



Havering
LONDON BOROUGH

Notice of KEY Executive Decision

Subject Heading:	Procurement of the Pan London Accommodation Pathfinder services (LAP) block placements in collaboration with five East London Local authorities.
Decision Maker:	Tara Geere- Director of Childrens Service
Cabinet Member:	Councillor Oscar Ford - Cabinet Member for Children and Young People
SLT Lead:	Robert South- Director of Childrens Service
Report Author and contact details:	Priti Gaberria, 01708 431257, priti.gaberria@havering.gov.uk
Policy context:	<p>This procurement supports the vision of the Corporate Parenting Strategy for Looked After Children 2019-2022 to achieve the outcomes our children and young people need, with the best placement at the right time for the most competitive price.</p> <p>National policy is to reduce the use of custody - making it a requirement for all courts to spell out their grounds for remanding to Youth Detention Accommodation (YDA) in open court at the time of the remand. There is also pressure on secure beds with one of the two Secure Treatment Centres closing - Rainsbrook, the other still being refurbished to the new 'secure' school in Medway. Overall numbers of children in custody has been trending downwards for over 10</p>

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	years and is routinely below 500 from a high of 3,500.
Financial summary:	The budget for this procurement will come from existing revenue social care budgets. The maximum proposed contract value for LBH is £517,099 for a period of 3 years.
Reason decision is Key	This decision is considered to be key as the total value of the award is in excess of £500,000 across the term of the contract
Date notice given of intended decision:	07/02/2023
Relevant OSC:	People's OSSC
Is it an urgent decision?	No
Is this decision exempt from being called-in?	No

The subject matter of this report deals with the following Council Objectives

People - Things that matter for residents x

Place - A great place to live, work and enjoy

Resources - A well run Council that delivers for People and Place.

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

1. To agree to enter into the collaboration agreement for London Accommodation Pathfinder East London Sub-Region (LAP) until 31 March 2026 in the terms set out at Appendix A of this report at an estimated maximum value of £517,099 over the term of the agreement (constituting placements and/ or voids contributions).
2. To agree that the Council will share in the LAP void contribution costs as set out in this report;
3. To note decisions as to placements within the LAP will be made according to the Council's statutory duties and in accordance with the Council's financial scheme of delegation.

AUTHORITY UNDER WHICH DECISION IS MADE

Havering Council's Constitution 3.3 Powers of Members of the Senior Leadership Team
Members of the Senior Leadership Team (SLT) have delegated authority to act as follows within the assigned service service/portfolio of responsibilities, subject to the general provisions and limitations set out in section 3.1 above.

General powers

(a) To take any steps necessary for proper management and administration of allocated portfolios.

Financial responsibilities

(a) To incur expenditure within the revenue and capital budgets for their allocated portfolio as approved by the Council, or as otherwise approved, subject to any variation permitted by the Council's contract and financial procedure rules.

STATEMENT OF THE REASONS FOR THE DECISION

This report seeks authorisation to call off placements from the block contract of the London Accommodation Pathfinder (LAP) service, a pan-London community based accommodation and intensive support provision for 16 and 17 year old males as an alternative to youth custody.

The Director of Childrens Services is requested to provide approval by signing the collaboration agreement, making a commitment to the funding of the LAP (including placements for Havering) through the block contract arrangement at an estimated value of £517,099 for a period of 3 years.

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Changes to the Police, Crime, Sentencing and Court Act have impacted on how courts impose Youth Detention remands on children. Remand changes came into force on 28 June 2022. The intention of the remand changes is to ensure that custodial remand is always used as a last resort.

The Alternative to Custody programme is an innovative approach which has been developed to address the shortfall of appropriate accommodation and support in London. Currently due to the shortfall London children are twice as likely to be placed in custody compared to other parts of England.

