

Item No. N/A	Classification: Open	Date: 15 February 2024	Decision Taker: Strategic Director of Finance
Report title:		Gateway 3 – Variation Decision 16+ Support and Resettlement Service Contract: Oasis Community Housing (North) and Salvation Army (South)	
Ward(s) or groups affected:		All	
From:		Director of Commissioning	

RECOMMENDATIONS

1. That the Strategic Director of Finance approve the extension of the 16+ support and resettlement service contract with Oasis Community Housing for a period of 2 years; from 16 December 2023 to 15 December 2025, for a contract value over the life of the extension of £1,538,536.
2. That the Strategic Director of Finance approve the extension of the 16+ support and resettlement service contract with The Salvation Army for a period of 2 years; from 16 December 2023 to 15 December 2025, for a contract value over the life of the extension of £1,524,244.

BACKGROUND INFORMATION

3. In December 2019, Southwark commissioned 16+ support and resettlement services to support children and young people looked after, care leavers and young people who are homeless, or at risk of being so, in having the best possible opportunities to live positive lives and to fulfil their potential, through access to good quality housing, and the support to maintain a tenancy.
4. The contract provides a range of housing and support options which offers flexible support tailored to the individual client, with the ultimate goal of enabling young people to live independently, either in private rented accommodation or council accommodation.
5. The contract with Oasis Community Housing is from 16 December 2019 to 15 December 2023 with an option to extend beyond the initial term for a period of two years.
6. The initial contract term with Salvation Army was from 16 December 2019 to 15 December 2021 with an option to extend twice beyond the initial term for a period of two years per extension.
7. As described in the attached Gateway 3 report, a recommendation had been made to extend the 16+ Support and resettlement service contract with

Salvation Army for a period of 2 years from 16 December 2021 to 15 December 2023.

8. Oasis Community Housing (OCH) and The Salvation Army (TSA) are local providers with a long standing history of operating in Southwark. Both provide housing and support for semi-independent living to 16 to 25 year olds. Council officers and the providers have been working on an ongoing basis to ensure the service model is efficiently being developed and delivered across the whole pathway.
9. The 16+ support and housing services comprise a diverse set of schemes. This includes:
 - accommodation with staff onsite and key worker who provides sessional support the young person to sustain their education or find employment;
 - specialist accommodation with key worker support for young mothers and babies; and
 - accommodation with floating support that aim to help prepare young people for independent living and, when ready, to move to a new home outside of services.
10. OCH covers the north of borough and the south of Southwark is covered by TSA as follow:

North – OCH (Total of 60 units)	South – TSA (Total of 83 units)
Borough	Camberwell
Bermondsey	Dulwich
Peckham	Peckham Rye
Rotherhithe	Nunhead
Walworth	Queens Road Peckham

11. When a young person moves on to further independence, before the age of 25, both providers offer support via an outreach service, the service can be provided to the young person anywhere in Southwark this is to ensure continuity of support for the young person.

KEY ISSUES FOR CONSIDERATION

Key Aspects of Proposed Variation

12. A further two-year extension to December 2025 for both contracts are being considered to ensure continuity of the service and allow time to develop commissioning plan that supports Southwark Placement Sufficiency Strategy 2023-2026. A provisional commissioning plan (see Appendix 1) which includes:

- carry out the analysis of 16+ needs assessment to clarify demand and capacity;
- review current service scope and service requirements;
- young people engagement, co-design and production of new service specification,
- stake holders engagement to understand 16+ provision market with the new Ofsted requirements.
- clarify Ofsted quality assurance framework for inspection of accommodation for 16 and 17 year in 2014
- carry out equality impact assessment
- set out procurement scope, requirements and timeline

13. This plan may be revised in view of the council's exploration of options to repurpose some of the existing in-borough estates for supported accommodation.

14. Moving to secure accommodation is a key focus of the service. The service supports young people to move into accommodation with tenancies in their own right and to maintain the tenancies, thereby reducing homelessness.

15. Table 1 demonstrates an improvement of utilisation of 16+ service from 2020-21 to 2022-23. After the initial lockdown, officers from the Children and Families division established a Partnership Panel to better manage utilisation of the contract and ensure that there was an appropriate flow of young people through the services so that residents moved on and maintained long term tenancies whilst other care leavers could move (and stay local) to the vacant units. This is evidenced in the following bullet points and Table 1:

- The number of young people has increased from 276 in 2020-21 to 291 in 2022-23.
- Over 90% increase in the number of young people moved-out of the service to independent living from 55 in 2020-21 to 105 in 2021-22.
- The increase of the number of young people moved out was over 30% in 2022-23 (135) in compared with 2021-22.
- 100% of young people in 2021-22 and 2022-23 who have moved out of the service and maintained a tenancy after 6 months.

