

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Executive Lead Member for Children's Services
Date:	17 July 2012
Title:	Supported Lodgings joint tendering approval
Reference:	4029
Report From:	Director of Children's Services

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1. Executive Summary

- 1.1. The paper seeks the approval of the Executive Lead Member for Children's Services to go to joint external tender with Basingstoke and Deane Borough Council for Supported Lodgings in Hampshire.
- 1.2. The paper also seeks the approval of the Executive Lead Member for Children's Services to increase the tender value of the Supported Lodgings contract by £300,000 to take into account additional funding to be provided by Basingstoke and Deane Borough Council. Approval was given to consider the joint tender and increase in value on behalf of the Executive Member for Adult Services on 12 June 2012.
- 1.3. This paper outlines the financial commitments which were agreed at the Children's Services and Adult Services Executive Lead Member decision days in March and April 2012. The paper outlines the funding arrangements that have been approved by Basingstoke and Deane Borough Council and the intentions for the next Supported Lodgings contract due to be awarded from 01 April 2013 to 31 March 2016.

2. Background

- 2.1. On 27 April 2012 the Executive Member for Adult Services approved the proposal to undertake a joint tender exercise with Children's Services for a countywide supported lodgings scheme for young people. (Decision Reference 3782). This proposal was also approved by the Executive Lead Member for Children's Services on 23 March 2012 (Decision Reference 3466).
- 2.2. The service is due to commence on 1 April 2013 for three years with an estimated service spend of £3.4 million to include the associated costs for

Looked After Children, as outlined in the Children's Executive Decision report (Decision Reference 3466).

- 2.3 Hampshire County Council Adult and Children's Services commissioned supported lodgings services do not currently meet local demand in certain districts. Therefore local arrangements between District Council Housing Departments and providers have been made.
- 2.4 Since 2003 Basingstoke and Deane Borough Council have commissioned supported lodgings separately from Hampshire County Council by way of a Service Level Agreement.
- 2.5 On 16 May 2012 Basingstoke and Deane Borough Council formally expressed an interest to jointly commission Supported Lodgings through Hampshire County Council's current tender exercise.
- 2.6 To ensure fair and equal access all 11 District Council Housing Departments in Hampshire were formally approached, inviting all District Councils to be part of the joint tender process. The outcome was that 10 of the 11 District Councils declined the offer in writing. Reasons for declining were that Supported Lodgings accommodation provided by Children's Services and Adult Services was adequate in their local area and they did not see a need to commission Supported Lodgings separately. However 6 District Councils accepted the offer to be named in the contract to use an agreed Supported Lodgings spot-purchase rate for emergency use.
- 2.7 Basingstoke and Deane Borough Council accepted the offer to jointly tender Supported Lodgings and the funding was approved by their Strategic Management Team on 30 May 2012.
- 2.8 By tendering the contracts jointly the intention is to create a joint service specification and combine Children's Services, Adult Services and Basingstoke and Deane Borough Council budgets to tender for services across in 3 geographical lots.
- 2.9 The partners proposed the joint procurement of Supported Lodgings provision for the following reasons:
 - To develop and improve services and outcomes for young people, through improved commissioning arrangements and joint investment.
 - To ensure a strategic approach to planning and development, through shared work and learning;
 - Working together would enable the three services to exploit scale economies in contract rates and reduce the cost of commissioning;
 - To ensure greater equity and consistency of services for Supported Lodgings users across Hampshire

3. Contextual information

- 3.1 Until 2012/13 Supported Lodgings purchased by Basingstoke and Deane Borough Council has been secured by way of a service level agreement by virtue of Section 180 (1) of the Housing Act 1996 (whereby a local housing authority may give assistance by way of a loan or grant concerned with homelessness or matters relating to homelessness). Basingstoke and Deane Borough Council has a statutory duty to accommodate all eligible unintentionally homeless people who are vulnerable (through having a priority need) and who have a relevant local connection with the area. By virtue of Statutory Instrument SI No 2051, all homeless 16/17 year olds and all 18-21 year old care leavers are to be considered vulnerable and in priority need. Statutory and non-statutory guidance from Communities and Local Government (CLG) expressly advises that no 16 or 17 year old should be placed in Bed and breakfast accommodation.
- 3.2 Contextual information and impacts for Adults and Children's services can be found in the Executive Decision reports Ref: 3466 and 3782.