In the last year the London Borough of Havering (LBH) has had eight children on remand, aged between 14 and 18 years; on average each has spent over 8 months on remand prior to sentence. Two were subject to remand for alleged offences that were committed in 2021 or earlier. There has been a policy move away from remanding children into Youth Detention Accommodation (YDA) over the last few years and LBH has placed more children into local authority accommodation on remand. Whilst this is far better for the child it can also be costly.

Whilst the severity of the allegation can in part determine whether a child is placed in youth detention it is not the only determining factor and other options can be beneficial. For example LBH had two children accused of the most serious of offences successfully placed and managed in kinship placements in 2022.

The cost of keeping a child in custody is far greater than the use of a community-based provision and evidence suggests that those children who have been placed in custody are more likely to reoffend. The weekly cost for a child in YDA can range from £3k to £7k per week. LBH currently has one child placed in a secure children's home costing in the region of £7k per week. He will have been in this placement for 7 months when he comes to trial. If convicted the ongoing placement costs are transferred to the Home Office Youth Custody Service.

The LAP is split into 4 sub regions: East, North West and South. LBH falls within the East London Sub-Region. North and East Sub-Region are currently confirmed as going live. South and West are pending (reasons include delay in identifying suitable property).

The unit cost of using the proposed community based provision is calculated as £2,037 per week (£291 daily rate) and all void costs are shared by all participating six local authorities in the East London sub-region. The contract was awarded in around August 2022. Youth Justice Board/Ministry of Justice Grant funding was utilised for set-up, support and contribution towards potential voids costs until funding has been fully utilised, after which, each sub-region voids costs will be met by the Authorities within the sub region as set out below. There will be no inflationary uplift during the term of the block contract.

The financial modelling of the programme is based on 5 places being shared by all the six participating local authorities in the East London sub-region, which is less than one full year place per local authority. Each Local Authority will have the entitlement (subject to acceptance via a referrals process) to place up to 2 children for a period of 6 months each per annum. In addition, Authorities may place over their 2 allocated places in the

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event a void is available. Where no placement is available in their own sub-region, Authorities may place in other sub regions subject to availability.

Placements are prioritised in the following order:

1. Authority which has not yet placed and own sub region
2. Authority within entitlement of 2 places and own sub region
3. Authority in excess of entitlement but in own sub region
4. LAP Authority from other sub region.

Havering's estimated spend for two placements (6months each placement) will be £106,220 per year, if placements are utilised

Placement Costings	Cost
Yearly Cost (2 x placement)	£ 106,220
Cost per 6-month Placement	£ 53,110
Daily Placement Cost	£ 291.01
Weekly Placement Cost	£ 2,037.10

Likely Max Cost of Contract (2 Placements & 40% VOIDS)	
Year 1 (including YJB contribution) (23-24)	127,627
Year 2 (24-25)	141,627
Year 3 (25-26)	141,627
TOTAL	410,881

Total Max Cost of Contract (2x Placement & 80% VOIDS)	
Year 1 (including YJB contribution) (23-24)	163,033
Year 2 (24-25)	177,033
Year 3 (25-26)	177,033
TOTAL	517,099

LBH will be charged for actual usage of placements. Fees will be calculated at a daily rate, and the authority will be invoiced on a monthly basis accordingly.

In addition to placement costs, the costs of any unused/void placements (within the East Sub Region provision only) will be shared equally across the East London partnership. The cost of voids will be calculated on a daily basis.

A placement will be deemed as a void if it is deemed habitable and is empty for more than 7 days of it becoming vacant. It is anticipated that units will be vacant for a period of time following the opening of the scheme.

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The programme will contribute towards the following outcomes through the intensive support provided by adopting a psychologically informed approach, integrated with local authority:

- Reduction in the number of children entering custody
- Reduction in over-representation of BAME children in custody
- Reduce re-offending rates for children on the Pathfinder
- Reduce risk of harm to self and others and the protection of the public and victims

The service will improve health and life chances, provide safe and suitable accommodation, support children to engage in education, training and employment as well as re-engaging with family where possible or supported accommodation/permanent independent living.

