

DERBYSHIRE COUNTY COUNCIL

CABINET

24 May 2016

Report of the Strategic Director for Children's Services

**Accommodation for Care Leavers and Vulnerable Young Adults –
(Children's Services and Adult Care)**

1. Purpose of Report

To inform Cabinet of the intention to undertake a needs assessment, and seek the views of care leavers, young vulnerable adults and relevant stakeholders in preparation for a procurement process to supply accommodation and support for:

- Care leavers;
- Homeless 16 and 17 year olds;
- Vulnerable homeless adults aged 18 to 24.

To inform Cabinet of changes in the housing marketplace likely to impact on the affordability, availability and types of accommodation units available to young people and vulnerable groups.

2. Information and Analysis

Current Contracts

On 18 June 2013, Cabinet approved the award of contracts for the provision of Accommodation for Care Leavers, inclusive of young people aged 16/17 who would otherwise be homeless. Two contracts were awarded with a total combined annual budget of up to £1,791,000 per annum to:

- Adullum Homes Housing Association Ltd
- Trident Reach the People Charity

The contracts awarded were to provide 45 beds in total in 9 x 5-bed units. Delay in acquiring suitable properties in a timely manner, and vacancies in

existing provision in the south of the county resulted in an agreement with the providers to deliver a reduced total of 35 beds.

The contracts were awarded for an initial three-year term, which commenced on 1 October 2013. The contracts provide for an extension of up to 2 further years from 1 October 2016 to 30 September 2018. It is proposed at this stage to extend both contracts by one further year until 30 September 2017. This will allow time to carry out the needs assessment and re-commissioning process, and will also coincide with an anticipated contract extension to the Adult Care SAFE contract. In response to austerity, SAFE contract funding is being reduced from an initial annual budget of £1,031,367 to £172,000 per annum.

Adult Care and Children's Services seek to partner in the future contracting of accommodation for vulnerable young people to make best use of the total finances available and attract a wider range of providers resilient to market pressures. Co-commissioning will also increase the opportunity for savings through more flexible bed use to reduce vacancies and deliver efficiencies in contract management costs.

Wider Factors

£104,618 has been awarded from the Transformation Challenge Fund to introduce a Derbyshire-wide Positive Housing Pathway which aims to:

- Increase the average age that young people leave their parental home;
- Reduce young people's homelessness (alongside a suite of other measures focusing on reducing the volume of 16 and 17 year olds entering local authority care);
- Increase tenancy retention amongst young people aged 16 to 24 across all Derbyshire housing providers;
- Reduce homelessness costs across public sector services.

The award funds a DCC Commissioning Manager post between 1 February 2016 and 30 July 2017, also responsible for procuring an effective and complementary care leaver accommodation service. A children in care placement sufficiency assessment is underway. It will inform the future recommissioning of accommodation for care leavers.

Known and anticipated changes to housing benefit funding and eligibility criteria will also inform the volume and models of affordable accommodation for young people into the future. Tenancy knowledge and tenancy retention work is required at the generic young person population level. From 1 April 2017, the single person accommodation housing benefit rate will only be paid to those in regular recognised work,

education or training, and a central government aspiration is to reduce access to the shared housing rate to those aged 22 or below.

In addition, positive social and emotional skills are required to maintain a shared tenancy, and tenancy loss in response to rent arrears or anti-social behaviour is classed as making oneself ‘intentionally homeless’. The effect of the classification ‘intentionally homeless’ is exclusion from council housing services to access both the public and private rented sector housing stock.

Confirmation of care leavers’ exemption from announced housing benefit changes is expected to their 22nd birthday. However, planning to avoid a financial cliff edge precipitating tenancy loss at age 22 is imperative, given that new care leavers and possibly existing care leavers residing in single occupancy units will need to move into the more affordable shared accommodation sector, or meet rent shortfall from work or money set aside for other areas such as food and utility bills. Some care leavers may be tempted to meet the rent gap through seeking regular revenue from other sources, some of which may be illegal.

In addition, from 1 April 2017, the Local Housing Allowance rate is, for the first time, applied to council housing stock. Some families for the first time will experience a challenging shortfall between housing benefit and council rent, compounded by the loss of benefits that parents attract for their young people on completion of their full-time school education. Unemployed young people and those on low incomes resistant to making a fair financial household contribution may find themselves asked to leave the parental home.

