

Divisions Affected -

CABINET MEMBER FOR CHILDREN, EDUCATION & YOUNG PEOPLE'S SERVICES 13 December 2023

CREATION OF A FRAMEWORK FOR SUPPORTED ACCOMMODATION (CHILDREN'S)

Report by Interim Corporate Director for Children's Services

1. RECOMMENDATION

The Cabinet Member is RECOMMENDED to

- a) Give approval to award supported accommodation framework agreements to bidders (in the first round and subsequent rounds) selected in accordance with and following the Council's competitive procurement.
- b) Delegate authority to the Corporate Director for Children's Services to authorise award of call-off contracts to Providers, after the brokerage process has been completed in accordance with the processes set out in the framework agreement, for individual care packages. Following the same process as for other residential care packages.
- c) Delegate authority to the Corporate Director for Children's Services, in consultation with the Head of Procurement and Contract Management, to award call-off contracts to Providers, after the competitive process set out in the framework has been completed, for blocks of care packages (Block Contract) up to the value of £500,000 per contract.
- d) Delegate authority to the Corporate Director for Children's Services, in consultation with the Head of Procurement and Contract Management, to initiate the competitive process set out in the framework, for call-off contracts for blocks of care packages (Block Contracts) over the value of £500,000 per contract. Award of Contracts subject to separate Key decision reports.

2. Executive Summary

Oxfordshire County Council (OCC) has commissioned a Start Well Supported Accommodation Framework for 16–25-year-olds to meet the demand of support accommodation for young people that need this type of service. The framework will supplement existing support and accommodation services for young people who under the care of OCC in the existing YPSA, and eventual be the vehicle to commission successor, services for the current YPSA block contracts.

This will enable OCC to meet increased need, when existing services do not have capacity, or these providers are unable to meet the complex needs of the young person.

The Open Framework term will be six years, was intended to commence December 2023, with the option for the Council to extend the term of the Open Framework Agreement by a total of three years. The Framework will be opened periodically throughout the life of the process to allow new market entrants to join. These openings are known as rounds.

Contract value is subject to demand but based on projections we expect approximately £70,000,000 to be spent across the life of the Framework (assuming available budget and that all current spot contracts and successor contracts to existing YPSA contracts are re-commissioned via the framework.)

3. Background

Oxfordshire County Council (OCC) has commissioned a Start Well Supported Accommodation Framework for 16–25-year-olds to meet the demand of support accommodation for young people that are in need of this type of service.

The framework will supplement existing support and accommodation services for young people who are under the care of OCC in the existing YPSA, and eventual be the vehicle to commission successor, services for the current YPSA block contracts.

OCC will refer to the existing YPSA, or successor, services (tier 1 services) in the first instance for a young person who requires supported housing and if there is no availability or providers are unable to meet need, OCC will refer to providers under this Framework for Supported Accommodation for 16-25 years olds (tier 2 providers).

The Framework consists of three lots:

Lot 1	Shared Supported Housing
Lot 2	Self-Contained Supported Housing
Lot 3	Supported Lodging

The Framework allows tenderers to supply properties in Oxfordshire, or the surrounding counties – Northamptonshire, Buckinghamshire, Berkshire, Wiltshire, Gloucestershire, Worcestershire, Warwickshire, Hampshire, Surrey, London, Bedfordshire, and Hertfordshire.

The Open Framework term will be six years, intending to commence from November 2023, with the option for the Council to extend the term of the Open Framework Agreement by a total of three years. The Framework will be opened periodically throughout the life of the process to allow new market entrants to join. These openings are known as rounds.

Contract value is subject to demand but based on projections we expect approximately £70,000,000 to be spent across the life of the Framework.

This award report is reflective of the methodology and awards for Round 1 only. Future rounds will use the same processes and will not have formal award recommendation reports but will have award summaries conveyed to key stakeholders prior to any new supplier being added to the list of active suppliers. Any contract awarded through the framework that exceeds the Key Decision threshold (Currently £500K) will have its own award report and go through the appropriate governance process prior to contract

4. Key Issues

We do not currently have sufficient placements for young people requiring supported accommodation across the three lots.