4. Finance

- 4.1 The funding arrangements for supported lodgings is based on a unit cost, this is the cost of a supported lodgings bed for a period of 7 consecutive days. The breakdown of the unit cost includes:
- Running costs to the provider, including support from the provider to the young person placed with them
 - Host support cost
 - Rent for the placement (for Looked After Children only)
 - Full board food (for Looked After Children only)
- 4.2 The budget agreed from Basingstoke and Deane Borough Council is £100,000 per year for 3 years from 1 April 2013. Depending on the final unit costs, this would equate to 15 units of Supported Lodgings accommodation per night and would be earmarked solely for referrals for young people from Basingstoke and Deane.
- 4.3 Children's Services have approval to tender for 60 units of Supported Lodgings accommodation per night at an estimated spend of £2.3m (this includes all associated costs for Looked After Children, as detailed in 4.1). Adult Services have approval to tender for 61 units per night of Supported Lodgings accommodation at an approximate aggregated contract value of £1.1m.
- 4.4 The agreed estimated service spend of £3.4m would be increased by £300,000 to take into account additional funding to be provided by Basingstoke and Deane Borough Council increasing the estimated service spend to £3.7m.

4.5 A Service Level Agreement' will be in place between Hampshire County Council and Basingstoke and Deane Borough Council, confirming the funding arrangements for each department.

5. Performance

5.1 Basingstoke and Deane Borough Council reports that Supported Lodgings currently provides accommodation for 12 vulnerable young single people (including those with highly complex needs). Annual demand from potentially homeless 16/17 year olds alone currently exceeds 70 cases per annum.

5.2 The availability of sufficient Supported Lodgings placements has enabled Basingstoke and Deane Borough Council to prevent the use of Bed and Breakfast accommodation for this vulnerable group consistently since 2006. The alternative costs of providing Bed and Breakfast accommodation for 12 young single people would be around £200,000 - £250,000 per annum.

5.3 Performance details for Supported Lodgings contracts with Adults and Children's services can be found in the Executive Decision reports Ref: 3466 and 3782.

5.4 Adult Services and Children's Services will take the lead in performance and quality monitoring throughout the lifetime of the contract.

6. Other key issues

6.1 Any changes to the function of the service will be stated in policies and procedures which will be held centrally and accessed by the Policies and Procedures internal website. Staff in Children & Families branch will also be offered training on any new guidelines and procedures put in place as a result of the tender.

6.2 Staff at Basingstoke and Deane Borough Council will be informed of any changes to the Supported Lodgings scheme and will have access to policies and procedures relating to the contract which affects the Basingstoke and Deane area.

7. Future direction

7.1 Children's Services and Adult Services commenced the commissioning and procurement process on 1 April 2012 and Basingstoke and Deane Borough Council have been involved with the process by attending the project board. The proposal for Basingstoke and Deane Borough Council to jointly tender with Hampshire County Council was approved at their Strategic Management Team on 30 May 2012. The intention is to advertise the tender on 31 July 2012 and award the contract for a start date of 1 April 2013 for a period of 3 years.

7.2 A project board consisting of key stakeholders has been overseeing and guiding the commissioning and tender process. The members have consulted with Senior Officers of Children's Services, Adult Services and Basingstoke and Dean Borough Council to sign off key tasks and decisions to shape the future of the service.

7.3 The participation and engagement of young people have also enhanced the planning and development of the future of Supported Lodgings and will continue to be involved with the tender process.

8. Recommendation

8.1 That the Executive Lead Member for Children's Services approves the joint tender between Children's Services, Adult Services and Basingstoke and Deane Borough Council.

8.2 That the Executive Lead Member for Children's Services approve the increase of the Supported Lodgings tender value by £300,000 to take into account additional funding to be provided by Basingstoke and Deane Borough Council, on behalf of Hampshire County Council Adult and Children's Services.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	no
Corporate Improvement plan link number (if appropriate):	
OR	
This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because:	
<i>NB: Only complete this section if you have not completed any of the Corporate Strategy tick boxes above. If it is not applicable, please delete.</i>	

NB: If the 'Other significant links' section below is not applicable, please delete it.

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Supported Lodgings tendering approval	3466	23 March
Supported Lodgings tendering approval	3782	27 April
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	
The Housing Act 1996	1996	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. The proposals support that the needs of young people and their families are met within local services and that young people and their representatives have an opportunity to be consulted and to influence services

2. Impact on Crime and Disorder:

- 2.1. none

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

n/a

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

n/a