Re-procuring Care Leaver and Vulnerable Young People’s Accommodation 16 to 24

A comprehensive Care Leaver Needs Assessment is required prior to any re-commissioning activity to better understand volume trajectories across different needs. For example, an increasing number of care leavers now retain a funded placement within their foster home to age 21, known as a ‘Staying Put’ arrangement. The needs assessment will clarify if Staying Put is primarily used by long-term fostered children with close stable relationships within the home. Such a finding would indicate a greater future weighting on the needs of complex late entrants to care. In addition, central government is considering applying ‘Staying Put’ opportunities to residential care.

Being in Employment, Education or Training is increasingly key to accessing financial support from the welfare state, including housing benefit. Approximately a third of care leavers claim Employment Seekers

Allowance, indicating the presence of issues that inhibit entry into the labour market. Any future care leaver accommodation contract will need to locate entry to work as a central plank of the service.

At any one time, approximately one third of care leavers live outside Derbyshire's geographical boundaries. Detailed knowledge of the age, location, and employment status of care leavers living outside Derbyshire is in the process of being collated. Currently Derbyshire does not commission leaving care accommodation outside of its boundaries, and Derbyshire care leavers are unlikely to have the necessary local connection enabling access to neighbouring local authority housing stock. This indicates many care leavers live in the private rented sector where the gap to be bridged between low incomes and rent is widest, and expected to widen still further.

Young people face an increasingly complex and challenging world. Many care leavers will take forward into adult life disruptive behaviour such as substance addiction, self-harming as well as a vulnerability to being preyed upon. Research shows that placing vulnerable populations together can attract the criminally intent. Good support services across a range of increasingly dispersed properties for our most challenging care leavers is likely to be required within any future leaving care accommodation contract.

Derbyshire is also mindful of a potential increase in the volume of young unaccompanied asylum seeking children, many of whom state their age as either 16 or 17 years of age.

The views of customers and professional stakeholders will be sought through questionnaires, individual interviews and focus groups over June and July 2016.

3. Financial Considerations

The re-procurement budget will be informed by the needs assessment and children in care sufficiency review.

4. Human Resources Considerations

There may be TUPE implications arising from any new leaving care accommodation contract arrangements, as the fundamental service will not alter i.e. supported accommodation will be required for care leavers and support for young vulnerable adults eligible for adult social care funded support

5. Legal Considerations

The Council has a duty under the Leaving Care Act 2000 and the Care Leavers (England) Regulations 2010 to support and promote the welfare of eligible care leavers by maintaining them in suitable accommodation and providing other support services. The Children Act 1989 Guidance, as amended in 2015, provides advice to the authority as to how these duties should be exercised.

On the basis that there will be no significant adverse impact on care leavers as consequences of any re-procurement it is not considered that formal consultation is required over and above the needs analysis that is referred to. However, any proposed specification on re-procurement should be assessed to ensure that it meets the Council's equality duties going forward, in particular the Council's responsibilities towards disabled young people.

6. Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder; equality of opportunity; health; environmental; property; and transport considerations.

7. Key Decision

No.

8. Call-in

Is it required that call-in be waived in respect of the decisions proposed in this report?

No.

9. Strategic Director's Recommendations

That Cabinet notes the intention to:

1. Undertake an assessment of the support and accommodation needs of :
 - Care leavers;
 - Young people aged 16 to 25 vulnerable to becoming homeless.
2. Seek the views of care leavers and young people vulnerable to homelessness to inform development of the service specification.

3. Work across Children’s Services and Adult Care to maximise efficiency from the available financial envelope, making best use of any accommodation and support which is procured and reducing duplication in commissioning activity.

Jane Parfremment
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APPENDIX 1

CONSULTATION TIMELINE

Date	Activity
6 June	Launch consultation seeking views of care leavers, young vulnerable adults and relevant stakeholders
18 July	Close consultation (6 weeks)
18-22 Aug	Analysis (4 weeks)
22 Aug	Paper to Senior Management Teams
26 Aug	First circulation of Cabinet paper
27 Sept	Second circulation
11 October 2016	Cabinet

RE-PROCUREMENT - DRAFT TIMELINE

Aug/Sept	Prepare draft specification/requirements and KPIs
October	Cabinet report to agree re-procurement
December	Finalise specification/requirements and KPIs
January 2017	Publish tender
March	Evaluate bids select preferred provider(s)
April	Notify bidders
April-May	Publish contract award notice and finalise contract terms and conditions
Jun-Sept	TUPE of existing staff (if applicable)
1 October	Contract start date