

## **Report of the Director of Children's Services to the meeting of Children's Overview & Scrutiny Committee to be held on 9<sup>th</sup> March 2022**

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### **Subject:**

**V**

Procurement of a new framework contract for the purchase of Accommodation and Support for Bradford Young People Leaving Care and Vulnerable Young People (16-25 years) to replace the current Dynamic Purchasing system (DPS).

### **Summary statement:**

Childrens Services currently has a DPS for the provision of Accommodation and support for Young People Leaving Care and Vulnerable Young People (16-25 years). The Current DPS is managed by Bradford and names Calderdale and Wakefield as parties to the DPS, the DPS allows new providers to apply to join the DPS each year with bids being evaluated each October. The nature of the annual application process on the DPS has led to an oversupply of provision and high numbers of providers. The current DPS will be retained and managed by Calderdale and Wakefield.

The current DPS has 70 providers across Bradford, Calderdale and Wakefield providing unregulated supported living placements. There are a number of different placement types commissioned under the DPS:

- Group living - individual flat/apartments in a large property with 24/7 staffing and shared facilities
- Supported Tenancies – individual flat or house with floating support (Support hours differ based on individual need)
- Emergency Provision– A flat with its own entrance attached to a group living facility for emergency use evening and weekends.

A review of the current DPS has been undertaken and highlights a number of opportunities to improve the services currently being provided to ensure the best possible outcomes for young people and high quality accommodation in the right location whilst delivering value for money. The review has included consultation with young people, providers, internal stakeholders and local partners.

In January 2022 Ofsted announced its intentions to regulate the currently unregulated supported living accommodation for young people. The new specification and contract and robust quality assurance arrangements are in line with the proposed new regulation and will ensure Bradford Childrens services and its providers are prepared for the implementation of the regulations without the need to further recommission.

The Contract Standing Orders identify the following requirement:

*7.2 Before commencing procurement activity for Contracts valued at £25,000 and above the Authorised Officer must undertake the following:*

*7.2.1 Report to Overview and Scrutiny Committee Contracts valued £2m and above. For Contracts with a total estimated value of £2m and above report details to the relevant Overview and Scrutiny Committee using the standard Committee report template. Reports are to be taken at an early stage once Officers have a draft procurement strategy and specification to allow members to consider matters.*

This report, therefore, sets out the details of the provision to be procured to inform Children's Overview and Scrutiny Committee of the intended process.

**EQUALITY & DIVERSITY:**

Equality assessment is attached as Appendix 1

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**Portfolio:**

**Children and Families**

**Overview & Scrutiny Area:**

## 1. SUMMARY

Children's Services are undertaking a procurement exercise to put in place a new framework arrangement for the purchase of accommodation and support for Bradford young people leaving care and vulnerable young people (16-25 years).

The new framework arrangement is required as the existing Dynamic Purchasing System requires improvements to ensure the best possible outcomes for young people and high quality accommodation in the right location whilst delivering value for money.

The framework will allow children's Services to enter into a contract with a number of providers (number to be determined by those providers who meet the evaluation criteria which will consider, Quality, Price and social Value). There will not be an annual process to allow new providers to join each year.

The current DPS has an annual process to allow new providers to bid and be evaluated to join the DPS. This has led to a large number of providers which is not manageable from a quality assurance perspective and has not led to increase in quality or better value.

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## 2. BACKGROUND

- 2.1. The current DPS arrangement was commissioned in 2018 and has been in place for five years. The current DPS names Bradford, Calderdale and Wakefield Councils as participating authorities.
- 2.2. The current DPS was put in place when the decision was taken at a regional level to not replace the regional White Rose framework for Accommodation and Support for Young People Leaving Care (16-25 years).
- 2.3. Bradford had discussions with the other Local Authorities in West Yorkshire to look at options for a collaborative arrangement and both Calderdale and Wakefield were in agreement about putting together a shared DPS so a decision was made to put in place an arrangement for all three local authorities. Bradford took the lead to

procure the new arrangement and has managed the annual bid and evaluation process.

