



**Decision of the Leader  
12 May 2022**

**Report from the Strategic Director  
of Children and Young People**

**AUTHORITY TO VARY AND EXTEND A BLOCK CONTRACT FOR  
SEMI-INDEPENDENT LIVING FOR LOOKED AFTER CHILDREN  
AGED 16+ AND CARE LEAVERS AGED 18+**

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key
<b>No. of Appendices:</b>	None
<b>Background Papers:</b>	None
<b>Contact Officer(s): (Name, Title, Contact Details)</b>	Shirley Parks Interim Operational Director, Safeguarding, Partnerships and Strategy <a href="mailto:shirley.parks@brent.gov.uk">shirley.parks@brent.gov.uk</a> 0208 937 4529

**1.0 Purpose of the Report**

1.1 This report seeks approval to vary and extend a block contract for the provision of Semi-independent Living for Looked After Children aged 16+ and Care Leavers aged 18+ with Centrepont Soho in accordance with Contract Standing Order 112.

**2.0 Recommendation(s)**

That the Leader of the Council:

2.1 Approves the variation and extension to the current contract with Centrepont Soho for a period of 12 months from 7 July 2023 to 6 July 2024.

2.2 Approves the variation of the current contract with Centrepont Soho to provide an additional 12 support units as detailed in paragraph 3.9.

**3.0 Detail**

3.1 In accordance with the Children Act 1989 and 2004 and the Children Leaving Care Act 2000, the Local Authority has a duty to assess and meet the needs of young people who are in care and care leavers. The duties that local authorities have towards care leavers are set out in the statutory guidance "Planning Transition to

Adulthood for Care Leavers”. This can include the provision of accommodation. Irrespective of where the young person lives, the duty rests with the local authority to maintain contact 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 is properly prepared to make the transition to adulthood in a planned and effective way to achieve the best possible outcomes for the individual young person. The provision of semi-independent living is seen as an effective method of assisting a smooth transition to adulthood for Looked After Children aged 16+ and Care Leavers aged 18+.

3.2 The Council currently has a block contract for the Provision of Semi-independent Living for Looked after Children aged 16+ and Care Leavers aged 18+ with Centrepoint Soho (“Centrepoint”). The initial contract period was for a period of 3 years, from 7 July 2018 – 6 July 2021, with the option to extend the contract by a further 2 years. The option to extend has been applied until 6 July 2023.

3.3 The overarching aims of the contract are:

- To provide high quality accommodation, practical and emotional support, advice and guidance to young people in care and care leavers in making an effective transition to independent living;
- To provide support to young people in the accommodation as part of their professional network to enable them to achieve their potential and to be a positive member of the community;
- To support the Local Authority in increasing the number of looked after children and care leavers in education, employment and training.

3.4 The majority of the units provided for in the contract are predominantly to support young people with low to medium needs. The outcomes for this service are outlined below:

- Increased placement stability for young people;
- Young people’s life skills are developed to enable a successful move on to their own council tenancy or other long-term housing solution;
- The proportion of 16-18 year olds who are not in education, employment or training (NEET) reduces;
- The percentage of young people participating in extra-curricular learning activities and sport increases;
- Quarterly emotional wellbeing score responses (SDQ) are average or higher on the scoring matrix, indicating a positive trend.

3.5 Centrepoint currently provide 20 units of accommodation. The current 20 units comprise five 24/7 high support units with 10 hours of key worker support and fifteen low to medium support units with 5 hours of key worker support per week

3.6 An additional 40 units were included in the contract with proposals to phase their delivery from 1 December 2018 with Brent only paying for properties at the point that they became available for use. When bidding for the contract, Centrepoint had identified potential properties for development that would have delivered this. However, these original proposals did not come to fruition as the landlord that

Centrepoint was in communication with pulled out of the development. Since the contract was let, Centrepoint has continued to pursue opportunities to source property in and around the borough, as the Local Authority's preference continues to be for the accommodation delivered through this contract to be located within Brent and its surrounding areas. Centrepoint has also taken a number of steps to partner with registered providers, private landlords and with a Real Estate Investment Trust (REIT) to increase their access to suitable properties.

- 3.7 Between July 2018 and January 2022, 55 of the total number of 654 semi-independent placements made by Brent were at the Centrepoint provisions. Centrepoint carries out regular surveys of young people's satisfaction across the breadth of Centrepoint's delivery which show 100% satisfaction with rooms, the quality of accommodation, access to training, education and work and information on rights as a resident and information on how to sustain a tenancy. An average of 77% of the young people placed are in education, employment or training (EET); 65% report starting to achieve their desired educational aspirations; 89% participate in cultural and faith activities and 12% have participated in work or a work like activity placed with Centrepoint. A programme of quality assurance monitoring is carried out by officers that shows Centrepoint services and outcomes for young people are good.
- 3.8 Centrepoint has identified two potential new properties that could be incorporated into the contract. The first property is in the London Borough of Hounslow with the potential to provide accommodation for six young people with low to medium support needs with 5 hours of key worker support per week. The other property is in Brent, between Willesden Green and Kilburn Underground stations, and can provide accommodation for six young people with low to medium support with 5 hours of key worker support per week. Profiles of the areas of both properties have been undertaken and officers have not identified any concerns. These properties would together provide accommodation for 12 additional young people, bringing the total capacity of the contract to 32 units. To enable Centrepoint to take on these properties and mobilise services for Brent, they would like a commitment from Brent beyond the current contract term which is up to July 2023. Officers are, therefore, recommending that the contract is varied to include the units and extended by a further additional year to 6 July 2024. Subject to agreeing this extension, officers anticipate that the additional units will be available from May 2022 onwards subject to Centrepoint refurbishing the units and the on-boarding of service users.
- 3.9 The variation and 12 month extension would:
- Ensure that Brent retains access to the Centerpoint provision that delivers a good service and which is delivered by a provider that has established strong links with the council.
  - Freeze prices for the 20 existing units over the extended contract period.
  - Ensure access to provision that will meet the new regulations for semi-independent providers. The semi-independent market is currently unregulated, but from April 2023 all providers will have to register with Ofsted prior to inspections commencing in September 2023. Officers are confident that Centrepoint will respond positively to the new regulations for semi-independent provision when they come into force.
  - Provide a good basis to test block contracts in the new regulated context to inform further commissioning of semi-independent provision.

