



**Executive
17 February 2014**

**Report from the Acting Director of
Children and Families**

Wards Affected:
[ALL]

Authority to tender a contract for Semi –Independent Living

1.0 Summary

- 1.1 This report concerns the procurement of a block contract for supported accommodation for 16+ Looked After Children and Care Leavers aged 18+ for semi-independent living.
- 1.2 This report requests approval to invite tenders in respect of a contract for Semi Independent Living as required by Contract Standing Orders 88 and 89 and requests approval to delegate authority to the Acting Director of Children and Families in consultation with the Director of Legal and Procurement and the Chief Finance Officer to award the contract.

2.0 Recommendations

- 2.1 That tenders be invited for a contract for Semi - Independent Living on the basis of the pre - tender considerations set out in paragraph 3.9 of the report.
- 2.2 That officers be authorised to evaluate the tenders referred to in 2.1 above on the basis of the evaluation criteria set out in paragraph 3.9 of the report.
- 2.3 That authority to award the contract for Semi – Independent Living be delegated to the Acting Director of Children and Families in consultation with the Director of Legal and Procurement and the Chief Finance Officer for the reasons detailed in paragraph 3.8.

3.0 Detail

- 3.1 In accordance with the Children Acts 1989 and 2004 and the Children Leaving Care Act 2000, local authorities have a duty to assess and meet the needs of young people aged 16 and 17 who are in care or care leavers. Wherever the young person lives, the duty will rest with the local authorities to keep in touch with care leavers until they are at least 21.

It is the local authority's responsibility to ensure every looked after child and care leaver child is properly prepared in making the transition from child to adulthood in a planned and effective way to achieve the best possible outcomes for the individual young person. The duties that local authorities have towards their care leavers are set out in the statutory guidance called Planning Transition to Adulthood for Care Leavers and regulations and can include the provision of accommodation. The provision of semi-independent living is seen as an effective method of assisting a smooth transition to adulthood for 16+ Looked After Children ("LAC") and Care Leavers aged 18.

- 3.2 Currently, the council has 28 looked after children and 35 care leavers, of which 17 are placed under a block contract, with the remainder in placements that have been spot purchased with various providers in the locality of London Borough of Brent or neighbouring boroughs. The specification for the block contract and these spot purchase placements meets the range of our young people's needs ranging from high, medium and low level support needs. Given the potentially vulnerability of this group, officers consider that it is preferable to provide semi-independent living through placements specifically designed for this group.
- 3.3. Authorisation was given to the Council to enter into a 'block' contract for semi-independent accommodation and support worker services for between 6 and 24 beds at a cost of £395 per bed per week to Centrepoin in January 2013 for a period of 12 months. However, the Council only paid for units when the properties were commissioned (the first for 6 units at Canning Road in January 2013 and 11 units at Kingshill from May 2013). A six month extension has been agreed from January 2014; realigning both properties to end their contracts on the 6th July 2014. Centrepoin works in conjunction with its Registered Social Provider, Genesis. Since January 2013 to date, 19 young people have been accommodated at Centrepoin of which 83% left the service engaged in education, employment and training. 90% of this client group have immigration and language needs.
- 3.4 Prior to the council entering into block contract at the start of 2013, Officers carried out significant work to explore options to secure accommodation and support for 16+ LAC and Care Leavers aged 18+. As part of this work, 97 providers were contacted directly in an effort to secure appropriate accommodation and services of good quality that achieved best value. Prospective providers offered various accommodation and support options at a range of prices. Many of these proposed options were unaffordable however and the conclusion reached by officers was that, as a general rule, a commitment to a block purchase arrangement with its guarantees on term and payment secured a better price per placement and secured best value overall despite the possibility of the council having to pay for voids on occasion. Currently, the Council has a block contract with Centrepoin at a price of £395 per week per young person which includes 5 hours keywork support services.
- 3.5 Officers in Children Services are aware of the establishment and operation of the Supporting People Young People Accommodation Based Services and Floating Support Services frameworks. Having investigated the possible use of these frameworks, there was concern regarding the broad range of ages of service users (i.e. 16 to 25 years) covered by these frameworks. Officers within Children Services have concerns generally about placing vulnerable 16-18 years old with adults. Also, a large volume of placements by Children Services require the children to be placed the same day or the next day following a referral whereas the turn around within the Adults Supporting People frameworks is at least 5 days from referral. The Supporting People frameworks are

therefore not considered appropriate for the majority of the 16+ LAC and Care Leavers aged 18+ group although, where appropriate, Children's Services will use the frameworks for less vulnerable service users and have done so recently for one care leaver.

