmith and Fulham for a further three months under the current contract terms whilst mobilisation of a new contract following an open tender is concluded. This includes extending the existing Housing Management Agreement (HMA) for three Council owned properties.

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### **RECOMMENDATIONS**

The Executive Director of People Services, in consultation with the Deputy Leader, approves:

1. To note that the finance, legal and procurement implications, and property addresses for the leases included in this award, are outlined in Appendices 2-5 and are not for publication on the basis that they contain information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).
2. The variation of a contract to Centrepont Soho, for the provision of semi-independent living (SIL) services for young people for a further three months under the current contract terms, at a total cost of approximately £389,410.05
3. The variation of the contract for any period beyond 3 months to be delegated to the Director of Commissioning and Transformation.

The Executive Director of Place, in consultation with the Cabinet Member for Economy, approves:

4. The extension of the existing Housing Management Agreement (HMA) for three other Council owned properties, at a total revenue cost of £45,369.

**Wards Affected:** ALL

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<b>Values</b>	<b>Summary of how this report aligns to the H&amp;F Values</b>
Building shared prosperity	Supporting young people to develop the skills and resilience to be independent in adulthood.
Creating a compassionate council	Having sufficient provision in borough enables young people to live locally while they prepare to move on, rather than being placed out of borough and further away from their support networks and local services.
Doing things with local residents, not to them	Our care experienced young people have told us that they want to live locally, close to friends and family and connected to local services.
Being ruthlessly financially efficient	Commissioning a block SIL contract offers better value for money than spot purchased placements.
Taking pride in H&F	Creating high quality local SIL provision for young people from H&F and supporting them to become healthy, thriving adults.
Rising to the challenge of the climate and ecological emergency	Having sufficient local provision will reduce usage of spot-purchased out-of-borough placements. This in turn will lead to lower CO2 emissions by reducing the need for staff and young people to travel across London.

**Background Papers Used in Preparing This Report:** None

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## DETAILED ANALYSIS

### Context

1. Following a competitive open tender exercise, a decision to award a contract was published on 23<sup>rd</sup> December for the provision of SIL services for care leavers and young people at risk of homelessness for an initial term of 3 years (with the option to extend up to a total of 7 years), commencing 1<sup>st</sup> May 2025. This includes the leases for four Council owned properties.
2. As per the current contract, the supplier is required to provide 134-135 bedspaces across 15 buildings in the borough under the new contract. Four of these buildings are owned by the Council and the remainder are leased by the Council, owned by Registered Providers (RP) or owned by the supplier.
3. Officers have been progressing mobilisation, however some matters have not been resolved in advance of the new contract start date of the 1 May 2025, and are continuing to be worked through.
4. To ensure continuity of provision, it is therefore recommended that the current arrangements are extended for a further three months, via a variation of the existing HMA for three of the properties, issuing of a Tenancy at Will for the fourth property, and a variation of the current SIL contract to Centrepont Soho (the incumbent supplier).
5. The contract, HMA and “Tenancy at Will” will be terminable before the end of the 3-month period by the Council giving 2 weeks’ notice if the outstanding matters with the new arrangements are resolved prior to this.

### *Proposals and Analysis of Options*

6. **Option 1 – Approve the proposals outlined in this paper to extend the current provision of SIL services (recommended)**

There are some mobilisation matters which have not been resolved in readiness for the contract start date. Extending the current arrangements will therefore ensure continuity of provision while we work through the issues with the new contract.

7. **Option 2 – Do not approve the proposals outlined in this paper (not recommended)**

Not approving the proposals is not recommended as this would result in there either being a non-regularised arrangement with the current provider, or a gap in provision which would be extremely disruptive for young people and costly for the local authority.

## **Reasons for Decision**

8. The purpose of SIL services is to provide young people with a supportive home within their local community whilst they build a range of life skills to enable them to make a successful transition to living independently when they feel ready to do so.
9. Both Children's Services and Housing have statutory duties to provide sufficient accommodation to meet the needs of care experienced young people and young people at risk of homelessness. Commissioning a SIL block contract ensures that we have access to high-quality in-borough SIL accommodation for this cohort, with improved access to local services, family and community networks, and at lower cost than out-of-borough spot-purchased alternatives.
10. Given the strategic importance of the SIL contract, it is not possible to have a gap in service provision once the current contract ends, and any gap would be extremely disruptive to the young people currently living in local SIL services. As such, an extension of the current arrangements for a short, time limited period is therefore recommended to ensure continuity of provision whilst the issues with the long-term contract are resolved.