Table 1: 16+ service utilisation	2020-21	2021-22	2022-23
No. of young people in supported accommodation	115	107	105
No. of young people in floating support	58	98	78
No. of new young people moved-in service	103	89	108
Total no. of young people in the service	276	294	291
No. of young people moved-out service	55	105	135

16. Table 2 below provides an overview of the whole service key performance indicators (KPIs) for the service 2020-21 to 2022-23. There is year on year improvement on service KPIs. A service improvement action plan is put in

place to address any KPI that is below the required target. In discussion with children’s service managers and head of services they are satisfied with the general performance of the service. No service complaints have been received by the council. Good experience and feedback is reported by young people at service user forum and “Speakerbox”.

No.	Table 2: 16+ Service Key Performance Indicators	Target	2020-21	2021-22	2022-23
1	% of young people registered with health services within 1 month	100%	33%	83%	100%
2	% of young people with support plan in place within 4 weeks of referrals	100%	82%	98%	99%
3	% of young people with support and resettlement plans reviewed in the last 6 months	100%	100%	100%	100%
4	% of young people contacted by key worker at frequency agreed in their support plan	100%	98%	98%	92%
5	% of young people in employment or education	70%	69%	75%	79%
6	% of eligible young people placed on the housing register within 3 months in the service	100%	65%	85%	90%
7	% of young people who have moved out with a positive move-on (i.e. young people moving into their own tenancy)	85%	100%	100%	100%
8	% of young people who have moved out and maintained a tenancy after 6 months	80%	100%	100%	100%

17. A partnership panel, led by Children and Families Services, was established to plan and support good transitions for young people aged 16+ and care leavers by reviewing demand, managing capacity and facilitating move-on. The panel systematically reviews young people aged 16+ and care leavers that are supported through this contract. Proposed move-on plans for individuals are discussed.

18. The panel initially started reviewing people that had been living in this accommodation long term and now the panel is looking at recently moved in people to ensure there are move on plans in place to avoid people staying in the service for longer than they need to be. The panel’s main purpose is to ensure the young people have a route for moving onto independent living.

19. The improvement of move-on of young people by maximising block purchased provision and reducing the reliance on spot placement has contributed to a significant reduction in the expenditure for semi-independent care leavers from £3.6m in 2020-21 to £2.2m in 2022-23 – please see table 3 below for details:

Table 3: Semi-Independent Care Leavers Expenditure from 20-21 to 22-23

Semi-Independent Care Leavers	Expenditure	Change
2020-21	3,594,541	
2021-22	3,076,273	-14%
2022-23	2,173,696	-29%

20. After the block contract was awarded in 2019-20, the total cost of semi-independent accommodation (SIA) was reduced from £6.8 in 2021-22 to £6.4m in 2022-23. Despite the increase of care leavers (see paragraph 25) however there is overall reduction in 18+ spend on spots placement – please see table 4 below the expenditure of SIA from 2019-20 to 2022-23.

Table 4: Semi-Independent Accommodation (SIA) Expenditure from 19-20 to 22-23

Expenditure (£k)	19-20	20-21	21-22	22-23
SIA 18+ Spots	3,816	3,595	3,076	2,174
SIA 16 &17 (CLA) Spots	3,616	3,000	2,364	2,725
SIA Contracts	0	1,551	1,443	1,465
Total	7,432	8,146	6,883	6,364

21. It is intended that the 16+ services will continue to support young people to have a positive move on to independent living within a two-year period. A review of the length of stay in services as of 30 June from 2022 to 2023 – see table 5 below shows 83% of young people (170) moved on within two years in services in 2023 in comparison to 71% (149) in 2022. In 2023, less young people remained in services after three years (7) than in 2022 (13). This showed more young people had received relevant support and were able to moved-on after the third year.

Table 5: 16+ service	30-Jun-22		30-Jun-23	
Time stayed in service	No. / % of young people		No./ % of young people	
2 years	149	71%	170	83%
2-3 Years	48	23%	27	13%
3+ Years	13	6%	7	3%
Total	210		204	

22. The Department for Education (DfE) has introduced (from 28 October 2023) national standards for currently unregulated accommodation for 16 and 17 year-olds, which will mean Ofsted inspects and registers the providers of accommodation for older children. The inspectorate has developed the registration and inspection framework and began registering providers from April 2023, with pilot inspections beginning in 2024 before they roll-out the inspection regime fully in 2025. OCH and TSA are registered with Ofsted as of 10 October.

23. The County Councils Network (CCN) and London Innovation and Improvement Alliance (LiiA) produced a report in 2023 on demand and capacity of homes for children in care. The report highlighted almost one in five (19%) of existing semi-independent accommodation providers may not be registered due to the new regulatory system being introduced. This would result in a fall in capacity of 3,676 beds across England. This could lead to a shortage of places in some areas, which could also drive-up costs (an

estimated rise between 15-30% over the next three years) for councils and mean they have to place children further afield or in a different setting.