- 3.6 In addition to looking at options with providers and the use of frameworks as a means of providing semi-independent living for 16+ LAC and Care Leavers aged 18+, officers have been exploring as part of the West London Alliance the possibility of collaborating with eight other boroughs in the procurement of a 'select provider list'. Given the nature of collaborative working however, it is likely that such list will take some time to procure and will not meet Brent's urgent need for semi-independent living when its existing block contract expires.
- 3.7 Despite exploring other options, officers are of the view that at the current time the procurement of a block contract for semi-independent accommodation offers the most appropriate and cost effective means of meeting the needs of 16+ LAC and Care Leavers aged 18+. In the circumstances, officers are seeking authority to procure a two year block contract with the option to extend the contract for a further one year. It is considered that this period of contract will give the Council flexibility, enabling it to avail itself of the 'select list' when this is procured and becomes available for use.
- 3.8 As indicated in paragraph 3.3, the council's current block contract for semi-independent living expires on 6th July 2014. As detailed in the table at paragraph 3.9 an open or one stage procurement route is being followed in an attempt to accelerate the procurement. However, given the need for the successful contractor to secure appropriate accommodation, a longer than usual mobilisation period is required and this means that there is limited time to report back to the Executive following evaluation of bids seeking authority to award the contract. As a result, approval is sought to delegate authority to award the contract block for semi – independent living to the Director of Children's Services in consultation with the Director of Legal and Procurement and the Chief Finance Officer.
- 3.9 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations have been set out below for the approval of the Executive.

Ref.	Requirement	Response	
(i)	The nature of the service.	Provision of semi-independent accommodation and support services for vulnerable looked after young people aged between 16 and 18 years and care leavers over the age of 18 some of whom are unaccompanied asylum seekers new in the UK.	
(ii)	The estimated value.	The estimated value over the period of the contract including extensions provided for under the contract is £1,235,817.00 for 20 units based on 2 years plus 1 year extension.	
(iii)	The contract term.	The contract will be for 2 years with the option to extend for up to 1 additional year.	
(iv)	The tender procedure to be adopted.	An open or one stage process will be pursued.	
(v)	The procurement timetable.	Indicative dates are:	
		Adverts placed	25 February 2014
		Deadline for tender submissions	1 April 2014
		Tender evaluation	1 April 2014 to 16 April 2014
		Report recommending Contract award circulated internally for comment.	22 April 2014 - 29 April 2014
		Director approval of Award of Contract	7 May 2014
		Contract Mobilisation	15 May 2014
		Contract start date	7 July 2014

(vi)	The evaluation criteria and process.	<p>A single stage or open tender process involves a simultaneous evaluation of tenderers response to the Authority's qualification questionnaire and tender proposal.</p> <p>Tenderers will be required to meet the requirements of the qualification questionnaire in terms of technical and financial standing and expertise. Tenders will be evaluated on the basis of the most economically advantageous tender using the following criteria.</p> <p>1. Quality</p> <p>Quality will consist of 40% of the evaluation weightings. The quality assessment will be evaluated using the following criteria:</p> <ul style="list-style-type: none"> • Proposed business models. • Proposed plans for ensuring effective quality management of the Services and maintenance of the Contract Standard, including self-monitoring and evaluation. • Proposals for ensuring that the requirements of Children Act 1989 and 2004 legislation are fully applied in the delivery of the service • Proposals for ensuring that health and safety requirements are fully applied in the delivery of the service • Proposals to ensure that young people receive the necessary support to promote positive outcomes for them • Proposed approach for working in partnership with the Council and its partners. • Proposed approach to safeguard and address the needs of vulnerable young people <p>2. Price / Value for Money</p> <p>Price will consist of 60% of the evaluation weightings</p>
(vii)	Any business risks associated with entering the contract.	<p>There is the risk that Brent will have to pay for voids. To mitigate this, the in-house review panels will be used to identify young people at an early stage who will be signposted to these placements.</p> <p>The Council to ensure that the specification is such that it would tailor to our specific client group.</p>

(viii)	The Council's Best Value duties.	This procurement process and on-going contractual requirement will ensure that the Council's Best Value obligations are met.
(ix)	Consideration of Public Services (Social Value) Act 2012	See section 8 below.
(x)	Any staffing implications, including TUPE and pensions.	The service is currently provided by an external contractor and there are no TUPE and pension considerations for the Council.
(xi)	The relevant financial, legal and other considerations.	See sections 4 and 5 below.