We are SPOT purchasing placements which reduces our ability to manage costs and forecast spend in this area.

Framework provides a complaint list of suppliers with whom compliant placements can be made – instead of resorting to SPOT purchasing which is not compliant.

5. Procurement Process

The council invited providers to bid for this opportunity under the light touch regime on 24th July 2023. Fifteen pre-tender questions were received via the e-tendering portal. At the tender deadline on 23rd August 2023, sixteen tender responses were submitted. Only twelve of these tender responses were compliant.

Issues around non-compliance related to:

- Not having any properties available for the contract.
- Failing the Section A (Mandatory) questions (including data breaches within the information supplied).
- Providing properties that are outside of the permitted regions, and/or
- prices for support which are above the cap.

6. Award & Selection Criteria

Tenders were scored against a range of scored and mandatory criteria as broken down below.

CRITERIA	SUB CRITERIA	SUB CRITERIA WEIGHTING	OVERALL WEIGHTING
Quality	Delivery Model	30	40%
	Recruitment, Retention and Training	20	
	Experience	30	
	Feedback	20	

Price	Average Weekly Support Fee	N/A	60%
Total			100%

7. Evaluation Panel and Process

Members	Position	Area of Evaluation
Rebecca Lanchbury	Evaluator	Section B Quality
Alison Walker	Evaluator	Section B Quality
Naomi Taviner	Evaluator	Section B Quality
Amy Withers	Evaluator	Section A Mandatory Questions (excluding data protection/GDPR)
Kayleigh Platt (Information Management)	Evaluator	Section A Mandatory Questions (data protection/GDPR only)
Amy Withers	Evaluator	Section C Price
Amy Withers	Moderator	Section B Quality
Danny Doherty	Evaluator	Section D Economic & Financial Standing

The evaluators for the Quality Questions evaluated and scored the responses prior to the moderation meetings. The moderation meetings took place on 4th and 7th September 2023. During moderation, each evaluator's scores and rationale for the score was documented. The evaluator's agreed on a final score. Where the final score differed to the individuals score the reasons for the change in scores were documented.

A number of clarification questions were raised with bidders during the evaluation and moderation period.

8. Evaluation Results

Lot 1 – Shared Supported Housing round 1 = 11 providers passed the quality and price requirements.

Lot 2 – Self-Contained Supported Housing – Round 1 = 8 providers passed the quality and price requirements.

Lot 3 – Supported Lodgings – Round 1 = 2 providers passed the quality and price requirements

Section A – Mandatory Criteria

Twelve suppliers who are due to be awarded a contract passed the Mandatory Criteria sections. They were able to then be assessed in Sections B and C as a compliant bid.

Information Governance are completing a deeper review of the GDPR/Data Protection sections, but any issues they identify can and will be picked up prior to contract signature.

Section C – Price

All compliant bidders who are going forward to be recommended for contracts following the completion of Lot 1, have passed Section C – Pricing.

Bidders were required to provide costings for the properties they had available for this contract and confirm the costs which were both eligible and ineligible for Housing Benefit/Local Housing Allowance/Universal Credit. Bidders were not evaluated on property costs.

Bidders also had to provide their hourly support rate and this cost was evaluated. The fee was capped at £30 per hour, and any bids over this amount were deemed non-compliant. The hourly support rate was multiplied by the minimum number of hours per week and an average weekly fee was generated. This average weekly fee was divided by the council's optimum weekly fee to provide a final price score for each bidder.

Bidders also provided a breakdown of how their hourly support rate is allocated to different overheads and expenses. This will be used to calculate the uplift for all providers on an annual basis, based on the metrics below.