- 2.4. At present accommodation and support for care leavers is not required to be registered with Ofsted, so is not subject to the same requirements and inspections regime as children's homes and foster carers. This means the quality assurance arrangements for the provision we purchase for young people need to be robust and ongoing monitoring is required.
- 2.5. In January 2022 Ofsted confirmed their intention to regulate supported accommodation provider for sixteen and seventeen year olds. Ofsted will begin registering providers from April 2023 ahead of the new national standards becoming mandatory for all providers from Autumn 2023 – at which point all providers will need to be registered – and the first full inspections are expected to begin from April 2024. The current DPS does not include any reference to the need for providers to become regulated. The need for providers to become regulated will be referenced in the specification of the new framework and will provide the mechanism for providers to be removed from the framework should they not achieve regulation.
- 2.6. The new internal quality assurance arrangements which have been developed over the last twelve months and include an annual quality assurance visit by Childrens Services. This new process mirrors the proposed new regulation process announced by Ofsted. The new quality assurance arrangements are currently not contractual and as such the new framework will make this new robust quality assurance a contractual obligation on providers.
- 2.7. By putting in place more stringent quality assurance measures at this time it will support the council and providers to effectively transition to new Ofsted regulatory requirements This will reduce the risk of needing to move young people from placements that do not achieve regulation with Ofsted by Autumn 2023.
- 2.8. The placements made through the current DPS system are in the main for young people age 16-18, however there are a small number of over 18s in placement such as young people attending university and unaccompanied asylum seeking children (UASC) who are still awaiting status to allow them to access independent housing.
- 2.9. The current DPS process to award individual placements to providers requires a referral to be sent to all providers on the framework. Options which are received are reviewed by the young person's social worker and considerations of each option are made by evaluating the provider's ability to meet the young person individual needs, location and associated risk, young person's wishes and feelings and price.

### **3. OTHER CONSIDERATIONS**

- 3.1. Childrens Services recognises the need to ensure that the wishes and feeling of young people are central to the services being commissioned. Participation work has been undertaken by our care leaver apprentice who is a care leaver and has lived experience of the type of accommodation and support services being commissioned. Participation work was undertaken to understand the wishes and

feeling of care leavers and the feedback has been central to the specification of the new model and services to be commissioned.

- 3.2. Improvements to the quality assurance (QA) mechanisms in place to monitor the quality of placements and to ensure improved outcomes is needed. Significant work has been undertaken over the last twelve months to remodel QA arrangements. This is a key area to be addressed in the proposed new arrangements and a robust quality assurance framework will be specified and managed under the contract. Bradford have introduced a quality assurance visit process last year, the visits are undertaken by the Safeguarding and reviewing team and follow a similar form to the regulation 44 visits for Ofsted registered provision.
- 3.3. New and improved key performance Indicators (KPIs) are needed, this will be addressed in the new framework contract and will ensure that feedback on what matters from the young people's participation work is measured. A Quarterly monitoring mechanism for KPIs will be specified with a clear and consistent framework for suspension and/or removal from the framework if providers do not meet our quality standards.
- 3.4. The current DPS costing structure does not give the level of detailed information required to ensure value for money is being delivered and the pricing variation across providers demonstrates significant inconsistency in pricing. The new pricing structure will include a breakdown of cost to establish the costs associated with accommodation and support (staffing). Significant work is being undertaken to establish target pricing for the new framework. Current providers as part of market engagement have been asked to submit a detailed breakdown of costs, this information has been analysed to establish an average current cost. Investigatory work to establish costs has been undertaken utilising Office of National Statistical Data on local rental costs, online research of average household utility costs and collaboration with council housing team and adult's services on weekly rates paid for accommodation and support for vulnerable adults. The data collated and analysed will allow a target price to be stated in the new framework arrangement to ensure value for money and a fair pricing structure that is detailed and auditable.
- 3.5. Market engagement with current providers was undertaken through group and individual sessions, feedback from the sessions has been considered and utilised in the specification of services for the new framework. Wider market engagement advertised on the council's tender portal (Mercell) will be undertaken in March 2022, to advise the market of the council's intentions, specification model and procurement timetable. Tendering tips to support small and medium enterprises (SMEs) in the process will also be delivered at the market engagement session.
- 3.6. Wider engagement with internal and external stakeholders has been undertaken and the specification for the new framework has input from young people, care leavers service, safeguarding and reviewing unit, children services missing team, housing standards team and West Yorkshire Police (WYP) missing lead.
- 3.7. The location of accommodation is a key factor to ensure young people are safeguarded and have the best possible outcomes, and in this respect significant work has been undertaken over the last twelve months to develop a partnership working arrangement with WYP. A new process has been established and WYP

