



London Borough of Hammersmith & Fulham

CABINET MEMBER DECISION

NOVEMBER 2014

SEMI-INDEPENDENT LIVING SERVICES FOR LAC AND CARE LEAVERS	
Report of the Cabinet Member for Children’s Services and the Cabinet Member for Health and Adult Social Care	
Open Report	
Classification: For Decision	
Key Decision: No	
Wards Affected: All	
Accountable Executive Director: Andrew Christie, Executive Director for Children’s Services	
Report Author: Terry Clark, Lead Commissioner (Social Care)	Contact Details: Tel: 020 7938 8336 E-mail: terry.clark@rbkc.gov.uk

AUTHORISED BY:

Both Cabinet Members have signed the report

DATE: 17 November 2014.....

1. Executive Summary

- 1.1. This paper provides a summary of the recent review of semi-independent living services (SIL) for Looked After Children aged 16/ 17 and Care Leavers aged 18 – 24 and seeks Cabinet Member approval of the approach to commissioning SIL services commencing in 2015 for LBHF.
- 1.2. The council provides semi-independent living services to enable young people to make a successful transition from being looked after to becoming a care leaver and then on to living independently. A Project Group of key stakeholders has reviewed current arrangements and developed a Semi-independent Living Commissioning Strategy for Looked After Children aged 16 / 17 and Care Leavers.
- 1.3. By implementing the recommendations of the Commissioning Strategy, the council will:

- Enable Care Leavers to develop the skills they need to make a successful transition into independent living through an improved focus on outcomes;
 - Improve the overall quality and quality assurance of semi-independent living services, ensuring that Care Leavers are maintained in 'suitable accommodation';
 - Deliver savings and ensure value for money through more robust commissioning and Housing Benefit arrangements;
 - Ensure ongoing quality and service improvement through robust contract monitoring arrangements and improved collaborative approaches with providers.
- 1.4 This report requests approval from the relevant Cabinet Member for the commissioning strategy set out in this paper and the proposed route for delivering the strategy within Hammersmith and Fulham.
- 1.5 On the 5th March 2012 a report was submitted to Cabinet for decision on the '*Award of the West London Housing Related Support Joint Framework Agreement 2012-2016*' and to delegated to the then Cabinet Member for Community Care (now Cabinet Member for Health and Adult Social Care), the authority to authorise the entering into of ancillary agreements (mini-tenders) for the operation of the framework once awarded.

2. Recommendations

- 2.1. That the Cabinet Member for Children and Education approves commissioners initiating a commissioning exercise to implement:
- A block contract for the provision of SIL placements located in the borough.
 - A Framework Agreement for the commissioning of additional SIL placements via an open tendering procedure.
- 2.2. That commissioners prepare a detailed report for approval by Cabinet on the implementation of a Framework Agreement for the procurement of additional SIL placements; and that prior approval to delegate award of the framework and subsequent call off from it, be given to the Cabinet Member for Children and Education in consultation with the Executive Director of Children's Services.
- 2.3. That the Cabinet Member for Health and Adult Social Care approves that commissioners undertake a mini-competition from the West London Alliance (WLA) Framework for Housing Related Support Services under LOT 6: Young People for the block contract and;
- 2.4. That commissioners submit a further report on the outcome of the mini-competition for the Cabinet Member to decide if they wish to award a contract to the highest ranked provider from the mini-competition, in consultation with the Cabinet Member for Children and Education.

3. Reason for Recommendations

- 3.1. The council has a statutory duty to support young people leaving care through the Children (Leaving Care) Act 2000. As a result, the council has a duty to provide a range of semi-independent living services for Looked After young people aged 16 – 18 and Care Leavers aged 18 – 24. The purpose of these services is to work with young people to build a range of life skills within a supportive environment which enables them to make a successful transition from being looked after to becoming a care leaver and then on to living independently.

