

Divisions Affected – N/A

**DEPUTY LEADER
(INC. CHILDREN, EDUCATION & YOUNG PEOPLE'S SERVICES)
18 September 2023**

**Recommissioning of the Disabled Children's Residential Home
(Summerfield)**

Report by Corporate Director for Children's Services

RECOMMENDATION

The Cabinet Member is **RECOMMENDED**

- a) **To approve the award of contract to the preferred bidder following the completion of the procurement process for the recommissioning of the Summerfield Disabled Children's Residential Home, and to enable a new contract to be in place for 1st April 2024.**
- b) **To approve the budgetary commitment for a period of 3 years (including provision for annual review and uplift) with an option to extend by up to a further 4 years.**

Executive Summary

1. The current contract for the Disabled Children's home for 6 children with complex needs will expire on the 31 March 2024. The contract has been running for 7 years with no uplift included and recommissioning of this service will require an increase in budget from £891,000 per annum to £1,779,370 (in year 1). An increase in budget is required during the lifetime of the contract value of £2,705,664 (for 3 years).
2. The recommissioning of the home enables OCC to continue to meet the needs of disabled children We Care For, coupled with increasing complexity of need locally, with fewer children and young people (CYP) being placed in expensive out of county authority placements. The home accommodates disabled children we care for who are currently placed in the home, who require medium to long term care, and are unable to access to foster care or an adoption route. The residential provision closely replicates family life and meets the placement requirements of CYP with complex needs, which cannot be met through foster care or other family placements.

3. A placement in the home enables closer links with foster carers to step down where appropriate and when places become available, there is an opportunity to bring back CYP who are currently placed in more expensive out of county placements to Oxfordshire. CYP accessing a place in the home keeps children close to their birth families and maintain their local schooling, as well as providing a 'wrap around' service for those who may require a specialist health, mental health, or education services locally.
4. The home offers stability and this is a factor for CYP in achieving good outcomes for children we care for, and by looking after young people locally, it is also expected they will make the transition into adult services smoothly.

Project Context

5. OCC have the Summerfield Children's home that comprises of 6 beds for children with disabilities, including children with learning disabilities who have become 'children we care for'. It offers full time residential care to children and young people between 5-17 years of age and 5 of the beds are currently occupied. The sixth bed has become available as a young person has moved on, and assessment of children is currently taking place with an aim to fill the remaining space. The children are *looked after* by the Council and are subject to either a S31 or S20 of the Children's Act 1989. The current children in Summerfield have learning disabilities and may have additional disabilities and needs, including physical disability or mental health needs, an autistic spectrum condition or needs arising from behaviour, emotional or social issues. For those children and young people attending Summerfield, education is not included, and children may attend either a local specialist, academy, or mainstream school. The home is required to react to and cater for emerging requirements and for children with complex needs often require a high level of care and support and require staff that are specialised in this area of work.
6. The number of children who in a residential setting has been growing year on year, as does the number of those with a disability placed in the settings. As of 31/5/23 there are 858 children recorded as a Child We Care For, in Oxfordshire including 57 children (registered with a disability), placed with either, a foster carer, in a kinship, a residential school, residential care, placed with parents or placed for adoption. Some of these placements also include an education element and children are required to attend the school that is linked to the residential setting. Of the 57 children, 31 children are placed in residential settings.

Context – Current Service

7. The Local Authority currently have 18 beds across 3 children's homes that accommodate 6 beds in each (The Moors, Gleblands & The Oaks), and are

developing a further 5 homes adding a further 16 beds. There are also 14 privately run homes in Oxfordshire that would accommodate up to 80 children. Whilst some of the children in these homes may have specific needs, they do not have learning disabilities, or additional disabilities and needs; including physical disability, mental health needs, an autistic spectrum condition or needs arising from behaviour, emotional or social issues that require a specialist provision. There are also two Residential Special Schools that can accommodate up to 43 children (Endeavour Academy and the Mulberry Bush School).

8. Of 40 children placed in residential settings (as of 20/3/23), 29 were placed out of county as far away as Sheffield and Wales, and 11 were placed in Oxfordshire. The primary reasons for placing children in out of county placements has been an inability to match children and capacity in our children's home and/or requiring a local authority residential placement, as well as the lack of educational settings available to meet need. Consequently, OCC have placed children out of Oxfordshire in the private sector.
9. Children and young people with disabilities and/or complex needs are cohorts where the Council experiences greatest challenges in sourcing placements in the market and are often the more expensive placements that are made. The recommissioning of the home will enable OCC to continue to care for children's needs locally and continue to reduce our use of expensive out of County placements. As the current contract has not received any uplift for seven years and from the research completed as part of the recommissioning process, it is clear the current budget for the service will not meet service requirements for the future.
10. Prior to the recommissioning process, a comparison was undertaken on the costs of various residential settings and taking into consideration the comparison costs, it was clear the market was telling us the current budget would not sustain the running of the Summerfield Home or provide a service that would be fit for purpose from 2024. On reviewing the research, costs comparison and market engagement information obtained as part of the commissioning process, the winning bid came within the price range we concluded was required for a disabled children's home from 2024. Therefore, if OCC is to continue to provide a home for Disabled Children We Care For in Oxfordshire with complex needs, an increase in budget based on the costs per week per child of £5,703, is required.
11. If the Home was not recommissioned and OCC would be required to source 6 x placements for the current children on the open market, the expected costs would be significantly higher than those identified in year one of a new contract (£1,779,370). Whilst the increase in budget is substantial, comparison of

children likely to be placed in Summerfield, to those children with similar needs currently in out of county residential placements range from £6,850 -£9,585 per week, compared to the £5,703 costs per week for a new provider to deliver a contract at Summerfield.