Housing – Eligible Housing Benefit/Local Housing Allowance/Universal Credit Charges	Not subject to any uplift
Housing – Ineligible Housing Benefit/Local Housing Allowance/Universal Credit Charges	Consumer Price Inflation including occupiers housing costs (CPIH).
Staff (direct and indirect)	National Living Wage, so long as this update does not exceed the pay increase figure recommended by Department of Health and Social Care (DHSC).
Overheads (Admin and Central Services)	Consumer Price Inflation including occupiers housing costs (CPIH).
Overheads (Property)	Consumer Price Inflation including occupiers housing costs (CPIH).
Consumables	Consumer Price Inflation including occupiers housing costs (CPIH).
Service Charge (payable by Young Person if over 18)	Service Providers will be required to give evidence of any increase. The bills element of this will be uplifted by the average bill increase experienced. This fee must be considered reasonable and proportionate to the Council. The Council will review all service charges across the relevant lot on the framework as a peer review to check how reasonable the fee is.

9. Section D – Economic and Financial Standing

All providers would need to complete a Dun and Bradstreet credit report checks and an evaluation of Economic and Financial Standing before being awarded a contract.

The market in question for this framework is made up of lots of small companies and start up organisations. The risks can and will be mitigated against, as the nature of the framework means that payments will only be made for active/live placements and there will be no payments in advance.

10. Corporate Policies and Priorities

The proposed Approved Provider List incorporates two of the key priorities set out by the Start Well Commissioning Team and aligns with three of the priorities set out in the Council's Corporate Plan, as below:

Priorities of the Start Well Commissioning Team
increase number of children placed in county.
Improve access to services to reduce inequality

Priorities of the Corporate Plan.

- Priority 3 - Prioritise the health and wellbeing of residents.
- Priority 7 - Create opportunities for children and young people to reach their full potential.
- Priority 9 - Work with local businesses and partners for environmental, economic and social benefits.

To achieve the priorities set out above and to address the gaps identified in the Sufficiency Strategy, the Start Well HESC team are working with operational colleagues in Health, Social Care and Education on the following:

Children's Needs & Placements

OCC will work positively and collaboratively with existing and potential providers to develop a range of appropriate provision to meet the needs of Oxfordshire's children within County (ensuring access to services, continuity of schooling, maintenance of support networks)

OCC will share what we are learning about our children's needs and features through the Valuing Care needs assessment tool, to identify what is needed from the local market to support those needs and that the needs assessment tool needs updating more regularly following the original placement request.

11. Vision and Strategic Objectives

The Oxfordshire Children and Young People's Plan (2018-2023)³ outlines a vision to make Oxfordshire a great place for children and young people to grow up in and to have the opportunity to become everything they want to be'. To achieve this, our strategic objectives are:

Be Successful

To ensure children have the best start in life; ensure they have access to high quality education, employment and motivational training; go to school feeling inspired to stay and learn; and have good self-esteem and faith in themselves.

Be Happy and Healthy

Services are available to promote good health and prevent ill health; learn the importance of healthy, secure relationships and having a support network; have access to services to improve overall wellbeing, and easy ways to get active.

12. Financial Implications

The Framework will be managed and overseen by the Start Well Commissioning team (cost centre SCG125). The projected total spend across the nine years available for the Framework is estimated to be in the region of £70m. This will potentially vary with demand and utilisation. It is based on previous placement spend / demand and inflation.

The Framework caters for current demand and spend. The primary value and benefit of the Framework is that it provides a single consolidated and compliant pathway for the service to commission / broker supported accommodation through and thereby remove the dependence on ad-hoc 'spot' purchase alternatives at potentially higher rates and costs.

Comments checked by:

Danny Doherty, Finance Business Partner (FBP) –
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13. Legal Implications

The Council's powers and duties to engage in these activities are set out at Part III of the National Assistance Act 1948, the Care Act 2014, the Children and Families Act 2017 and the Children Act 1989.

The Council has conducted a fair and transparent competitive procurement process in accordance with the Council's Contract Procedure Rules (CPRs) to select the framework providers. The CPRs themselves ensure that the Council complies with the Public Contract Regulations 2015 (as amended) and the proposed awards of framework agreements are therefore lawful.

It should be noted that the subsequent awards of call-off contracts must be made in accordance with the award procedures set out in the framework agreements.

