



Cabinet Member (Children and Young People)

Time and Date

1.00 pm on Monday, 1st September, 2014

Place

Diamond Room 6

Public Business

1. **Apologies**
2. **Declarations of Interests**
3. **Supported Accommodation for Young People Aged 18-24** (Pages 3 - 12)
Report of the Executive Director, People
4. **Outstanding Issues Report** (Pages 13 - 16)
Report of the Executive Director, Resources
5. **Any Other Business**
To consider any other items of business which the Cabinet Member decides to take as a matter of urgency because of the special circumstances involved.

Private Business

Nil

Chris West, Executive Director, Resources, Council House Coventry

Wednesday, 20th August, 2014

Note: The person to contact about the agenda and documents for this meeting is Suzanne Bennett, Governance Services, Tele: 02476 833072

Membership: Councillor: E Ruane (Cabinet Member)

By invitation Councillor Lepoidevin (Shadow Cabinet Member)

Please note: a hearing loop is available in the committee rooms

If you require a British Sign Language interpreter for this meeting
OR if you would like this information in another format or
language please contact us.

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Cabinet Member (Children and Young People)

1 September 2014

Name of Cabinet Member:

Cabinet Member (Children and Young People) (Cllr Ruane)

Director Approving Submission of the report:

Executive Director, People

Ward(s) affected:

All

Title:

Supported Accommodation for Young People Aged 18-24

Is this a key decision?

No

Executive Summary:

Supported Accommodation is the term given to the support the City Council provides to young people aged 16-24 including Care Leavers, young people who are homeless or at risk of homelessness, Children in Need, Looked After Children, young people at risk of or involved in offending and Teenage Parents who are pregnant or have children. This relates to Council duties towards young people under the Children Act 1989 and Children (Leaving Care) Act 2000 and duties towards homeless young people under the Housing Act 1996.

In 2013, following a period of lengthy consultation with all stakeholders, the City Council tendered for seven Supported Accommodation contracts to meet the varying needs of these young people. The contracts were implemented in December 2013 with the exception of one of the lots (referred to as Lot 7) that was not awarded due to bids not being received at an acceptable cost.

The contracts introduced significant changes to how this area of service operated; changes included the introduction of a single point of access and the differentiation of different levels of service to correspond with different levels of need.

Since the contracts were implemented the number of young people requiring a service has grown significantly. The commissioning of the service was based on the data obtained in the needs analysis as part of the consultation. As a result of this, capacity was commissioned for 160 people in accommodation and 70 with floating support. However, the demand since contract commencement has been significantly more than what was anticipated, and in August 2014 was between 250-260 people. This has placed significant financial and service demands on this area and some additional contracting has taken place in order to provide capacity to meet this growing demand, a number of people continue to be placed in Bed and Breakfast, a number of

which the general housing duty applies. Support to move on to more sustainable accommodation is also provided to those in bed and breakfast.

Recommendations:

Cabinet Member is recommended to:

1. Approve adjustments to contract levels as required and in consultation with providers to reflect changes in demand profiles from those that were tendered.
2. Note the use of bed and breakfast accommodation for specific circumstances in relation to people for which a general Housing duty applies and/or where Bed and Breakfast accommodation may be required for a short period of time for 18-24 year olds whilst more appropriate supported accommodation is secured.
3. Endorse a review of the levels of need currently under the contract with a view to ensuring the affordability and appropriateness of levels in light of the City Council's statutory responsibilities and policy of supporting the most vulnerable.
4. Consider the overall resourcing of Supported Accommodation services within the totality of the resources available to deliver Children's Social Care within the People Directorate.

List of Appendices included:

None

Other useful background papers:

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Supported Accommodation for Young People Aged 18-24

1. Context (or background)

- 1.1 The City Council provides supported accommodation and floating support to a range of vulnerable service users, both young people and adults. This support has historically been provided through a range of contracts administered by the Children’s Services and Housing elements of the People Directorate. In February 2013 a tender process was approved for six block contracts for accommodation and support plus a call-off contract (Lot 7) to give capacity to manage fluctuations in demand above block contracted levels.
- 1.2 The new service was intended for care leavers, young people who would previously accessed the Supporting People service, and young people who had previously been receiving a service from the Housing Department because they were homeless.
- 1.3 The service was designed to:
 - Increase the choice and flexibility for young people by expanding the different types of accommodation available;
 - Improve outcomes and increase placement stability by reducing the number of evictions;
 - Drive up quality by setting out clear expectations through the specification;
 - Enable an overview of numbers and need;
 - Reduce the need to use Bed and Breakfast accommodation for this group.
- 1.4 The contracts were based on three levels of need - low, medium and high - which derived from analysis of the range of needs which young people in the group presented with.
- 1.5 As a result of the tender process contracts were awarded as follows:

Lot	Type of Service	Numbers	Provider
Lot 1	Foyer-type accommodation: low to medium needs	63 (accommodation)	Midland Heart
Lot 2	Supported accommodation: low, medium, high needs	27 (accommodation)	Cyrenians
Lot 3	Supported accommodation: low, medium, high needs	27 (accommodation)	Cyrenians
Lot 4	Supported accommodation: low, medium, high needs	27 (accommodation)	Cyrenians
Lot 5	Floating Support	45 (floating support)	St Basil’s
Lot 6	Accommodation and Floating Support for Teenage Parents	16 (accommodation) 25 (floating support)	Valley House

There was also a seventh lot that was not awarded due to tenders not being received at an acceptable cost. Lot 7 was a call-off contract to give additional capacity should this be required in the event of block contracted capacity being insufficient to meet demand.