Reasons for Variation

24. Main reason for varying this contract relates to the need for proper planning in relation to a tender exercise that addresses the areas for development identified during the operation of this contract. The contract allows for an extension and in extending the contract it supports service continuity by maintaining the local offer.
25. Service continuity - these extensions would continue to provide vital support, housing and resettlement services for looked after children, care leavers and young people at risk of homelessness in Southwark who are aged 16-25 years old.
26. Service representing value for money - the cost of a new spot purchased placement in 2022-23 has seen an increase of 10-25%. Although the profile of young people in spot purchased services tend to have more complex needs than those in the block contracts, the 4% uplift in the block contract prices represents value for money given that the price will be fixed in 2023-25 and the improved utilisation of the contract. A fixed price will protect the council from an estimated rise between 15-30% over the next three years (see paragraph 23 as per CCN and LiiA report in 2023)
27. Maintaining local offer - this contract is vital for meeting the need of our young people by providing quality and affordable block provision in Southwark. The average cost of a spot placement per week is £500-£1000 and the block placement cost is £400 per week (excluding weekly rent of £370 that is paid by the council if the young person is placed in either spot purchased or block purchased provision). The continuation of block purchased arrangement should therefore ensure sufficient capacity locally whilst a re-procurement and service design exercise takes place.
28. Extension enabling good planning for long-term - over 80% of supported housing provision is purchased through the Commissioning Alliance Dynamic Purchasing Vehicle or spot purchased. These extensions would provide opportunity to develop mid to long term commissioning strategy to invert this percentage for supported housing in the borough, and to move to a higher percentage of young people being supported through the block purchase arrangements. An opportunity to work closely with the service and to engage with young people and in developing service model that is in line with "Southwark Homes for Southwark Children" (SHfSC) programme that ensures more children in our care and those who have left our care live in or close to Southwark.

Future Proposals for this Service

29. As corporate parents, the council is committed to supporting children in care and care leavers, as well as young people who are homeless and at risk of being of becoming homeless, to have the best possible opportunities, to live positive lives, and to fulfil their potential. In making this commitment it is recognised that access to good quality housing, and the support to maintain a tenancy, is essential.
30. This service continues to meet the future needs of children on the edge of care, children who are looked after and young people who have recently left care. Southwark intends to commission a model of support and resettlement for young people aged 16+ 'in care', and those who are homeless or at risk of being homeless. Aims to provide flexible support, tailored to the service user, with the ultimate goal of enabling young people to live independently, either in private rented or council accommodation. This supports the most vulnerable young people in having the best possible opportunities to live positive lives and to fulfil their potential, through access to good quality housing, and the support to maintain a tenancy.
31. The continuation of this service will provide stability and good access to local health, education and social care so that this most vulnerable and disadvantaged young people can be better supported and will improve their life chances.
32. As part of agreeing an extension, officers will take the opportunity to formalise a requirement of both providers to offer greater flexibility with emergency admissions.
33. These extensions would provide time for meaningful engagement with young people and collaborate with key stakeholders in co-producing or designing a new service model that is in line with SHfSC programme to have more young people being placed in supported housing in the borough. There is also the opportunity to consider developing an in-house, semi-independent home that provides an option for those who move on from fostering, and other placements, to transition in a supported way to fully independent living.

Alternative Options Considered

34. **Do Nothing.** Let the OCH and TSA cease their delivery of services. This would mean that young people would not have access to the housing, facilities and support currently available under the contract and alternative arrangements would need to be made. This will lead to an increase demands for spot placement and higher expenditure for 16+ SIA.
35. **Go to tender for a new provider.** Given that the contract provides for a contract extension and the operational team have confirmed that the partnership panel has made a significant improvement of move-on of young people and service performance. Given the length of time that it would take to refresh/update the specification, undertake a procurement and mobilise the contract, this effort should be used to undertake the necessary steps within a

reasonable time period and the proposed extension would allow this to happen.

36. **Continuation of the existing arrangements with OCH and TSA** This is the preferred option and permissible under the contracting arrangement. Operational colleagues in children's social care and contracts teams are working with OCH and TSA to improve performance, in order that it continues to meet the required needs of young people and has robust systems and process in place to support young people along their journey to independence.
37. These extensions would provide an opportunity to carry out a market analysis (its impact of new Ofsted regulatory regime), to identify gaps in service provision and demand. Engagement with young people and key stakeholders in co-producing a service model that is in line with Southwark Homes for Southwark Children programme to have more young people being placed in supported housing in the borough. There is also the opportunity to consider developing an in-house, semi-independent home that provides an option for those who move on from fostering, and other placements, to transition in a supported way to fully independent living.

Identified risks for the Variation

38. Management of voids has been a key concern for the council; officers are continuing to collaborate with the providers to move young people out of the service into their own independent accommodation. In the current contracts there is no provision to hold providers accountable for prolonged void properties. Under the contract extension, a review of Service Level Agreements (SLAs) that the provider has with the Registered Social Landlords (RSLs) will be undertaken during the remainder of the contract term. Although a certain level of voids need to be created within the contract to create capacity, if these services are to be re-commissioned this is an element that could be introduced to any new contracts to clarify how voids are managed.

Policy framework implications

39. London Borough of Southwark has a duty under the Children Act 1989 to provide accommodation for a child within their area if that child needs it, due to the child being lost or abandoned or there is no person with parental responsibility for that child. The Act also requires the council to secure, as far as reasonably practicable, sufficient accommodation within the authority's area which meets the needs of children that the local authority are looking after, and of our care leavers.
40. The council's Children Looked After and Care Leavers Placement Sufficiency Strategy 2023-2026 sets out the council's vision, values and principles to meet this duty on a local level and includes the need to develop more high quality, local accommodation and expand on our offer of quality local block funded provision whilst providing accommodation to specific groups.