4. Introduction and Background

- 4.1. Semi-independent living refers to the provision of supported accommodation and one-to-one key worker support for young people leaving care to enable a smooth transition into independent living as an adult. It supports the duty of the local authority to provide services, including the provision of suitable accommodation, to Relevant and Former Relevant children to the age of 21 (or 25 if pursuing a programme of education or training).
- 4.2. Children's Service has undertaken a review of current arrangements for semi-independent living (SIL) for Looked After Children aged 16+ and Care Leavers in the London Borough of Hammersmith & Fulham. Our aim is to develop a consistent approach to the commissioning and utilisation of semi-independent placements, providing a continuum of support for young people from leaving care to living independently in the community. This Commissioning Strategy was developed in collaboration with other departments (including social workers from Family Services, Adults Social Care, Housing and legal services, young people and providers, with key engagement activities mapped out in Appendix A. It includes proposals for new semi-independent living arrangements to be implemented from 2015.
- 4.3. Current provision is varied across the borough in terms of need, quality and models of service delivery. The council places many young people in borough through block contracts with Supporting People Housing providers. The commissioning responsibilities for these providers are split to varying degrees between Children's Services and Adult Social Care. Additional and out-of-borough placements are spot purchased as required from private and voluntary providers by the Placements Team in the Children's Services Commissioning Directorate. It is an unregulated market in which quality and price varies hugely.
- 4.4. It was recognised that the authority needed to improve the quality of the provision being used but could also make significant savings in the area through improved commissioning. In early 2014, the Semi-Independent Living project was initiated and a cross-departmental, cross-borough Project Group was established to lead the work. Its purpose was to explore opportunities for rationalising service delivery, improving outcomes for young people and making financial efficiencies.

- 4.5. The project was required to review current arrangements, undertake analysis of current and projected needs, and model options for future delivery, in order to prepare and subsequently implement a commissioning strategy for semi-independent living services.
- 4.6. The project's primary objective is to ensure Care Leavers in Hammersmith and Fulham are placed in safe and instructive semi-independent supported accommodation that is most suited to their requirements and represents best value to the council. The accommodation will provide young people with the understanding and life skills required to move on to independent living in the community when appropriate.

5. The Commissioning Strategy

- 5.1. Between March and September 2014, Children's Services conducted a review of existing arrangements for semi-independent living services for LAC aged 16+ and Care Leavers. This led to the development of a Commissioning Strategy which sets out the department's purpose and intentions regarding these services for the next four years.
- 5.2. The Commissioning Strategy consists of three parts:

Part A – Analysis: which provides an overview of current arrangements, identified strengths and areas for development, total SIL spend, needs analysis, market analysis and benchmarking research;

Part B – Pathways: which addresses Staying Put (staying put arrangements are where a young person remains with their foster carer post 18) and supported accommodation as the different accommodation pathways for young people leaving care and provides an overview of the vision / expectations for future SIL service arrangements;

Part C – Options: which provides the contracting options and procurement approaches which have been considered and the different recommendations for implementation in LBHF.

5.3. Commissioning Strategy – Analysis

- 5.3.1 For care leavers in Hammersmith & Fulham, a dedicated Care Leaver pathway is currently commissioned as part of Supporting People arrangements, providing 59 units of accommodation (20 high / 39 medium support) across 8 properties located in the borough. Services are delivered through three supported accommodation contracts with two providers, which commenced on 1st April 2010 and are due to expire 1st April 2015.
- 5.3.2 Supporting People provision in LBHF meets approximately 50% of the total placement requirements, with 21,535 bed nights available (59 FTE). Other semi-independent living placements, typically out-of-borough, are required for a variety of reasons, including young people placed in foster care outside of LBHF; young people with additional needs beyond the Supporting People provision; or young people who cannot be placed in LBHF due to safeguarding issues. These placements are arranged by the Placements Team in the Commissioning directorate of Children's Services.

5.3.3 These additional placements are spot-purchased as and when required from a large pool of private and voluntary sector providers. It is an unregulated market in which quality and price varies hugely, and most of the providers are small businesses with little infrastructure.

5.3.4 Through the review, social work practitioners, commissioners, young people and providers identified common themes as key areas for service development:

- Improved focus on outcomes instead of prescriptive support hours;
- Greater consistency in service quality and standards, supported by enhanced monitoring arrangements;
- Increased clarity of roles and responsibilities for providers, social workers, commissioners and young people;
- Consistent processes for referrals, move-in, move-on and ongoing arrangements to improve placement resilience.

5.3.5 Young people's views were central to the review of existing arrangements and planning for future services. Their ideas included:

- More needs to be done to reduce support levels at the right times, in order to prevent young people from becoming over-reliant on the service;
- More opportunities for group work with other young people would be a good way of developing life skills and would help address the isolation experienced by some young people in semi-independent living;
- More 'supervision' sessions with their support worker to monitor their progress towards agreed outcomes, including what life skills they have developed.

5.3.6 In 2013/14, 117 full time equivalent (one placement for one full year) semi-independent living placements were commissioned for LAC aged 16+ and Care Leavers from Hammersmith & Fulham.