- 1.6 Alongside the tender process a number of operational changes were made. A single point of access was introduced that required all referrals and placements to go through a central point. The ability for providers to take direct referrals into contracted capacity was also removed.

Position Following Contact Implementation

- 1.7 On the basis of the needs analysis and consultation, 160 supported accommodation beds and 70 floating support places were commissioned. Due to Lot 7, which was intended to provide additional capacity should block contracted volumes not be sufficient to meet demand, was not awarded, some short term contracts were negotiated with providers to provide this extra capacity at a cost below the value of tenders received for Lot 7. However, since demand has increased significantly more than forecasted levels, the capacity required has been above that which would have been available through Lot 7 alone. Demand has been such that between 250 – 260 people are being supported at any one time.
- 1.8 In order to respond to this increasing demand, additional supported accommodation capacity has been secured for the short term and, in addition, the City Council has continued to place some people in Bed and Breakfast accommodation. Although using bed and breakfast for people over the age of 18 is not considered best practice, there will be situations where bed and breakfast is appropriate or required, for example, where only a housing duty exists and while sourcing more appropriate supported accommodation. Where bed and breakfast is used floating support is made available to those who require support in order to assist with a move on to more sustainable housing.
- 1.9 In order to ensure that only those who need Supported Accommodation access the service and that exits are managed as swiftly as possible, one of the extra elements of capacity is targeted at preventing homelessness through mediation and providing floating support in move on accommodation following a stay in Supported Accommodation.
- 1.10 In addition to the increases in demand experienced since the needs analysis and consultation was completed, there has also been changes in the levels of need presenting. The needs analysis and consultation identified that the three levels of need – low, medium and high - would present in indicative proportions of 56%, 32% and 12% respectively. However, a much greater proportion of higher needs people are presenting for services. This has created challenges in securing suitable placements alongside challenges for providers in managing the risks associated with a high number of high needs referrals within shared accommodation settings. These challenges include managing the risks of a number of individuals in shared accommodation which in some cases is such that providers are carrying vacancies and not receiving rental income.

Contract Management

- 1.11 The management of the contracts is undertaken within the People Directorate. Contract capacity and its usage is monitored on a weekly basis and as the team responsible for placements sits as part of the Commissioning function, there is close alignment between operational activity and contract management.
- 1.12 Weekly meetings have been in place for some providers to support the process of making best use of capacity and provider forums are also held which are used constructively to improve services overall based on a sharing of best practice.
- 1.13 Contracts contain terms that enable the contract to be changed. These are either 'severing a part' on 6 months' notice not to be within the first six months, or by

amendment, which is agreement in writing between the Council and the Provider in which it is clear that it is intended to amend this agreement.

2. Options considered and recommended proposal

2.1 Option One – Preferred Option.

The delivery of effective Supported Accommodation services is challenging due to the variability of the size of the client group and the variation in the needs they present with. As housing providers are key to delivery their requirements also need to be managed in order to deliver sustainable services.

2.2 The work on Supported Accommodation prior to going to tender was extensive and included a consultation undertaken in three phases and the completion of a needs analysis. Therefore the data used at the point of commissioning was the best available. It is however the case that the reality is now significantly different, there has been a much greater level of demand and a greater level of need of individuals presenting than that which was anticipated. This has created the need for short term commissioning of additional capacity and the continued use of bed and breakfast accommodation.

2.3 In order to provide a more sustainable long term solution it is proposed that:

- Where required, contract capacities are varied to align with actual usage where there is a discrepancy. Where possible this is to be in agreement with the service providers
- The short term additional capacity is committed to for a period of up until March 2015 to give some interim stability. Over this period any further tender process is to be completed to realign capacity with demand within available resources
- Continued capacity is used on prevention through mediation and enabling move on to more sustainable accommodation
- A review is undertaken of the levels of need as currently defined, in the light of statutory responsibilities, with a view to changing this criteria and/or its application to ensure resources are targeted on the most vulnerable
- A tendering exercise is undertaken to procure and manage all emergency/temporary accommodation required by the Authority including for young people, to improve standards and obtain greater value for money.

2.4 Other Options – Not Recommended

The position in terms of Supported Accommodation has changed from that which was used as the basis for commissioning. Therefore, although the Council has the option to let existing contracts run until their expiry date of 31 October 2017 without making changes this is not preferable as it will result in a continued number of short term arrangements being made that do not provide stability.

3. Results of consultation undertaken

3.1 As part of the commissioning process for Supported Accommodation a three stage consultation process was undertaken with current and prospective service providers and current and prospective service users. The consultation took place between November 2011 and November 2012.