provide a locality risk assessment for all new proposed location for accommodation, this has been successful in ensuring that local risks are known when considering the location of accommodation for care leavers. It is key to ensure the importance of location is built in to the new framework. The partnership working on locations has received positive feedback from police colleagues.

- 3.8. It is important that young people are supported to move towards independence and have the skills and understanding to support them to live independently when they reach 18. The current DPS does not clearly set out expectations on providers in relation to this. The new framework sets out clear expectations on the independence skills and programmes to be delivered and the new QA arrangements will support monitoring of this key element.
- 3.9. The quality of accommodation under the current DPS has been reviewed in collaboration with the Council Housing Standards team who have undertaken a pilot to sample check current accommodation. The pilot did not identify any serious defects however minor defects and improvements were recommended to a number of providers. The housing Standards team recommended a training course for the placement team QA lead which has been undertaken. Visits to all new properties are now undertaken by the placement team QA lead who is now housing health and safety rating system (HHSRS) trained. A robust QA mechanism for checking annual safety certification is now in place and the new specification will clearly set out the new HHSRS visit process and the provider's responsibilities for ensuring we have up to date certificate and the actions which will be taken against providers who fail to provide meet the specified requirements.
- 3.10. The joint arrangement with Calderdale and Wakefield is limited by differing approaches and capacity across the three local authorities. Bradford has made significant improvements to QA, locality risk assessments and pricing structures modelled on the local needs of Bradford care leavers. Continuing with the current DPS would not allow Bradford to implement and make contractually binding its new and improved processes. Currently Bradford leads and manages the DPS, there is input from the other local authorities to the evaluation of tender submissions but they do not input to the procurement resource required to manage the DPS. After exploration of the improvements required to the current system it was identified that it is more appropriate to have separate arrangements moving forward, in order to build robust and suitable framework for Bradford young people.
- 3.11. We are looking to go out to market with a bespoke and Bradford focused model, detailed intelligence about our district for properties locations, a bespoke Bradford QA framework and overall a specifications and model driven by the voice of Bradford children. It would be difficult to work with other local authorities on a shared approach, particularly given the work being undertaken in Bradford with West Yorkshire Police on location risk assessments.

#### **4. FINANCIAL & RESOURCE APPRAISAL**

- 4.1. The current budget for Post 16 Semi-independent placement is £3M, this is part of Children's Services base budget. The current forecast for 21/22 is £4.4M, with the overspend and reasons being reported through Quarterly Budget Monitoring reports to the Executive. The 2022/23 Budget proposal provides additional resourcing to

Children Services to seek to mitigate demand led budget pressures.

- 4.2. The overspend relates to an increased number of placements being commissioned to meet the needs and demands of Bradford young people and an increase in UASC. The budget was set on a forecast of 37 placements at this time we have 56 placements. The proposed new model will provide detailed pricing breakdowns and a target price to support the continued achievement of value for money from future placements. The new framework and structured costing model will ensure that Children's Services are not paying more than the market rent for properties.
- 4.3. There are also a number of block bed contracts (£750k per annum) currently commissioned under the current DPS (24 block beds,). Block bed contracts provide a reduced weekly fee as the Council agrees to pay for the bed/room all year round thus reducing the providers risk of voids. These contracts will be reviewed and analysis of current needs undertaken to establish if this arrangement is still deemed value for money and meets the needs of our young people.