3.10 The Executive is asked to give its approval to these proposals as set out in the recommendations and in accordance with Standing Order 89.

4.0 Financial Implications

- 4.1 The estimated annual cost of the contract is £411,939.00. If the contract runs its full term of two plus one years, the value of this contract is £1,235,817.00 for 20 units. The cost of this contract will be fully funded from General Fund budgets.
- 4.2 If spot purchased, a semi-independent provision for a young person under 18 without additional support would cost approximately £600-£650 per week. Under the contract, the weekly cost will be £395 and this includes 5 hours of key work support services. This equates to a saving of approximately £213,200 per annum if all 20 units are fully occupied for the whole year.
- 4.3 It will be a condition of the contract that all providers give an undertaking to assist young people 16 to 18 years of age to claim Housing Benefit within the first six weeks of placement, and to ensure Housing Benefit is paid direct to Brent's account.

5.0 Legal Implications

- 5.1 The Children (Leaving Care) Act 2000 introduced new requirements on local authorities to plan for looked after children so that they have the support they need as they make the transition from care to adulthood.
- 5.2 Whether or not the local authority has parental responsibility (under a care order), it adopts, in effect, part of the role of the parent of a young person it is looking after and to whom it will provide subsequent advice and assistance. The legislation lays duties and, in some cases, powers, on each local authority to provide this help until a young person reaches at least the age of 21.

- 5.3 The estimated value of the contract for the provision of semi – independent living services exceeds the Public Contracts Regulations 2006 (the “EU Regulations”) threshold for Services. The provision of semi –independent living services are however classed as Part B Services for the purposes of the EU Regulations and as such are subject to partial application of the EU Regulations, including non-discrimination in the technical specification and notification of the contract award to the EU Publications Office. The contract is not therefore subject to the full tendering requirements of EU Regulations however it is subject to the overriding EU Treaty principles of equality of treatment, fairness and transparency in the award of contracts.
- 5.4 The estimated value of this contract is above the Council’s Standing Orders threshold for High Value Service Contracts of £250,000, and the award of the contract is consequently subject to the Council’s own Standing Orders and Financial Regulations in respect of High Value contracts.
- 5.5 Once the tendering process is undertaken Officers ordinarily report back to the Executive, explaining the process undertaken in tendering the contracts and recommending award as required by Contract Standing Orders for High Value Contracts. However, for the reasons detailed in paragraph 3.8, this report seeks authority to delegate to the Director of Children and Families in consultation with the Director of Legal and Procurement and the Chief Finance Officer authority to award the block contract. Members are able to agree such delegation if they consider this is justified.
- 5.6 In the present case if the contract is awarded to a new contractor the Transfer of Employment (Protection of Employment) Regulations 2006 (“TUPE”) is likely to apply so as to transfer from the current to the new contractor those employees of the current contractor who spend all or most of their working time on the activities taken over by the new contractor.
- 5.7 The Council’s duties in connection with the Public Services (Social Value) Act 2012 are contained in Section 8.

6.0 Diversity Implications

- 6.1 An updated Equalities Impact assessment for the service has been carried out recently and a copy is attached with this report at Appendix 1.

7.0 Staffing/Accommodation Implications

- 7.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from retendering the contract.

8.0 Public Services (Social Value) Act 2012

- 8.1 Since 31 January 2013, the council, in common with all public authorities subject to the EU Regulations, has been under duty pursuant to the Public Services (Social Value) Act 2012 to consider how the services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the council might act with a view to securing that improvement; and whether the council should undertake consultation. This duty applies to the procurement of the proposed

contract as Part B Services over the threshold for application of the EU Regulations are subject to the requirements of the Public Services (Social Value) Act 2012.

- 8.2 The services being procured have as their primary aim improving the social and economic well being of one of the most vulnerable groups in Brent. Users are regularly consulted to ensure the services meet their needs and the views of users will be taken into account in procuring services.
- 8.3 There is a limited market for the delivery of these services; however, officers will endeavour to describe the scope of service in such a way as to further meet the requirements of the Act during the procurement process.

9.0 Background Papers

- 9.1 There are no other background papers

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