

| | |
|---|---|
| Cabinet 24 April 2024 |  TOWER HAMLETS |
| Report of: Steve Reddy, Interim Corporate Director, Children's Services | Classification: Unrestricted |
| Contract Extension for Young People's Supported Living Pathway | |

| | |
|--|--|
| Lead Member | Councillor Maium Talukdar, Deputy Mayor and Cabinet Member for Education, Youth and Lifelong Learning (Statutory Deputy Mayor) |
| Originating Officer(s) | Layla Richards, Covering Director Commissioning and Youth |
| Wards affected | All wards |
| Key Decision? | Yes |
| Reason for Key Decision | Financial threshold |
| Forward Plan Notice Published | 22 March 2024 |
| Exempt information | None |
| Strategic Plan Priority / Outcome | Strategy <ol style="list-style-type: none"> 1. Homes for the future 2. Invest in Public Services 3. Empower Communities and Fight Crime 4. A council that works for you and listens to you Plan <ol style="list-style-type: none"> 1. A better deal for children and young people: aspiration, education and skills 2. Good jobs and employment 3. Strong, resilient and safe communities 4. Better health and wellbeing |

Executive Summary

The Tower Hamlets Young People's Supported Housing Pathway (YPSHP) serves the borough's Children's Social Care (CSC) and Housing Options team (HOST) with accommodation-based support services in single and shared units across the borough. The council has full nomination rights to all properties and works collaboratively with the service providers to ensure that our young people

are placed in suitable accommodation with staff available to provide sufficient support hours to meet their needs. The service provides a safe accommodation option for 16/17-year-olds and young people aged 18-25 who are in and on the edge of care and homeless young people (prioritising young people with Special Educational Needs). It meets the statutory responsibilities of all local authorities under the Children's Act 1989 and 2008, The Housing Act 1996 and The Homelessness Reduction Act 2017.

The current pathway was previously extended through Cabinet approval on 29th November 2023 until 31st May 2024 to enable the Children's Services Strategy and Commissioning Service to re-commission and to re-procure the provision in the pathway. The tender for the improved YPSHP Pathway went live on 18th of September 2023 and closed on 17th of November 2023. Although a high number of bids were received, the quality of the bids did not meet the quality level the Council was seeking. Due to the nature of the pathway (accommodation and support for our most vulnerable children and young people) the report asks Cabinet to approve the retendering of the YPSHP and an extension to the existing contracts which will shortly come to an end. This will ensure service continuity and the commencement of a procurement exercise will enable contracts to be awarded to suitably qualified providers when the existing contract extensions have ended. A four-month awarding period will allow for engagement with stakeholders, followed by a four-month mobilisation period to establish; data systems, partnerships, estates, facilities, and service pathways.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Approve the re-commissioning of the Young People's Supported Housing Pathway procurement that went live on 18th September 2023 and closed on 17th November 2023.
2. Approve the award of contract extensions to the four block contracts of three existing providers in the Young People's Supported Housing Pathway of 6 months each to allow for a suitable tender and mobilisation period of the reprocurement.
3. To note the specific equalities considerations as set out in Paragraph 4.1

1 REASONS FOR THE DECISIONS

- 1.1 To ensure the Tower Hamlets Young People's Supported Housing Pathway contracts are extended to enable a transformative re-commission of the pathway and start of the new Young People's Supported Housing Pathway.
- 1.2 To allow the time to fully engage with the market, young people and social care practitioners to redesign the pathway so the interests of the key

stakeholders are aligned and to ensure the continued and high-quality service for our most vulnerable children and young people.

- 1.3 Consultation undertaken during the tender process indicates that the market has changed considerably since the service was designed in 2023 and that the current pathway can be improved and redesigned to result in high quality bids.

2 ALTERNATIVE OPTIONS

- 2.1 To award all the lots and to manage the risks associated with the quality levels of the low scoring providers in the 3 lots of concern.
- 2.2 To award the contracts to the highest bidders for the 2 lots who were able to demonstrate that they have the requisite quality and experience to provide an excellent service.

3 DETAILS OF THE REPORT

3.1 Service background

- 3.2 The Tower Hamlets Young People's Supported Housing Pathway (YPSHP) provides a safe alternative to accommodating 16/17-year-olds and young people aged 18-25 who are in and on the edge of care, as well as homeless young people (prioritising young people with Special Educational Needs) and meets the statutory responsibilities of all local authorities under the Children's Act 1989 and 2008.