5.3.7 Based on analysis of historic and current LAC populations and trends, commissioners predict that this service requirement will remain relatively constant. It is projected that between 116 and 121 FTE SIL placements will be required annually up to 2018.

5.3.8 It is estimated that 29% of such placements will be required for young people with high support needs, 39% for medium support needs, and 32% for lower support needs.

5.4 Commissioning Strategy – Pathways

5.4.1 There are three main pathways identified for young people leaving care:

- Directly entering independent living in the community, if the young person is believed to be ready;
- Staying Put arrangements, enabling young people to remain with their long term foster carer for a period of time post 18;
- Supported accommodation.

- 5.4.2 A policy for Staying Put arrangements is currently in development, including consultation with the Fostering & Adoption Service, social workers, young people and the local Fostering Association.
- 5.4.3 In the Commissioning Strategy, the department's vision for supported accommodation emphasises the expectation of providers to share our corporate parenting responsibility and aspirations for Looked After Children aged 16+ and Care Leavers, acting as any good parent would for their own child.
- 5.4.4 In order to fulfil this corporate parenting responsibility and enable young people to transition successfully into independence and adult life, supported accommodation will be based on four key principles, or 'pillars of parenting':
- **Personalisation:** Services tailored to the needs and requirements of each young person.
 - **Outcomes:** A focus on how well the service is helping young people to prepare for independent living, rather than simply what is being delivered.
 - **Collaboration:** Improved teamwork, communication and co-ordination between all professionals providing support for young people.
 - **Community:** An emphasis on young people feeling safe, secure and comfortable as part of a community, in both their accommodation and local neighbourhood.

5.5 Commissioning Strategy – Options

- 5.5.1 It is projected that over the next 5 years, the council will need to provide provision for between 116-121 Care Leavers at any one time. Through agreements with a number of Registered Social Landlords, 71 units of accommodation are made available to the council within the borough. This accommodation can provide for approximately 60% of the borough's care leavers. In addition to this the council will need to ensure there is sufficient capacity for the additional 40% of the borough's requirements.
- 5.5.2 Commissioners have explored a number of options to deliver the councils requirements as set out within this report; these options include:
- **Approved providers list** - An approved provider list is a list of potential providers for a service that is maintained by the commissioning organisation. Providers have to pre-qualify for the list through a selection process using a pre-qualification questionnaire. When services are actually required, commissioners 'call off' the list by issuing a separate spot contract that sets out the remaining terms and specific service requirements. No specification is agreed and no prices are set when an Approved Provider List is set up
 - **Block Contract Arrangements** - A block contract guarantees a certain volume of business with a dedicated service provider over a set period of time to an agreed written specification. Block contracts are typically set at a fixed price.
 - **Dynamic purchasing** - . A DPS is an electronic system for the purchase of commonly used goods, services or works, usually limited to a maximum duration of four years. It can only be established using the rules of the Open Procedure and must be open throughout its duration for the admission of any provider which satisfies the selection criteria

and submits an indicative tender which complies with the service specification.

- **Framework Agreements** - A framework agreement is an overarching agreement with a fixed number of providers which sets out the broad terms (both quality and price) on which the commissioning organisation will purchase services from those providers in the future. The core service specification and prices are set when the Framework Agreement is established.
- **Spot purchase contracting** - Stand-alone spot contracts are individual contracts for services that are provided on a case-by-case basis, typically for an individual service user. There is no other overarching agreement in place and the spot contract sets out all the terms and conditions.

5.5.3 Commissioners have examined the 5 contracting options in order to propose the best option for the council of delivering the commissioning intentions set out in the strategy. It is therefore proposed that: **(i)** the council enter into a block contract for the 71 units of in-borough accommodation delivering 60% of the councils need and **(ii)** establish a Framework Agreement for additional SIL placements delivering the remaining 40% of the councils requirement.