The framework agreement will reduce the Council's reliance on direct award spot contracting. Such spot contracting is by its nature neither competitive nor fair and, when aggregated, runs the risk of breaching procurement rules.

Comments checked by:

Jonathan Pool, Solicitor (Contracts), Jonathan.pool@oxfordshire.gov.uk

14. Staff Implications

The use of the framework has no additional staffing implications all actions necessary to operate the framework are include within established staffing structures.

15. Equality & Inclusion Implications

The Framework specifications have been diligently prepared for the specific needs of disabled people and those people with mental health needs. The expectation of care providers is to deliver person centred support which ensures;

- Provision of in-county accommodation so people with Care Act needs are not placed a long way from their current support networks
- Bespoke packages of care to support complex needs of young people.
- Young people can remain in their local communities.
- Their individual needs are met.
- Their cultural and religious beliefs are understood and supported.
- Young people can become economically sufficient by supporting them to access training, learning, voluntary and employment opportunities.

The Framework evaluation process includes the requirement for providers to have an Equalities Policy. In accordance with the requirements of the ITT documentation, all successful providers self-certified that their organisation has an active Equality & Diversity Policy in keeping with the Equality Act 2010. All providers also self-certified that their organisation had no court, industrial or employment tribunal cases brought against them regarding unlawful discrimination within the last 3 years. In addition, the Quality & Improvement Team carry out regular monitoring of services and include equality items in their reviews.

16. Sustainability Implications

The Framework evaluation process includes mandatory disclosure from providers to answer questions regarding their environmental management as well as that of their sub-contractors. At present a Climate / Environmental Policy is not required

by providers. All successful providers self-certified that their organisation had no prior convictions of breaching environmental legislation, or had any notice served upon it within the last 3 years by any environmental regulator or authority.

Recruitment

Recruitment for care and support mostly attracts a local workforce, therefore limiting the amount of extensive travel time.

Staff Travel

The initial focus of purchasing care from the framework is for existing and new accommodation-based services (supported living). These are static workplaces unlike domiciliary care calls to multiple locations.

In line with the Council's policy, people living in supported living do not attend the day centres and therefore do not access the vehicles which transport people to and from the day services. Instead within the course of supporting someone staff will be required to travel alongside the individual often on public transport both for accessing the community and for travel training where this is part of a support plan.

Staff Training

Many of the care companies offer training online so their staff are not having to travel.

Social Value

In accordance with Council policy a commitment to leveraging the Councils spend to deliver Social Value, in addition to the inherent Social Value the services commissioned themselves deliver, is built in the call off process of the Framework. All Block Contracts above the threshold shall include Social Value within the key award criteria.

17. Risk Management

The Framework is required to enable the procurement of existing block contracts for Start Well and Live Well. Further delays will affect service area.

There are some key cost factors which may mean that cost of delivery will go out. These include but are not limited to the cost of recruitment and retention, increases to real living wage costs, the cost of living and inflation costs increases. Providers will need to understand how uplifts will be managed throughout the life of the Framework.

The open framework would enable cost avoidance on new placements, but existing placements may increase. Any Block Contracts that are put through the framework will need to consider this increase in existing costs which will erode the savings.

At the moment placements are made through brokerage or directly by social workers. This causes fees to vary and risks increasing costs over time. The Framework would need to consider pathways into services and, where possible, create efficiencies.

Some providers may raise concerns with using a framework. This may be based on their experiences elsewhere or experience of the lapsed framework. Response from providers is likely to be mixed and perceived as a cost reduction exercise and deemed resource intensive.

New landlords and property developers pose the biggest risk of non-engagement with a framework.

Market engagement has increased the likelihood of more buy in from providers and a smoother transition to the new framework. Capacity building of the provider market should mitigate the risk of providers not engaging. E.g., Providing tender writing sessions and / or open clarification sessions prior to submission.

Anne Coyle, Interim Corporate Director for Children's Services

Annex: Nil

Nil

Background papers: Nil

Other Documents: Nil

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December 13th 2023