## **Equality Implications**

11. The recommendations outlined will have positive equality implications for care experienced young people and young people at risk (YPAR) of homelessness (up to the age of 25). Care experienced young people and YPAR face significant barriers that impact them throughout their lives and outcomes for this cohort are often worse than to their peers who do not become cared for. Recognising and making allowances for this by investing in supportive, local SIL services will positively impact on this cohort young people and support them to become thriving adults. An Equalities Impact Assessment (EIA) has been completed and is attached in Appendix 1.

## **Risk Management Implications**

12. There are no significant risks associated to this initiative.

*Jules Binney, Risk and Assurance Manager, 29<sup>th</sup> April 2025*

## **Climate and ecological emergency implications**

13. This decision does not involve changing infrastructure to hard standings or buildings. However, the Council will continue to work with the provider and respective landlords to ensure that measures are taken to mitigate negative impacts for the climate emergency, such as installing adaptations to buildings and improving energy efficiency. The provider will be expected to support staff and residents to understand the impact of the climate emergency and how they can take action.

*Hinesh Mehta, Assistant Director Climate and Transport, 27/04/2025*

## **Local economy and social value implications**

14. The incumbent supplier has been delivering their added value commitments under the current contract however, given the timescales for varying the current contract, there was not sufficient time to negotiate an additional added value commitment from the supplier for the extension period. The usual social value requirements for a contract of this value will therefore not be applied.

*Implications verified by Harry Buck, Social Value Officer (procurement), 29/04/2025*

## **Property Implications**

15. The Council is the freeholder of the four assets dedicated for providing supported housing for young people who are at risk of becoming homeless in the borough. These assets are currently managed by a Housing Association by way of a short-term contractual lease and licence agreement.

The Council has been in negotiations with the incumbent Service provider for a period of time in agreeing Heads of terms for the four properties for an initial 3 years +2+ 2 (maximum 7 years) with a standardised lease and rental levels, but this will not be possible in the timescales available before the start date of the service contract on 1<sup>st</sup> of May 2025.

To avoid enabling the incumbent provider operating beyond 31<sup>st</sup> March 2025 without any formal lease agreements, and following consultation with the Head of Legal Services, it was considered appropriate to offer the Tenant a short term “Tenancy at will”, on the same terms as the current lease. This “tenancy at will” will serve as a temporarily stop gap to afford both parties the opportunities to conclude the final stages of the Heads of terms and protect the Council’s interest in ensuring the properties continuing use as a supported housing for local young people.

Whilst the “Tenancy at will” is being formulated, to ensure no discontinuity in the service delivery, it is equally paramount for the current HMA be extended for the same period.

*Implications verified by Ade Sule, Valuer, 1<sup>st</sup> May 2025*

## **Digital Services and Information Management Implications**

16. IT Implications: While this extension is required to maintain service continuity it is important that Digital Services is kept informed to ensure that any new IT requirements are met, and that all necessary safeguards, permissions, and budgets are in place.
17. IM Implications: A Data Privacy Impact Assessment (DPIA) will need to be completed for the new contract to ensure all potential data protection risks arising are properly assessed with mitigating actions agreed and implemented. The provider will be expected to have a Data Protection policy in place and all staff will be expected to have received Data Protection training.
18. The new contract will need to include H&F's data protection and processing schedule which is compliant with Data Protection law.

*Implications verified by: Karen Barry, Strategic Relationship Manager, 28/04/2025*

## **LIST OF APPENDICES**

Appendix 1 – SIL Contract Award Equalities Impact Assessment  
Exempt Appendix 2 – Financial implications  
Exempt Appendix 3 – Legal implications  
Exempt Appendix 4 – Procurement implications  
Exempt Appendix 5 – Property addresses