41. The Southwark Plan 2019-2036 under the strategic priority states that we will give all our young people a great start in life in a safe, stable and healthy environment where they have the opportunity to develop, make choices and feel in control of their lives and future. The provision of this service will contribute to the delivery of these commitments.
42. In addition the Corporate Parenting Principles make it incumbent on the wider council *to help [our] children and young people gain access to, and make the best use of, services provided by the local authority and its relevant partners*¹. This is best achieved by locally purchased services.

Contract management and monitoring

43. The services will continue to be managed by the C&F Access to Resources team and monitored by Contract Monitoring Officers in Children and Adult Services. Officers will collaborate closely with both providers and develop process to manage voids, improve assessment and admission turnaround time.
44. The Multi-disciplinary panel will continue as it plays a significant role in planning and supporting good transitions for 16+ and care leavers by reviewing demand, managing capacity and facilitating move-on.
45. The contract management team get submissions from the provider on a quarterly basis and an indication of the targets that are monitored are shown in Appendix 2. Contract management meet with providers to review their submission and discuss areas where targets are not met or other KPI issues and cascade to relevant stakeholders. The information collected is also used to produce an overall 16+ Support and Accommodation Service Dashboard. Annual performance reports are available in line with Contract Standing Orders.

Community, equalities (including socio-economic) and health impacts

Community impact statement

46. The services within this report will provide care and support to children from the borough in the care of the council, to have a local, stable semi-independent accommodation and develop skills for independent living locally in Southwark.

Equalities (including socio-economic) impact statement

47. It is believed that having in-borough 16+ supported housing and resettlement services will have a positive impact in relation to the groups identified as having a “protected characteristic” under the Equality Act 2010 and the councils’ equality agenda.
48. The service recognises that young people looked after, care leavers and those

who are homeless present with diverse experiences and needs, and that the commissioned service is equipped to respond to these requirements.

49. The provider is required to ensure that the service empowers all young people it supports to live in a way that they are valued for who they are and will not be discriminated against. The provider is expected to ensure the following needs, as identified in the Equality Act 2010, are met through a positive approach that enables young people to live according to their life experiences, needs and choices:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

50. In addition to these protected characteristics the service is expected to ensure needs such as special educational needs including autism and mental health are considered in the support they offer.

51. 85% of CLA are from Black, Asian and Minority Ethnic groups. It is notable that young people who were from Black, Asian and Minority Ethnic backgrounds face significant disadvantage both in terms of their identity and their education associated with their placement at a distance when compared to their White counterparts. Having 16+ service provision locally will support their local identity and provide them with continued access to the excellent education, health and care services on offer in the borough.

52. In March 2021 Southwark Council commissioned the organisation Shared Intelligence to undertake an in-depth research study with young people who are engaging with supported housing and resettlement services in Southwark. Specifically, this research sought to explore young people's experiences of race and discrimination. The purpose of this research was to help the council and supported housing and resettlement service providers understand the experiences young people face regarding race, racism and discrimination to understand how the services they are engaging with can best support them.

53. The findings support continuous service improvements by ensuring recruitment of staff from diverse background; workforce compliance of mandatory training for equality and diversity; having a regular forum or safe space for young people to share their experience and proactively address any concerns/issues regarding discrimination in the service; and on-going monitoring of incidents, complaints and feedback to ensure all young people the service supports to live in a way that they are valued for who they are and will not be discriminated against.

Health impact statement

54. The service supports the health and wellbeing of Southwark young people aged over 16 years old who are:

- a) looked after children or care leavers up to their 25th birthday;
- b) a young person, up to their 18th birthday, in priority need of housing due to being homeless or at risk of being so.

55. Young people who require Southwark 16+ Support and Resettlement Services for a wide variety of reasons, e.g. due to:

- a need to ensure that they are kept safe from physical or emotional harm, and any other areas of risk;
- a need to develop skills which would enable them to sustain more independent living, such as cooking or budgeting skills.

56. The service aims to stop young people becoming homeless, or if they are already so at the point of referral, to stabilise their position in the family and back into the family home. Wider support is also available for health and wellbeing from the children and young people clinical team, Children Looked After Health Care Team, Child and Adolescent Mental Health and Emotional Wellbeing Services (CAMHS). The council has invested in local mental wellbeing services through CAMHS, and The Nest.

Climate change implications

57. Keeping and supporting children and young people locally such as under this contract can reduce the carbon footprint of Personal Advisers and Social Workers who travel to support the young people.

Social Value considerations

58. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the well-being of the local area can be secured. The social value considerations were included in the tender responses, evaluation and commitments to be delivered under the contract.