6. Delivering the Commissioning strategy - Block Contract

- 6.1. It is proposed that a dedicated Care Leaver supported accommodation pathway (in-borough 71 units) is commissioned using Lot 6 (Young People) of the existing West London Alliance Framework Agreement for Housing Related Support Services. A block contract with a single supplier for 5 + 2 years will provide a total of 71 FTE placements across 9 properties located in Hammersmith & Fulham, the core of the SIL placement requirements.
- 6.2. A block contract offers the most efficient means of commissioning SIL placements while also enabling the development of a collaborative relationship with the provider, which will facilitate ongoing service development and improved outcomes for young people over time.
- 6.3. Hammersmith & Fulham is the Primary Contracting Authority for the WLA Framework Agreement, which was established in September 2012. The use of the framework provides the local authority with an efficient means of fulfilling its duty to secure value for money and comply with the EU regulations without the time and cost implications of running a full tender process.
- 6.4. Lot 6 (Young People) of the WLA Framework includes 22 providers who will be eligible to submit tenders for the opportunity. The Lot includes providers with the requisite skills, experience and capacity to deliver the required services, including the incumbent providers. One potential provider, St Christopher's Fellowship, did not meet the standards required when the Framework was established; therefore this organisation will not be eligible to submit a tender for this opportunity. The administration in their manifesto gave a commitment to support local businesses through council procurement exercises. Commissioners have examined the market and are of the opinion that there are currently no local providers with sufficient experience to deliver the required services who would be excluded through the use of the WLA Framework.

- 6.5. To supplement the WLA Framework specifications, an addendum specification will set out the requirements for housing related support services for the specific context of Care Leavers. This will include all the key service features and the required outcomes outlined in the Pathway section of the Commissioning Strategy.
- 6.6. It is proposed that the block contract will run for 5 + 2 years from 1st April 2015. Formal service reviews will be built into the contractual arrangements for the end of Year One and the end of Year Three, in order to ensure the provider is successfully meeting the service specification and required outcomes are being achieved.
- 6.7. Commissioners are of the opinion that a single provider for the dedicated care leaver pathway in LBHF is the best way to deliver the services as identified in the Pathway section of the Commissioning Strategy. A single provider will allow for innovation in the way the service is modelled and delivered on the ground, without commissioners being prescriptive of how the properties and support should be organised on a day to day basis. A single provider allows commissioners to build a collaborative partnership in order to deliver our parenting approach as outlined in the strategy. Commissioners also believe that this option represents the best value for money for the council.
- 6.8. The process for a mini-competition from the WLA Framework will be as follows:
- All Providers capable of providing the Service, listed on Lot 6: Young People, will be notified of the contract opportunity and invited to express an interest;
 - The council will issue a mini-competition questionnaire to all interested eligible Providers, together with details of the Service and the award criteria for the contract via capital E-sourcing (the councils electronic procurement portal)
 - The contract award criteria will be the same as the Framework award criteria, but with the additional requirements incorporated and the weightings adjusted to 50% price 50% quality. This is the highest quality weighting possible within the terms of the WLA Framework;
 - The timeframe for return of mini-competition questionnaires will be six - eight weeks, which takes into account the amount of information to be requested and the time needed to prepare the information;
 - Mini-competition returns will be evaluated and scored in accordance with the issued contract award criteria and the highest ranked Provider will be recommended to the relevant Cabinet Member for contract award.

6.9. The high-level procurement plan for the block contract is as follows:

Date	Activity
November 2014	Providers on WLA Framework invited to tender for the opportunity
January 2015	Tenders submitted and evaluated
February 2015	Officer and Cabinet Member approvals of contract award
March and April 2015	Mobilisation of new contract
April 2015	Commencement of new contract

- 6.10. On the 5th March 2012 a report was submitted to Cabinet for decision on the 'Award of the West London Housing Related Support Joint Framework Agreement 2012-2016'. This report set out the procurement process and award of the framework. The Cabinet report of 5th March 2012, also delegated to the then Cabinet Member for Community Care (now Cabinet Member for Health and Adult Social Care), the authority to authorise the entering into of ancillary agreements (mini-tenders) for the operation of the framework once awarded. This report seeks to use this delegation to agree the recommendation set out at paragraph 2.3 of this report.

7. Delivering the Commissioning strategy - Additional SIL Framework

- 7.1. For circumstances where it is not possible for a Care Leaver to be placed in supported accommodation using block provision, it is proposed that the London Borough of Hammersmith & Fulham establishes a Framework Agreement for additional SIL Placements located in Greater London.
- 7.2. Replacing current spot purchasing arrangements with a Framework Agreement will result in a number of benefits, including more robust approaches to managing cost and quality of placements, building collaborative relationships with a smaller number of providers, and ensuring continued flexibility in commissioning to meet varied service volumes and placement requirements.
- 7.3. Once the Framework Agreement is in place, placements can be called off to meet the needs of individual young people. The Framework will provide an effective and efficient means of securing placements, but there will be no contractual binding commitment on the local authority to purchase placements through it.
- 7.4. It is proposed that the Royal Borough of Kensington and Chelsea and Westminster City Council are named as other contracting authorities in the Framework and they will be able to access the Framework via access agreements. The framework will maintain the sovereignty of each borough. Each borough would undertake individual call-offs from the framework, in which they will be responsible for and issue their own placement contract for each young person.
- 7.5. Commissioners will prepare a more detailed report for Cabinet in respect of the proposed Framework Agreement; the report will seek approval to undertake a tender exercise and the proposed delegation.