This programme also supports the vision of Corporate Parenting Strategy for Looked After Children 2019-2022 to achieve the outcomes our children and young people need, with the best placement at the right time for the most competitive price.

The London Borough of Camden led the procurement process. All Tenderers were required to submit a price inclusive of London Living Wage (LLW) throughout the contract term. The London Living Wage has been promoted by this programme, and the successful provider, St Christopher's fellowship will pay the LLW across their own workforce for staff directly employed by them and their partner organisations.

Procurement

The contract for LAP provision was procured by Camden Council (Camden) as lead authority. Camden undertook a call off procedure from the Commissioning Alliance's Dynamic Purchasing Vehicle (DPV) for the Provision of Semi-Independent Accommodation and Support managed by the London Borough of Hammersmith and Fulham. The DPV was let in accordance with the Light Touch Regime (Reg 74-76 and Schedule 3 PCR 2015). The Dynamic Purchasing Vehicle provided access to over 100 potential suppliers

St Christopher Fellowship (SCF) was awarded the LAP contract. The Camden contract award report which includes a summary of scores and relevant tender evaluation process is attached at appendix B to this report.

SCF has experience in supported living and residential provision for children and demonstrated a clear understanding of the cohort of children that will be using the service and their role as the service provider. The organisation service model is focussed on the child's emotional wellbeing and as a whole person in order to support the children's overall development. The service will also be a psychologically informed environment. Their tender submission acknowledged the need to engage with the child as early as possible and work with the courts and other partners to achieve the best outcomes for the child.

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SCF's submission identified the risks associated with the setting up of a new provision and proposed putting appropriate measures in place to mitigate these risks. The proposal includes plans to fund raise to provide additional activities not funded through the contract.

The value of the contract awarded to St Christopher Fellowship is a maximum cost of £6,728,441. The total contract value includes the cost of all Sub Regions. West London and South London sub regions which will only proceed if further funding can be secured for the Project Lead support and essential implementation/set up phase of these sub regions.

To ensure consistency in the service, one provider will be responsible for the delivery of services in all the sub regions. Changes to Ofsted regulations over the next 12-15 months means that they will have oversight of the service in addition to service monitoring arrangements.

The six borough partnership members in the East London sub-region are Barking and Dagenham, Havering, Newham, Redbridge, Waltham Forest and Tower Hamlets. The scope of arrangements are set out in the Collaboration Agreement in Appendix A.

OTHER OPTIONS CONSIDERED AND REJECTED

Option1: Do Nothing- This option would involve not accepting the recommendation to enter into relevant agreement to access the block contract. This option would mean that LBH continues to utilise high cost placements for this cohort and at a distance from Havering through spot purchasing arrangements and this presents a high likelihood of increasing placement cost.

Option 2: To separately commission placements using a block contract would mean a missed opportunity to encourage innovation within the market. Going out to the market for a Havering only service would not offer the same opportunities for choice and economies of scale together with mitigation of void costs that a six-borough tender across North East London would offer.

PRE-DECISION CONSULTATION

No formal consultation was undertaken however there has been wide engagement in the development of the project with stakeholders and the project was endorsed by the Association of London Director's Services

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Priti Gaberria

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Designation: Commissioning Programme Manager

Signature: 