59. Both providers, OCH and TSA are complied with the Ethical Care Charter and employees are paid at or above the London Living Wage (LLW) and they do not use zero-hour contracts. They are committed to workforce engagement, supervision and development with ring-fenced service budgets for employee continuing professional development. Both providers recruit people with knowledge and experience of Southwark and its residents (around 40% of their workforce live locally). OCH and TSA are key partners with local colleges/higher education for supported employment, school and social work placement (work experience), volunteering, peer support and education.

Economic considerations

60. Children and young people are supported to have equal life chances with good opportunities in education, employment and training as everyone else.

Social considerations

61. The council has a Fairer Future Procurement Framework (FFPF) and has incorporated key areas of social value commitments, into the commissioning and procurement of services, this includes:

- Apprenticeships and paid internships
- Job creation and local ecology
- Work placement opportunities
- London Living Wage
- Environmental and sustainability considerations
- Health and wellbeing considerations

62. The options considered within this report intend to support the local economy by providing jobs for local people. As per the council's commitment any workers will also be paid London Living Wage (LLW) in accordance with the FFPF.

63. The continuation of service provision is critical to supporting our most vulnerable children to remain connected to their communities and supporting the stability of their social relationships. This presents the opportunity to improve outcomes for those children as they move into independent adulthood and the likelihood of their future positive contribution to society.

Environmental/Sustainability considerations

64. A large number of young people looked after, and young people who are homeless are currently in supported accommodation placed outside of the borough. Having 16+ provision within Southwark will reduce the need in the future for some young people to be placed at such a distance and have a positive environmental impact due to decreased travel by social care and health professionals. Some young people will however, due to their needs, still need to be placed outside of Southwark.

65. The service supports young people to access local services, to maintain their education, health and mental wellbeing and continue to be part of their community.

Financial Implications

66. The extension requested in this report will be funded from the existing recurrent budget of the Children and Families division. The increase of annual contract value for next 2 years with 4% uplift to cover the cost of salaries inflation, and the fee for Ofsted's registration of £4k which is a legal

requirement for a supported accommodation service. A cost breakdown summary is shown in the table 6 below for the two-year extension for OCH and TSA and table 7 shows the movement of costs since GW2 in 2019-20.

Table 6: Annual Contract Value excluding VAT from 2023-2025		
Contract Term	Oasis Community Housing - North	The Salvation Army - South
Year 5 (16 Dec 2023 - 15 Dec 2024)	£769,268	£762,122
Year 6 (16 Dec 2024 - 15 Dec 2025)	£769,268	£762,122
Total	£1,538,536	£1,524,244

Table 7: The movement of costs since GW2 in 2019-20.	GW2	GW3	Variance
Oasis Community Housing - North	£739,681	£769,268	£29,587
The Salvation Army - South	£732,810	£762,122	£29,312
TOTAL	£1,472,491	£1,531,391	£58,900

Investment Implications (Housing Contracts only)

67. Not applicable.

Legal Implications

68. Please see the concurrent report of the Assistant Chief Executive (Governance and Assurance).

Consultation

69. Engagement with young people will continue to take place to ensure continuity of the service.

Other implications or issues

70. Southwark Council is also a corporate parent to Children Looked After and this is a key area of responsibility for the authority.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance (38DK2023-24)

71. The Children and Families Division has sufficient budget to fund the proposed 4% increase for this contracted provision.

Head of Procurement

72. This report seeks approval of permitted contract extension for two existing agreements with Oasis Community Housing and the Salvation Army for the delivery of the 16+ support and resettlement services within Southwark. The associated extension values are £1,538,536 and £1,524,244, respectively. Background and rationale for the extension requests, and requirement to formalise a previous decision, are contained within paragraphs 3 – 11. The report is also aligned with the council's Contract Standing Orders (CSOs) which dictate that decision must be taken by the Strategic Director of Finance, following consideration of the report by DCRB and CCRB.

73. The value of the proposed variation is above the minimum threshold for services covered by the Light Touch Regime (LTR) as detailed in the Public Contracts Regulations 2015, (PCR2015) ordinarily dictating requirement for a new PCR2015 compliant procurement. However, Regulation 72(1)(a) permits modification in those instances where "the modifications, irrespective of their monetary value, have been provided for in the initial procurement documents in clear, precise and unequivocal review clauses, which may include price revision clauses or options" (including sub-criteria referenced in paragraph 80 below).

74. Headline options and risks associated with the proposed extension are contained at paragraphs 34 - 38.

75. Alignment with the Fairer Future Procurement Framework (FFPF) is evidenced, specifically via confirmation of London Living Wage (LLW) payment (both providers are confirmed as LLW employers – please refer to paragraph 62) and the content of paragraphs 61– 63 more generally.

76. Proposed methodology for performance/contract monitoring is detailed within paragraphs 43 - 45. The report also confirms that an annual performance review will be provided to the council's DCRB and CCRB in alignment with council CSOs.

77. The Community, Equalities and Health Impact Statements are set out in paragraphs 46 - 56.

78. The Climate Change, Social Value, Economic and Environmental / Sustainability statements are set out in paragraphs 57 – 65.

Assistant Chief Executive – Governance and Assurance

79. This report seeks approval of an extension of existing contracts with Oasis Community Housing and the Salvation Army for the delivery of the 16+ support and resettlement services within Southwark.