Strategic Outcomes

12. In the provision of this Service, the Provider will ensure individual outcomes for each child are available and is able to demonstrate the impact of the Service in delivering outcomes to improve the lives of disabled children, young people and their families.

The Service will also meet the following outcomes: Oxfordshire Local Area Special Educational Needs and Disability Strategy 2022-2027

| | |
|---|--|
| Strategic Objective 1 Improving outcomes for children with SEND | We want the Local Area to be equipped to effectively secure high-quality outcomes for children with SEND. High quality services that are accessed in a timely manner and at the earliest opportunity have a significant impact on outcomes for children and lay the foundations for better life chances. |
| Strategic Objective 2 Developing a continuum of local provision to meet the requirements of children and young people with SEND | There is a range of provision for children with SEND in Oxfordshire. It is essential that we develop more local provision so that more children have their holistic needs met within their own communities. |
| Strategic Objective 3 Good physical and mental health and wellbeing | We want healthy, happy children and young people who enjoy life. We will work in partnership with children and young people and their families to improve access to both the universal and specialised services they need. |
| Strategic Objective 4 Improving post-16 education, learning, employment, and training | All young people will have access to high quality provision in education, training, work experience, apprenticeships and study programmes that support them into meaningful, paid employment and provide them with skills for independent or supported living. |
| Strategic Objective 5 Positive move into adulthood for young people with SEND | All young people with SEND and their families should have a positive experience of moving into adulthood. We want young people with SEND to develop the skills, knowledge and confidence to have choice and control over their adult lives |

Financial Implications

13. Taking into consideration the comparison costs, it is clear the market was telling us the current budget would not sustain the running of the Summerfield Home or provide a service that would be fit for purpose from 2024.
14. Of the three bids received the preferred bidder scored highest and met all the evaluation criteria and provided costings of year one and two. (£1,779,370 yr1 & £1,773,051 year 2). If OCC is to continue to provide a home for Disabled Children We Care For in Oxfordshire with complex needs and for the children currently placed there, an increase in budget is required. This increased budget is based on the costs per week per child of £5,703.
15. There is a shortfall in the existing budget and an increase in the required budget is needed from £891,000 to £1,779,370 in Year 1 and during the lifetime of the contract, and for this to be included as part of the budget setting process. It is also strongly recommended that, in any case, contracts are developed that can be managed in line with future inflation and changes to service level changes, without issues with CPR limits for variations.

16. Whole life costs

The decision to award an uplift would be based on the providers demonstrating costs that are beyond the initial contract value

| | Current (£) | Year 1 (£) | Year 2 (£) | Year 3 (£) | Total cost 3y (£) | Y3 vs current |
|--|-------------|------------|------------|------------|-------------------|---------------|
| | | | | 3% | | |
| | £891,000 | £1,779,370 | 1,773,051 | 1,826,243 | £5,378.664 | 935,243 |

Comments checked by: Danny Doherty (Finance Business Partner, Interim)
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Legal Implications

17. The procurement of the new service has followed a competitive tendering process in accordance with the Council's Contract Procedure Rules which themselves ensure that the Council is compliant with the Public Contracts Regulations 2015 (as amended). Legal Services has assisted with the preparation of the terms and conditions of the proposed contract.

There are no legal implications.

Comments checked by: Jonathan Pool, Solicitor (Contracts)
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Staff Implications

18. There are no new or additional implications and staff resource is included in the project

Equality & Inclusion Implication

19. As there are existing services, the recommissioning process and award of tender do not negatively impact on the disabled children and families in Oxfordshire.

Risk Management

20. As part of the recommissioning process, see below a summary of the Risks and Mitigations in place.

| | Risk | Impact 0-5 | Likelihood | Mitigation |
|---|---------------------------------|------------|------------|--|
| 1 | Budget restriction | 5 | High | Costed model against realistic forecasting, that includes budget pressures |
| 2 | Limited parent/carer engagement | 3 | low | Communication plan in place |

| | | | | |
|----|--|---|--------|---|
| 3 | Performance issues w ith the current provider | 3 | low | Currently monitored and managed by Q&I |
| 4 | Limited provider market | 5 | medium | Provider engagement taken place |
| 5 | Tender documents not produced in a timely manner | 5 | low | Ensure resource is dedicated to the project and monitored in SB Board Meetings |
| 6 | No bids received | 5 | medium | Market engagement exercise completed, and provider engagement event taken place and costed model identified |
| 7 | TUPE risks | 4 | medium | Costed model included in the Tender documents and included TUPE implications |
| 8 | Redundancy costs | 1 | low | OCC does not have any redundancy liabilities |
| 9 | Reputational damage | 4 | medium | Communication plan in place |
| 10 | Length of contract and inflation pressures if inflation high | 4 | high | Uplift arrangements included during the lifetime of the contract |

NAME Anne Coyle, Interim Corporate Director for Children's Services

Annex: Nil

Background papers: Nil.

[Other Documents:] Nil

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