3.10 In accordance with paragraph 13 of Part 3 of the Constitution, the Cabinet Member is required to consult with the Leader in connection with the Recommendations.

3.11 The individual Cabinet Member is asked to give approval to these proposals as set out in the Recommendations and in accordance with the Constitution.

#### 4.0 Financial Implications

4.1 In 2020-21 Brent spent a total of £6.2m on Care Leavers. The Centrepoint contract cost for both accommodation and support for the 20 units is £1,096.95 per week for each of the 5 high need places and £515.49 per week for each of the 15 low to medium need places. The cost of the new additional units will be £805 and £835 across the two units per week, per young person.

4.2 As of February 2022 average weekly costs for Looked After Children Semi-Independent placements in Brent are £1,257.60 (52 placed) and £716.85 for Care Leavers (134 placed).

4.3 The total value of the contract over 3 years plus the 2 year extension agreement is £7,567,600. The current spend against the contract is £689,177 per annum for 20 units as the full 60 units were not on boarded as initially anticipated. Officers will continue to work with Centrepoint to expand the number of units.

4.4 The total cost of the additional 12 new units is £513,058 per annum. The total value of the 32 units is £1,202,235 to cover the period 7 July 2023 to 6 July 2024. Agreed funding for the contract is available to cover the costs of the new units within the cost centre budget.

4.5 If the contract variation is agreed before 6 July 2022, the cost implication for the 2 additional properties for 2 months 1 May 2022 to 30 June 2022 and first week of July 2022 is a total of £95,376. This is based on a monthly cost of £42,755 for the 12 units.

4.6 The total cost of variation from 1 May 2022 to 6 July 2024 is a total of £1,810,668 for a total of 32 units as set out in the table below:

Provision and time period	£
Total cost of additional 12 units 7 <sup>th</sup> July 2022 to 6 <sup>th</sup> July 2023	513,058
Total cost of existing 20 units 7 <sup>th</sup> July 2023 to 6 <sup>th</sup> July 2024	689,177
Total cost of additional 12 units 7 <sup>th</sup> July 2023 to 6 <sup>th</sup> July 2024	513,058
<b>Total cost of variation for 2 years</b>	<b>1,715,292</b>
Additional 2 months variation 1 <sup>st</sup> May 2022 to 6 <sup>th</sup> July 2022 for 12 units	95,376
<b>Total value of variation</b>	<b>1,810,668</b>

#### 5.0 Legal Implications

- 5.1 For reasons detailed in paragraph 3.1 to 3.12, officers are proposing the variation and extension of the contract for Semi Independent Living for Looked After Children 16+ and Care Leavers 18+ with Centrepont Soho. The value of the contract is subject to the full application of the Public Contract Regulations 2015 (PCR 2015).
- 5.2 Two variations to the contract are recommended. The first is the variation to permit an extension to the contract by an additional year from 7 July 2023 to 6 July 2024 and the second variation is agree to the addition of a further 12 units. Regulation 72 of the PCR 2015 provides that certain variations to existing contracts are permitted without commencing a new procurement in certain circumstances. With regard to the variation to permit an extension of the contract for an additional period of 12 months, it is considered that this would fall within Regulation 72(1)(b) and / or 72(1)(e) and as such would be permitted under the PCR 2015. With regard to the second variation to agree the provision of a further 12 units, as detailed in paragraph 3.6, an additional 40 units were included in the contract and as such this variation is provided for and falls within Regulation 72(1)(a) of the PCR 2015.
- 5.3 Pursuant to Section 3(b) of the table at paragraph 9.5 of Part 3 of the Constitution, Chief Officers have authority to agree the variation and extension of contracts subject to certain limitations. In view of the value of the variations recommended, a Chief Officer does not have authority to agree the variations and extension. Paragraph 13 of Part 3 of the Constitution provides that the relevant Cabinet Member in consultation with the Leader may agree variations and extensions where the decision is excluded from Chief Officer delegated powers. Given that it is considered that the variations and extension are permitted under the PCR 2015, and subject to consultation with the Leader, it is considered that the Leader has delegated authority to agree the Recommendations in this report

## **6.0 Equality Implications**

- 6.1 The proposals in this report have been subject to screening and officers believe that there are no adverse equality implications.

## **7.0 Consultation with Ward Members and Stakeholders**

- 7.1 Ward members are kept up to date with the progress on the project

## **8.0 Human Resources/Property Implications (if appropriate)**

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

### **Related documents**

Award Report April 2018

**Report sign off:**

**GAIL TOLLEY**

Strategic Director of Children and Young People