80. The estimated value of each proposed contract extension means that it is subject to the application of the Public Contracts Regulations (PCR) 2015, which permits contract modifications without the need for a fresh procurement exercise where certain limited prescribed grounds are met, including (PCR 72(1)(a):-

where the modifications, irrespective of their monetary value, have been provided for in the initial procurement documents in clear, precise and unequivocal review clauses, which may include price revision clauses or options, provided that such clauses -

- (i) state the scope and nature of possible modifications or options as well as the conditions under which they may be used, and
- (ii) do not provide for modifications or options that would alter the overall nature of the contract or the framework agreement.

81. It is confirmed that the terms of each contract contain express provision for extension beyond their initial term.

82. The recommended contract extension in each case is also consistent with domestic legislation and with the council's Contract Standing Orders, which reserve the decision in this matter to the Strategic Director of Finance, following consideration of the report by the DCRB and CCRB.

83. The Strategic Director will be aware of the Public Sector Equality Duty set out in section 149 of the Equality Act (EA) 2010, which requires the council to have due regard in its decision making processes to the need to:

- a. Eliminate discrimination, harassment, victimisation or other prohibited conduct.
- b. Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not.
- c. Foster good relations between those who share a relevant characteristic and those that do not share it.

The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The Public Sector Equalities Duty (PSED) also applies to marriage and civil partnership, but only in relation to (a) above.

84. The community impact statement and equalities impact statement set out in paragraphs 46 to 53 note the cohort that the services are targeted at and are intended to benefit, all of whom are considered to have a protected

characteristic under the EA. It is recommended that officers should undertake an equalities impact assessment during the course of the extension period in order to inform the development of the service requirements for the next procurement.

Director of Exchequer (for housing contracts only)

85. This report does not cover a housing contact.

Director of Children and Families Services (for schools contracts only)

86. Not applicable.

PART A – TO BE COMPLETED FOR ALL DELEGATED DECISIONS

Under the powers delegated to me in accordance with the council's Contract Standing Orders, I authorise action in accordance with the recommendation(s) contained in the above report (and as otherwise recorded in Part B below).



Signature

14 February 2024

Date

Strategic Director Finance

Designation

PART B – TO BE COMPLETED BY THE DECISION TAKER FOR:

- 1) All key decisions taken by officers
- 2) Any non-key decisions that are sufficiently important and/or sensitive that a reasonable member of the public would reasonably expect it to be publicly available (see 'FOR DELEGATED DECISIONS' section of the guidance).

1. DECISION(S)
As set out in the recommendations of the report.

2. REASONS FOR DECISION

As set out in the report.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED BY THE OFFICER WHEN MAKING THE DECISION

None

4. ANY CONFLICT OF INTEREST DECLARED BY ANY CABINET MEMBER WHO IS CONSULTED BY THE OFFICER WHICH RELATES TO THIS DECISION *

None

* Contract standing order 6.6.1 states that for contract Variations with an Estimated Contract Value of £100,000 or more, the lead contract officer (LCO) must consult with the relevant cabinet member before the decision is implemented.

5. NOTE OF ANY DISPENSATION GRANTED BY THE MONITORING OFFICER, IN RESPECT OF ANY DECLARED CONFLICT OF INTEREST

If a decision taker or cabinet member is unsure as to whether there is a conflict of interest they should contact the legal governance team for advice.

Not Applicable

6. DECLARATION ON CONFLICTS OF INTERESTS

I declare that I was informed of no conflicts of interests.*

BACKGROUND PAPERS

Background Documents	Held At	Contact
Children Act 1989	Children and Adult Services, Commissioning Directorate 160 Tooley Street, London, SE1 2QH	Sau-Fun Wong 0207 525 5000
Link: https://www.legislation.gov.uk/ukpga/1989/41/contents		

Southwark's Placement Sufficiency Strategy 2023-2026	Children and Adult Services, Commissioning Directorate 160 Tooley Street, London, SE1 2QH	Sau-Fun Wong 0207 525 5000
Link: Strategy published - 1 March 2023		
Public Services (Social Value) Act 2012	Children and Adult Services, Commissioning Directorate 160 Tooley Street, London, SE1 2QH	Sau-Fun Wong 0207 525 5000
Link: https://www.legislation.gov.uk/ukpga/2012/3/enacted		
Ethical Care Charter	Children and Adult Services, Commissioning Directorate 160 Tooley Street, London, SE1 2QH	Sau-Fun Wong 0207 525 5000
Link: https://www.unison.org.uk/content/uploads/2013/11/On-line-Catalogue220142.pdf		
Fairer Future Procurement Framework	Children and Adult Services, Commissioning Directorate 160 Tooley Street, London, SE1 2QH	Sau-Fun Wong 0207 525 5000
Link: https://moderngov.southwark.gov.uk/documents/s83221/Appendix%201%20Fairer%20Future%20Procurement%20Framework.pdf		
Equality Act 2010: Public Sector Equality Duty	Children and Adult Services, Commissioning Division 160 Tooley Street, London, SE1 2QH	Sau-Fun Wong 0207 525 5000
Link: https://www.legislation.gov.uk/ukpga/2010/15/section/149		
Statutory Guidance: Provision of accommodation for 16 and 17 year olds who may be homeless and/or require accommodation Guidance originally issued following the judgement by the House of Lords in the case of R (G) v London	Children and Adult Services, Commissioning Directorate 160 Tooley Street, London, SE1 2QH	Sau-Fun Wong 0207 525 5000