4. Timetable for implementing this decision

4.1 Any further tender work will be complete by 31 March 2015. The resourcing of Supported Accommodation will be considered in the context of the overall financial position of Children's Services within the People Directorate.

5. Comments from Director of Finance and Legal Services

5.1 Financial implications

The total budget for this area is £2.2M. This is the total of the former Care Leavers' budget (£0.9M) and the Supporting People and Homelessness budget (£1.3M). This budget area pays for accommodation and support for people aged 18-24.

The 2014/15 quarter 1 forecast is expenditure of approximately £3.1M. Work is underway to reduce the forecasted overspend by putting actions in place to better control activity.

The contracts awarded for Lots 1 - 6, as described in section 1.5 have 160 accommodation places and provision for supporting 70 people with floating support. The annual value of the contracts awarded as a result of the tender is £0.9M. The interim solution for Lot 7 is 53 places across two organisations at a forecasted total cost for 2014/15 of £1.1M. This is a lower figure than the cost would have been should Lot 7 have been awarded to organisations that submitted tenders.

Other costs that are incurred against this budget is where we are providing supported accommodation for young people outside of the city, and where we have to provide additional funding for contracted providers due to the young people not being able to claim housing benefit (where they have no recourse to public funds). This is currently forecast to be £0.2M in 2014/15.

The significant overspend arises as a result of activity pressures. Currently demand for supported accommodation places is running between 250 and 260. Block places (including temporary Lot 7 solution, but excluding floating support) is 213. We are currently spot purchasing a further 34 places, with an additional 55 young people in bed and breakfast (of which approximately half have a supported accommodation need and are in receipt of floating support).

Further expenditure is also being incurred in an attempt to reduce activity and reduce placement costs. This is largely through additional floating support places (30) and work in relation to preventing young people requiring Supported Accommodation through mediation and improving throughput of young people through floating support in move-on accommodation. We will review the financial position on Supported Accommodation at quarter 2 to determine the extent to which the approaches in place to reduce activity levels are working. This may result in a reduced forecast.

At quarter 1 there is a forecast overspend across the People Directorate for 2014/15 of £4.4M. The ongoing resourcing of Supported Accommodation will be considered as part of the overall resourcing of Children's services within the People Directorate.

5.2 Legal implications

A number of duties may arise for the City Council in the provision of housing support to 16-24 year old young people. These duties will depend on the individual needs and circumstances of the young person and may include leaving care support and homelessness duties.

6. Other implications

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

The services commissioned support the City Council's objectives of supporting the most vulnerable and also contributes to the achievement of other objectives through supporting young people into sustainable accommodation, to improve educational outcomes and gain employment.

6.2 How is risk being managed?

There are a number of risks associated with Supported Accommodation, both financial risks and risks in delivering the City Council's statutory duties to this group.

6.3 What is the impact on the organisation?

As demand has increased the use of available staffing has been prioritised to manage this demand.

6.4 Equalities / EIA

An Equalities and Consultation Analysis was completed in January 2013 following the conclusion of the consultation process.

Positive impacts were identified in that through bringing together previously disparate services young people would have access to a range of services without artificial barriers in terms of who commissions across the City Council. The integrated approach was also expected to improve the life chances of vulnerable young people.

6.5 Implications for (or impact on) the environment

None identified

6.6 Implications for partner organisations?

Supported accommodation services are commissioned from a range of organisations in the voluntary sector. Continuing to work with these organisations to ensure the difficulties in managing high levels of demand within a limited resource will be essential to the long term success of this work.

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1st September, 2014

Name of Cabinet Member:

Cabinet Member (Children and Young People) – Councillor Ruane

Director Approving Submission of the report:

Executive Director, Resources

Ward(s) affected:

None

Title:

Outstanding Issues Report

Is this a key decision?

No

Executive Summary:

In May 2004 the City Council adopted an Outstanding Minutes System, linked to the Forward Plan, to ensure that follow up reports can be monitored and reported to Members. The attached appendix sets out a table detailing the issues on which further reports have been requested by the Cabinet Member (Children and Young People) so he is aware of them and can monitor progress.

Recommendations:

The Cabinet Member (Children and Young People) is requested to consider the list of outstanding issues and to ask the Member of the Strategic Management Board or appropriate officer to explain the current position on those which should have been discharged at this meeting or an earlier meeting.

List of Appendices included:

Table of Outstanding Issues.

Other useful background papers:

None

Has it or will it be considered by Scrutiny?

No

Has it, or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

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Names of approvers: (officers and members)				
Finance: Name	Not applicable			
Legal: Name	Not applicable			

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	Subject	Date for Further Consideration	Responsible Officer	Proposed Amendment to Date for Consideration	Reason for Request to Delay Submission of Report
1	<p>Progress Report on Route 21 Care Leavers' Service</p> <p>Cabinet Member to receive a six month progress report.</p> <p>(CM(CYP)) - 11th March, 2014 (Minute 33/13 refers)</p>	September/ October 2014	Executive Director, People		

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