Date: 12.04.23

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

1. Under the Legal Aid, Sentencing and Punishment of Offenders (LASPO) Act 2012 as amended by the Police Crime, Sentencing and Courts Act 2022, all children who are charged with an offence and refused bail must be remanded into local authority accommodation, or (where certain criteria are met) Youth Detention Accommodation. In both situations, the cost of this accommodation must be met by the designated local authority, and the child will attain Looked After status. The Council has power to enter into the collaboration agreement (Agreement) under s111 Local Government Act 1972 as the agreement will facilitate the Council in discharge of its statutory duties.
2. The Council also has power to enter into the Agreement under its general power of competence under Section 1 of the Localism Act 2011, which gives the power to do anything an individual can do, subject to any statutory constraints on the Council's powers. None of the constraints on the s.1 power are engaged by this decision.
3. The Agreement does not commit the Council to placing within the East London LAP. It does however commit the Council to sharing in voids costs within the East London sub region.
4. As drafted, the Agreement commits the Council to voids costs from the commencement of the LAP project. It is noted in this regard that the East London LAP was scheduled to open in October 2022. Grant funding to a maximum value was available in the period to end March 2023 for void costs. Officers should ascertain whether upon entering into the Agreement, LBH will become liable for additional and retrospective voids costs and if so, the amount. Any retrospective charges should be subject to a further decision prior to entering into the Agreement. (It is noted in this regard that the Camden award report at Appendix B identifies a delay in final signature of the Agreement, also that the Council agreed in principle to the LAP collaboration in June 2022 – "in principle" letter signed by the Director of Children's Services at Appendix D)
5. The Agreement contains standard cross indemnities designed to ensure that liability for the negligence, acts or omissions of each Authority sits with that Authority solely. These are considered acceptable.
6. The Agreement contains provision for termination of an Authority's membership upon material breach. In such circumstance, the remaining Authorities may agree to terminate; or to amend the Agreement, including as to price. The termination provision is considered to offer sufficient protection.
7. The Agreement will expire on 31 March 2026 or earlier in the event that the LAP block contract is terminated early.

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8. The LAP block contract acts as a framework call off contract for each placing Authority and placement decisions will be made under financial delegations at the time of placement.
9. As set out in this report, officers consider that entering into the Agreement thereby obtaining access to LAP accommodation represents best value for the Council.
10. For the reasons set out above, the Council may enter into the Agreement.

FINANCIAL IMPLICATIONS AND RISKS

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Under this arrangement Havering will have the option to place up to 2 children for a period of 6 months each, per annum. This will be charged at a daily rate of £291 for the duration of the 3 year contract. Havering will only be charged for the number of days used during each year. If the placements are fully utilised this would equate to a maximum cost of £106,220 per annum, but this may be less, as this type of placement will not be suitable for all remand cases.

In addition to the placement costs outlined above, Havering would also be required to meet 1/6th of the total void costs arising. This would therefore be dependent upon, not only Havering's take up during the year, but also the take up of the other 5 Boroughs in the collaboration.

As a guide, the costs of different void levels are shown in the table below. The year 1 cost is offset by a £84,000 contribution from the Youth Justice Board.

Total Annual Contract Value £	531,100	531,100	531,100	531,100
Void %	20%	40%	60%	80%
Total Annual Void Charge £	106,220	212,440	318,660	424,880
YJB Contribution in Year 1 only	-84,000	-84,000	-84,000	-84,000
Total Void Charge Year 1	22,220	128,440	234,660	340,880
LBH share of Void costs (1/6th) £				
Year 1	3,703	21,407	39,110	56,813
Year 2 and 3	17,703	35,407	53,110	70,813

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It is important to note that Havering will be required to meet its share of the void costs regardless of Havering's actual usage during the year. Therefore, in a worst case scenario, Havering might not make any placements, but still be required to contribute to the overall void costs.

The maximum cost to Havering, based on full placements and 80% voids, would be £163,033 in 2023/24 and £177,033 in 2024/25 and 2025/26, although this would be extremely unlikely to occur. In reality, the actual cost should be significantly lower than the maximum.

Remand costs are met from the LAC Placements budget in Childrens Services.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

An EqlA has been carried out as part of this collaboration agreement by the London Borough of Camden.