Borough of Southwark (2009) 'The Southwark Judgement'		
Link: https://www.gov.uk/government/publications/provision-of-accommodation-for-16-and-17-year-olds-who-may-be-homeless-and-or-require-accommodation		
Providing supported accommodation for children and young people	Children and Adult Services, Commissioning Directorate 160 Tooley Street, London, SE1 2QH	Sau-Fun Wong 0207 525 5000
Link: Providing supported accommodation for children and young people - GOV.UK (www.gov.uk)		
Investors in People standards	Children and Adult Services, Commissioning Directorate 160 Tooley Street, London, SE1 2QH	Sau-Fun Wong 0207 525 5000
Link: https://www.investorsinpeople.com/		
Public Contracts Regulations (PCR) 2015	Children and Adult Services, Commissioning Directorate 160 Tooley Street, London, SE1 2QH	Sau-Fun Wong 0207 525 5000
Link: https://www.legislation.gov.uk/uksi/2015/102/contents/made		
The Southwark Plan	Children and Adult Services, Commissioning Directorate 160 Tooley Street, London, SE1 2QH	Sau-Fun Wong 0207 525 5000
Link: https://www.southwark.gov.uk/assets/attach/94325/Southwark-Plan-2022.pdf		
London Borough of Southwark Ofsted reports	Children and Adult Services, Commissioning Directorate 160 Tooley Street, London, SE1 2QH	Sau-Fun Wong 0207 525 5000
Link: https://reports.ofsted.gov.uk/provider/44/80514		
Equality Act 2010	Children and Adult Services,	Sau-Fun Wong 0207 525 5000

	Commissioning Directorate 160 Tooley Street, London, SE1 2QH	
Link: https://www.legislation.gov.uk/ukpga/2010/15/contents		
Newton - Demand and Capacity of Homes for Children in Care (2023)	Children and Adult Services, Commissioning Directorate 160 Tooley Street, London, SE1 2QH	Sau-Fun Wong 0207 525 5000
Link: https://www.countycouncilsnetwork.org.uk/wp-content/uploads/Newton-Demand-and-capacity-of-homes-for-children-in-care-for-website.png		

APPENDICES

No	Title
Appendix 1	Provisional Commissioning Plan
Appendix 2	Performance/Key Performance Indicator Summary
Appendix 3	(i) Contracts Register Update Form - Oasis Community Housing (ii) Contracts Register Update Form – The Salvation Army

AUDIT TRAIL

Lead Officer	David Quirke-Thornton, Strategic Director of Children and Adult Services	
Report Author	Sau-Fun Wong Children and Young People (CYP) Programme Manager	
Version	Final	
Dated	8 November 2023	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Finance	Yes	Yes
Head of Procurement	Yes	Yes
Assistant Chief Executive – Governance and Assurance	Yes	Yes
Director of Exchequer (for housing contracts only)	Not applicable	Not applicable
Cabinet Member	Not applicable	Not applicable
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	No	No
Cabinet Member	No	No
Date final report sent to Constitutional Team	15 February 2024	

APPENDIX 1

Provisional Commissioning Plan

Activity	Complete by:
16+ working group to clarify memberships, service scope and design for new service specification, communication and engagement plan	31/03/2024
Completion of 16+ needs assessment	31/05/2024
Young people engagement and co-production of service specification	28/06/2024
Stakeholder engagement to inform the development of service specification	28/06/2024
Completion of Equality Impact Assessment	30/09/2024
Approval of Gateway 1: Procurement strategy report	13/12/2024
Market Warming Event	28/02/2025
Completion of tender documentation	28/03/2025
Publication of Find a Tender Service Notice	07/04/2025
Publication of Opportunity on Contracts Finder	21/04/2025
Closing date for return of tenders	13/06/2025
Completion of evaluation of tenders	04/07/2025
Approval of Gateway 2: Contract Award Report	08/08/2025
Contract award	01/09/2025
End of TUPE Consultation period (if applicable)	25/10/2025
Service mobilisation and transition	15/12/2025
Contract start	16/12/2025
Initial Contract completion date	15/12/2029
Contract completion date – if extension(s) exercised	15/12/2031