8. Consultation

- 8.1. All key stakeholders were extensively engaged and involved in the development of the SIL Commissioning Strategy. Key engagement activities are mapped out in Appendix A.
- 8.2. The project established a short life working group of care leavers to work with commissioners on the design of the strategy. The group met on three occasions to discuss a range of topics, which included review of current

arrangements, design of outcomes and future delivery, such as what to expect in your first week and key skills. The final session focused on how care leavers can be involved in the procurement process. The work developed through this group helped shape the recommendations in the commissioning strategy.

- 8.3. Over 40 people from 26 different organisations attended a service development engagement event in June. A further market engagement event was held on 22 September which was attended by 36 people from 28 different potential providers.

9. Equality

- 9.1 From initial assessments, there will be no adverse impact of the SIL Commissioning Strategy on certain groups. There is no projected reduction in commissioned placements affecting access through the strategy. It is in fact aimed for there to be an increase in the quality of placements.

10. Legal Implications

- 10.1 It is the duty of the Local Authority to provide services, including the provision of suitable accommodation, to both Looked After Children [s22A Children Act 1989] and Relevant Children i.e. those aged 16 and 17 who have left care and where to do so is necessary to safeguard and promote welfare [s23B CA1989]. When a young person becomes an adult at age 18 the duty to him or her as a Former Relevant Child continues until s/he attains the age of 21 and, if pursuing a programme of education or training, until s/he attains the age of 25 [s23C; s23CA CA1989].

Comments provided by Jade Monroe, Senior Solicitor (Social Care and Education), Bi-borough Legal Services

- 10.2 These are Part B services under the Public Procurement Regulations 2006 as amended and not subject to full rigour of the Regulations. Nevertheless it is essential to fulfil transparency duties.
- 10.3 Proposed strategy for procurement of block contracts using existing framework and mini-competition provisions thereunder, setting up a framework contract for additional SIL Placements and any further requirements by spot purchasing with specified service standards would be in compliance with the Council's obligations under the Public Contracts Regulations as well as of the best value duty.

Comments provided by Babul Mukherjee, Solicitor (Contracts), Bi-borough Legal Services

11. Finance considerations

- 11.1. In 2013/14, Hammersmith & Fulham spent £3,289,112 on semi-independent living services, which includes the costs of rent and support.

- 11.2. Based on financial modelling of the proposed arrangements, commissioners believe that significant savings can be achieved through more efficient and robust commissioning arrangements, shifting Housing Benefit liability to suppliers, and a clearer definition of the entitlement of support hours for Framework placements.
- 11.3. However, anticipated savings cannot be confirmed until commissioners have gone out to the market and commercial information has been returned.

Comments provided by Alex Pygram, Group Accountant, Children's Services Finance

12. Procurement and IT Strategy Implications

- 12.1 This report seeks Cabinet Member approval to proceed with a procurement strategy aimed at improving the provision and outcomes of Semi-Independent Living for looked after children and care leavers. The two-pronged strategy is to establish a H&F framework contract for individual placements outside of the borough, and, in tandem with this to ensure sufficient local supply of suitable accommodation, to also create a block contract for in-borough H&F provision by using the existing WLA framework for which H&F is the lead contracting authority on behalf of the WLA.
- 12.2 The strategy also seeks delegated authority to award these future contracts. Such delegations are permissible under the Council's Contracts Standing Orders so long as they comply with section 12 of the CSOs.

Comments provided by John Francis, Procurement Consultant, H&F

13. Risk Management

- 13.1. The Children's Services Department would be responsible for the effective delivery of the strategy and management of risk associated with that. The department has established risk management protocols that include the identification and measurement of risk. Risk is also reviewed periodically by the Senior Management team. Commissioning and Market Testing are risks noted on the councils strategic risk register, risk number 2. The legal duty is also noted, risk number 5.

Comments provided by Michael Sloniowski, Bi-borough Risk Manager

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Commissioning Strategy	Terry Clark	Children's Services

LIST OF APPENDICES:

Appendix A – Engagement Map.