The programme will contribute towards the following outcomes through the intensive support provided by adopting a psychologically informed approach, integrated with local authority:

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The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have 'due regard' to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex/gender, and sexual orientation.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

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HEALTH AND WELLBEING IMPLICATIONS AND RISKS

The London Accommodation Pathfinder (LAP) service specifically targets children aged 16-17 who are at greater risk of poorer health and wellbeing including:

- More likely to have experienced socio-economic disadvantage, poverty and discrimination
- Higher proportion of children in custody being from Black or Minority Ethnic (BAME) backgrounds
- Are likely to have experienced Adverse Childhood Experiences (ACEs)
- Have complex needs, including undiagnosed learning needs, NEET, mental health issues, trauma, substance misuse, or have an EHCP

The limited number of secure settings in England and Wales means that children are likely to be living far away from home. In 2019/20, 74% of children in youth custody were placed more than 24 miles from home (Youth Justice Board (YJB) 2021). The median distance from home for children placed in secure children's homes for welfare reasons was 132.3km (range 0–399km; children placed between 1 October 2016 and 31 March 2018) (Williams et al. 2019). Equivalent data is not available for children detained under the Mental Health Act.

The Pathfinder approach aims to provide an alternative to the traditional custodial remand or sentence model, instead providing secure accommodation and outreach support on exit for a stable transition. The provision of secure local placements achieved through this project are likely to have positive impacts on the health and wellbeing of those in secure care, including the following outcomes:

- reduce the likelihood of reoffending, the risk of harm, and the child's vulnerability.
- the child enjoys good physical, emotional, mental, and sexual health; has a healthy lifestyle, and has access to information about health issues that allows them to make informed choices
- the child is physically safe, stable, and emotionally secure. They are protected from ill-treatment, neglect, violence, and sexual exploitation; they are free from bullying and discrimination; and are protected from social exclusion through involvement in crime, anti-social behaviour, and other risk-taking activities.
- the child attends and fully engages in education, training or employment and receives encouragement and recognition for their achievements.
- the child positively participates in restorative practices and receives encouragement and recognition for their achievements.
- the child is actively involved in making decisions about their future and develops their self-confidence
- the child will develop and increase their sense of identity; they understand the effects of racism and discrimination and are able to enhance their coping mechanisms.
- the child positively engages with their family and services, which will likely be made more feasible by placements closer to home. Where possible the child should have access to family therapeutic interventions to improve their trusted relationships and be supported to move back to their family and a more stable home environment, or otherwise into supported accommodation or permanent independent living, making smooth and successful transition.

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- the child is equipped with independent life skills they require to support them, making a smooth and successful transition.

In order to mitigate for any potential negative impacts of the secure accommodation on its local population, the provider must, as a minimum have at least 3 years' delivery experience in providing a residential/semi-independent placement with 24/7 staffing support. It is anticipated that such experience will ensure they have procedures in place to safeguard the child as well as the community. Standards for secure accommodation should be followed, particularly openness on the part of the secure accommodation provider to the external world and external scrutiny, including from families and the wider community.

References:

Williams, A., Bayfield, H. Elliott, M., Lyttleton-Smith, J., Evans, R., Young, H. and Long, S. (2019). The experiences and outcomes of children and young people from Wales receiving secure accommodation orders. Social Care Wales. https://socialcare.wales/cms_assets/file-uploads/The-experiences-and-outcomes-of-children-and-young-people-from-Wales-receiving-Secure-Accommodation-Orders.pdf

Youth Justice Board (YJB). (2021). Youth Justice annual statistics. GOV.UK. Retrieved 4 November 2021 from: <https://www.gov.uk/government/collections/youth-justice-statistics#youth-justice-annual-statistics>

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

Contract Award report and EIA for the London Accommodation pathfinder service, LB Camden 20 July 2022.

BACKGROUND PAPERS

Contract Award report and EIA for the London Accommodation pathfinder service, LB Camden 20 July 2022.

APPENDICES

<i>Appendix A</i>	<i>Collaboration agreement</i>
<i>Appendix B</i>	<i>Camden Award report</i>
<i>Appendix C</i>	<i>EQIA Camden</i>
<i>Appendix D</i>	<i>In Principle Letter June 2022</i>

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

Proposal NOT agreed because

Details of decision maker

Signed

Name:

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date:

Lodging this notice

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____