## **5. RISK MANAGEMENT AND GOVERNANCE ISSUES**

- 5.1. If we do not move to a new framework arrangement the high cost pricing structure agreed under the current DPS will remain and we will be unable to implement a target price.
- 5.2. Continuation of the current DPS would mean we will be unable to hold providers to account for poor performance as the current arrangements are very weak in relation to performance and the resulting consequences of it.
- 5.3. The Post 16 provision and current DPS model will not meet the needs of young people and we will be unable to have contract arrangements that put the child at the heart and deliver services that take account of the child's voice.
- 5.4. The number of providers on the current DPS will continue to grow each year when annual evaluation of new bids take place, considering all the reasons above this would not be appropriate in terms of value for money, quality and outcomes. The current number of providers is not manageable and drives significant internal resourcing needs to manage them, further perpetuating the situation.

## **6. LEGAL APPRAISAL**

- 6.1. The new framework will meet the requirements of the Public Contracts Regulations 2015 and any amendments that may arise out of these regulations as a result of the current review being undertaken as a result of the exit of the UK from the EU. The Framework will also meet the requirement of the Authorities Contract Standing Orders. The Procurement Service will support the procurement process to ensure compliance with the appropriate regulations to ensure that the risk of any challenge is mitigated and that all potential providers are treated equitably during the process.

## **7. OTHER IMPLICATIONS**

### **7.1 EQUALITY & DIVERSITY**

Equality Impact Assessment is attached as Appendix 1.

## **7.2 SUSTAINABILITY IMPLICATIONS**

The sustainability of provision for young people will be considered in the awarding of contracts to providers with suitable experience of running such provision and subject to the financial assessment of providers.

## **7.3 GREENHOUSE GAS EMISSIONS IMPACTS**

Local placements will keep travel time and costs low, including greenhouse gas emissions. It also avoids disruption to education and facilitates social worker visits in a timely manner.

## **7.4 COMMUNITY SAFETY IMPLICATIONS**

There are no Community Safety, Implications arising out of the recommendations in this report.

## **7.5 HUMAN RIGHTS ACT**

There are no Human Rights Act Implications arising out of the recommendations in this report.

## **7.6 TRADE UNION**

There are no Trade Union Implications arising out of the recommendations in this report.

## **7.7 WARD IMPLICATIONS**

There are no implications identified for any specific ward. There have been occasions in the past where local residents have objected to the location of accommodation for care leavers and have raised concerns with local councillors. By working with the Police to inform the market about locations that are preferred it should help to manage relationships with local residents.

## **7.8 AREA COMMITTEE ACTION PLAN IMPLICATIONS (for reports to Area Committees only)**

Not Applicable

## **7.9 IMPLICATIONS FOR CHILDREN AND YOUNG PEOPLE**

A strong purchased placement offer will bolster our local commissioned offer to Bradford's care leavers and ensure their transition to their own tenancies is successful.

## **7.10 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT**

This is a new commissioning arrangement for an existing service, there are no



issues identified in the Privacy Impact Assessment.

This system will be covered by the Privacy Notice for Children’s Social Care, which is available at:

<https://www.bradford.gov.uk/open-data/data-protection/childrens-social-care-privacy-notice/>

## 8. NOT FOR PUBLICATION DOCUMENTS

None

## 9. OPTIONS

It would be possible to continue with the current DPS but the reasons set out in Sections 3 and 5 identify why this is not a suitable option for young people in Bradford who are looked after.

The identified option to be followed is to put a new contract arrangement in place for Bradford post 16 placements

Indicative timeline is:

Specification finalised	Feb 22
Market engagement	March 22
Overview & Scrutiny	March 22
Tender advertised	April 22
Tender evaluation	June 22
Contract award	June 2022
Transition of current placements to new contract model	June – Sept 22
New Framework start	1 <sup>st</sup> October 2022.

## 10. RECOMMENDATIONS

That the Children’s Overview & Scrutiny Panel note the contents of this report.

## 11. APPENDICES

Appendix 1 – Equality Impact Assessment

## 12. BACKGROUND DOCUMENTS

None