- 3.3 The key service objective of the YPSHP is to enable young people to develop the independent living skills required to move on to longer term stable housing, explore life choice options, and become independent.

- 3.4 The YPSHP aims to achieve the following desired outcomes for our young people:

- Enabling young people to continue to work towards independence and achieve better life outcomes.
- Maximising and improving opportunities for accessing education, training and employment.
- Improving access to health services and ensuring service users are encouraged to develop healthy lifestyles.
- Helping to facilitate provision for service users in need of care.
- Decreasing criminal activity and anti-social behaviour by supporting service users to address offending and re-offending behaviour.
- Supporting service users to understand and access sources of assistance in the community that will be able to continue to assist them in the future.

- Improving and encouraging the development of skills and confidence to negotiate safe healthy relationships and support young people to tackle issues affecting their physical, mental and sexual health and well-being.
- Promoting responsible parenting, enabling young people to make informed decisions as to parenthood and where required access appropriate accommodation.

3.5 The Young People's Assessment and Support Service contract acts as the entrance to the YPSHP assessing young people unknown to Children's Social Care to identify their support needs. The other three services deliver a wide range of support, from high support placements, i.e. staff on site 24 hours, medium support placements, where staff are on site during the day only, and low support placements, where staff support is provided to young people by visiting their managed properties, and lastly a floating support provision.

3.6 The Young People's Supported Housing Pathway Tender consisted of 5 separate lots.

- Lot 1 – 12 units of shared accommodation, with referrals received from HOST and Leaving Care and Through Care Teams. This is the first stage of the pathway, where the child's needs are assessed for up to 16 weeks before they are moved on within the pathway or to needs-appropriate accommodation.
- Lot 2 – 55 units of accommodation, with referrals received from HOST and Leaving Care and Through Care Teams. This is the second stage of the pathway where young people are referred into their longer-term accommodation (up to 2 years) and supported to learn the independent living skills.
- Lot 3 – 30 units of accommodation, with referrals received from HOST and Leaving Care and Through Care Teams. This provides accommodation and support towards independent living.
- Lot 4 – 26 units of accommodation, with referrals received from HOST and Leaving Care and Through Care Teams. This provides accommodation and support towards independent living for young people and teenage parents.
- Lot 5 - A floating support service for young people who have moved-on into their first long term independent property after receiving the supported housing services from the YP Pathway. Young people will be settling into their new home and support will be offered to ensure they are coping well and engaged in employment, education, training and/or volunteering.

3.7 The evaluation and moderation of the Young People's Supported Housing tender concluded on 22nd December 2023. Following careful consideration of the bids, the service has decided that the existing specification and resultant bids would not meet the needs of the young people who would use the service. This is due in part to changes within the market place since the scheme was originally created in 2017. Therefore, the Council is abandoning

all 5 lots of this procurement in order to carry out an appropriate service review so the retendered service will deliver Best Value

3.8 Contracting approach

3.9 Commissioners are focused on ensuring a robust service review is conducted and that incumbent providers are continuously supported and in agreement with extensions to their existing contracts. The Council intends to carry out a period of in-depth market and stakeholder engagement, research, and service redesign, before going back out to tender with a revised specification and service model. We aim to complete this as quickly as we realistically can, balanced with the need to allow sufficient time to properly understand the market and to develop a robust, high-quality specification.

3.10 It is vital that sufficient time and resource is allocated to complete the integrated service review of the Young People’s Supported Housing Pathway. This will include, consultations with key stakeholders and young people, market warming to ensure that the tender is designed to produce a pathway that meets the needs of stakeholders and the young people, the end users, as well as the importance of ensuring a quality recommission that minimally disrupts the lives of our service users.

3.11 We are recommending a 6-month extension between June 2024 and December 2024 to award the contract, allowing sufficient time to develop the market working with providers to ensure the whole system understands the needs of the young people accessing the service and is able to respond to that and developing a new service specification.

3.12 During the mobilisation period, the service changes will have to be put into a clear operational plan with the service users, Children’s Social Care, commissioners, and the winning provider/s ensuring the improved service offer will be implemented in a clear and visible manner that speaks to all our children in our care. This will require careful and timely planning between the incumbent and new provider, service users and CSC to ensure that their lives are minimally disrupted.