APPENDIX 2

Performance/Key Performance Indicator Summary

	Service User Reporting	Target Year One	Performance 2022/23	Target from 2023/24
1	Percentage of new starters who have a support and resettlement plan which they have agreed reflects their goals in terms housing options and independent living and actions required to meet this objective within 4 weeks of their placement commencing. (PBR Target)	100%	100%	100%
2	Young people to receive contact from key worker at a frequency agreed in their support plan. (Not less than fortnightly)	For a minimum 90% of young people	89%	100%
3	Provide key work reports to allocated social worker / personal adviser monthly (For young people with an allocated social worker or personal adviser)	For 100% of relevant service users	100%	100%
4	Young people receive a support and resettlement plan review at least every 6 months	For 100% of service users	100%	100%
5	Percentage of clients engaged with the service for three months who have been placed on Southwark's housing register. Target)	85% (Indicative Target)	100%	100%
6	Percentage of young people in Education, training or employment.	70%	77%	80%
7	Percentage of young people who have moved out of the service as part of a positive move on .	70% (Indicative Target)	100%	100%
8	Percentage of young people who have moved into tenancies in their own right that have sustained these for three months or more.	85% (Indicative Target)	100%	100%
9	Percentage of young people who have moved into tenancies in their own right that have sustained these for Six months or more.	80% (Indicative Target)	100%	100%

10	Percentage of young people newly registered with health services (GP, Dentist and optician) within 10 working days of service start (excludes those registered prior to entry)	95%	100%	100%
11	Percentage of young people registered with health services (GP, Dentist and optician) within 1 calendar month of service start	100%	100%	100%
12	Percentage of (non-NRPF) young people with DWP 6 weeks prior to their 18th birthday within the reporting period	100%	67%	100%
13	Percentage of (non-NRPF) young people aged over 18 who are registered with DWP within 5 days of moving to the pathway	100%	67%	100%
14	Number of young people in a placement for more than two years	0%	17%	0%
15	The number of people in the service who are undergoing a formal eviction process.	0%	0%	0%

APPENDIX 3

Background Document

(i) Contracts Register Update Form - (North) – Oasis Community Housing

Details	Original	Extension 1
Contract Name	Contract for the provision of 16+ support and resettlement service	Contract for the provision of 16+ support and resettlement service
Contract Description	4 years 16 December 2019 to 15 December 2023	2 years 16 December 2023 to 15 December 2025
Contract Type	4 year Block contract	2 year extended block contract
Fixed Price or Call Off	Fixed price	Fixed price
Lead Contract Officer (name)	Abigail Garraway	Sau-Fun Wong
Lead Contract Officer (phone number)	020 7525 7627	020 7525 5000
Department	Children's and Adults' Services	Children and Adult Services
Division	Commissioning	Commissioning
Procurement Route	N/A	N/A
EU CPV Code (if appropriate)	N/A	N/A
Departmental/Corporate	Departmental	Departmental
Supplier(s) Name(s)	Oasis Community Housing	Oasis Community Housing
Contract Total Value	£2,802,029	£1,538,536.
Contract Annual Value	Year 1 £595,419 Year 2 £727,926 Year 3 £739,003 Year 4 £739,681	Year 5 £769,268 Year 6 £769,268
Contract Start Date	16 December 2019	16 December 2023
Initial Term End Date	15 December 2023	15 December 2025
No. of Remaining Contract Extensions	N/A	N/A
Contract Review Date	21 June 2023	16 December 2024
Revised End Date	N/A	N/A
SME/ VCSE (If either or both include Company Registration number and/or registered charity number)	N/A	N/A
Comments	N/A	N/A
London Living Wage	YES	YES

(ii) Contracts Register Update Form - (South) - Salvation Army

Details	Original	Extension 1	Extension 2
Contract Name	Contract for the provision of 16+ support and resettlement service	Contract for the provision of 16+ support and resettlement service	Contract for the provision of 16+ support and resettlement service
Contract Description	2 years 16 December 2019 to 15 December 2021	2 years 16 December 2021 to 15 December 2023	2 years 16 December 2023 to 15 December 2025
Contract Type	2 year Block contract	2 year extended block contract	2 year extended block contract
Fixed Price or Call Off	Fixed price	Fixed price	Fixed price
Lead Contract Officer (name)	Abigail Garraway	Neil Colquhoun	Sau-Fun Wong
Lead Contract Officer (phone number)	020 7525 7627	020 7525 5000	020 7525 5000
Department	Children's and Adults' Services	Children's and Adults' Services	Children and Adults Services
Division	Commissioning	Commissioning	Commissioning
Procurement Route	N/A	N/A	N/A
EU CPV Code (if appropriate)	N/A	N/A	N/A
Departmental/Corporate	Departmental	Departmental	N/A
Supplier(s) Name(s)	Salvation Army	Salvation Army	N/A
Contract Total Value	£1,362,896	£1,455,566	£1,524,244
Contract Annual Value	Year 1 £650,000 Year 2 £712,896	Year 3 £722,756 Year 4 £732,810	Year 5 £762,122 Year 6 £762,122
Contract Start Date	16 December 2019	16 December 2021	16 December 2023
Initial Term End Date	15 December 2021	15 December 2023	15 December 2025
No. of Remaining Contract Extensions	N/A	N/A	N/A
Contract Review Date	21 June 2021	16 June 2023	16 December 2024
Revised End Date	N/A	N/A	N/A
SME/ VCSE (If either or both include Company Registration number and/or registered charity number)	N/A	N/A	N/A
Comments	N/A	N/A	N/A
London Living Wage	YES	YES	YES