3.13 It would thus be in the best interest of the council and service users to offer an extension to the existing four block contracts, from 1st June 2024 to 31st December 2024. There are some risks associated with this timeline, outlined in the table below:

3.14

| Event | Lead | Date | Risk Highlights |
|--|---------------|---|--|
| CABINET APPROVAL | Cabinet | *24th April 2024 | |
| Development of service specification including stakeholder | Commissioning | Wc April 8th – 16 th July 2024 | Sufficient engagement from all stakeholders will be required to complete this exercise within this timescale. There is a risk that the |

| | | | |
|--|---------------------------|--------------------------------|--|
| engagements, pricing schedule, quality questions | | | resulting tender may not get better results due to timeline. |
| Deadline for submission of Tollgate to PRP | Commissioning/Procurement | 16th July 24 | |
| ATTEND PROCUREMENT REVIEW PANEL (PRP) | Commissioning/Procurement | 23rd July 24 | These are fixed dates that occur every fortnight. |
| Invitation to Tender preparation and period til close | Procurement | 24th to 30 Sept 24 | Procurement capacity |
| Tender Evaluation and moderation(Selection Questionnaire, Social Value, Price) | Procurement | 1st to 23 rd Oct 24 | The number of lots we develop will be limited by this timeline. |
| Deadline for submission of Tollgate to PRP | | 05-Nov-24 | |
| ATTEND PROCUREMENT REVIEW PANEL (PRP) | | 12-Nov-24 | |
| Award contract | | 23-Nov-24 | |
| Contracts signature | | 29/02/24 to 19/03/24 | |
| Mobilisation | | 23rd Nov to 31st Dec 24 | Over Christmas. Mobilisation would normally be at least 3 months for this type of service. |
| Contract start date | | Jan-25 | |

4 EQUALITIES IMPLICATIONS

4.1 An equalities impact assessment is not required at this stage as the extension to the existing block contracts award is to ensure continued service, and to allow time to retender the contracts. The Young People's Supported Housing Pathway supports our most vulnerable children and young people in the borough and ensuring they receive continued high quality is of paramount importance.

5 OTHER STATUTORY IMPLICATIONS

- 5.1 The Young People's Supported Housing Pathway is crucial to safeguard our most vulnerable children and young people offering them support ensuring accommodation needs are being met and that they are receiving good quality support in order to enable them to move-on to their own independent housing having received from the Young Person's Supported Housing Pathway, training on how to maintain and sustain their tenancies.
- 5.2 The services in the pathway meet the statutory responsibilities of all local authorities under the Childrens Act 1989 and 2008, The Housing Act 1996 and The Homelessness Reduction Act 2017.
- 5.3 Best Value is a core objective of the proposals outlined as they seek to secure the best outcomes for the population in the context of access to high quality accommodation for young people.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 This report seeks approval of extension of the existing provision for the Young People's Supported Housing Pathway for a period of 9 months, during the contract award and mobilisation period, at a cost of £1,016,839.
- 6.2 The costs of this extension period will be met from within the existing revenue budget for the service. It is in the best interests of the service users to extend the existing four block contracts and avoid the requirements to transfer to spot purchasing of placements against the existing block contract arrangements, resulting in a significant increase in placement costs and risking the ability to achieve best value.

7 COMMENTS OF LEGAL SERVICES

- 7.1 The Invitation to tender reserves the right for the Council not to award to any bidder. However, procurement law requires the Council to have good grounds for abandoning the tender. The fact that the Council no longer wishes to purchase the configuration that was originally specified as the Council believes it will not meet the needs of the children and young people is such a ground for abandonment. This will be borne out with the reconfiguration of the services work referred to in the report undertaken by the Council prior to tendering.
- 7.2 The Council is required to ensure statutory Best Value in the delivery of its functions in terms of economy efficiency and effectiveness. The award of a contract which the Council does not consider to be efficient or effective in terms of meeting the needs of the children would not meet this legal duty
- 7.3 It is clear that the reason why the Council needs to extend the existing contracts is the result of a failed tender. Regulation 32 of the Public Contracts Regulations allows the Council to agree a new contract for the interim period

with each of the existing suppliers without further competition. Also the Council is ensuring that the interim contracts are proportionate to the time required to revise the specification and rerun the procurement and is therefore not extending the contracts anti-competitively

Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

- NONE

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- NONE

Officer contact details for documents:

N/A