

## **Supported Accommodation: Children's Services**

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Document Control (i)	
Version	
Version Number:	1.7
Version Date:	14 May 2019
Description of Change:	Updated
Sponsor Approval	
Name:	Jo Kavanagh
Position:	Assistant Director, Children's Services
Date:	<a href="#">Click here to enter text.</a>

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## 1. Executive Summary

Children's Strategic Commissioning is reviewing the future requirements of supported accommodation services for young people in Lincolnshire. Included within the review is:

### The Youth Housing Service

Lincolnshire County Council's Children's Services currently commissions a Youth Housing Service from the Lincolnshire Support Partnership which ends on 30 June 2020. The service offers suitable, supported accommodation to young people aged 16-17 years (including Looked After Children), as well as Care Leavers aged 18-21 years, who may be homeless or at risk of homelessness. The current budget for the Youth Housing service is £989,485 per annum<sup>1</sup> and funds the support element only. The cost of accommodation is met through either housing benefit paid by District Council directly to Lincolnshire Support Partnership or through other Council budgets for Looked After Children/Care Leavers where, as corporate parent, the Council must fund rental charges.

### Intense Needs Supported Accommodation

Children's Services separately spot-purchases placements, as well as operating an in-house service, for Looked After Children and Care Leavers whose intense needs are so high that they cannot be met by the current Youth Housing Service contract and/or are moving from Residential Children's Homes or Foster Care towards semi-independent living.

Spot-purchase arrangements tend to be more expensive because they are usually individual units of accommodation with little or no opportunity to share resources. Numbers and therefore expenditure can vary for those with intense needs from year to year with £2.4m spent in 17/18 and £1.4m in 18/19. Accommodation also tends to be out-of-county making re-integration into Lincolnshire that much more difficult as well as presenting problems for Social Workers and Leaving Care workers in terms of keeping in touch with young people.

### Purpose of the Commissioning Plan

This Commissioning Plan sets out key findings from the review and proposes a new integrated model of service delivery. The recommended model proposes to increase the intense needs support available within the Youth Housing Service and alongside the imminent expansion of the in-house intense needs support, this should result in complex young people being accommodated in Lincolnshire and reduce the amount of money spent on expensive spot-purchase intense needs supported accommodation. Funding will need to be re-distributed to allow this model to work.

It is recommended that the Youth Housing Service budget increases by £660,000 p.a. and the monies used to fund intense needs support be reduced accordingly. It is estimated that direct savings against current spend on supported accommodation services will be in the region of £182,000 in the first full financial year of the new Youth Housing contract with significant additional efficiencies of c. £1m to be made in terms of savings and/or cost avoidance against spot-purchasing of intense needs support or residential or foster care.

TABLE 1: Supported Accommodation Services – costs and savings				
Service	18/19	19/20 Forecast	20/21 Forecast	21/22 Forecast
Youth Housing	£965,000	£990,000	£1,458,000	£1,613,000
Spot Purchase	£1,274,000	£934,000	£355,000	£150,000
In-House	£118,000	£317,000	£412,000	£412,000
Totals	£2,357,000	£2,241,000	£2,225,000	£2,175,000
Efficiencies		£-116,000	£-132,000	£-182,000

<sup>1</sup> Spend in 2018/19 was £964,902 with contingency to cover voids and miscellaneous payments to Looked After Children and Care Leavers within the budget

It is recommended to re-procure the Youth Housing Service by means of a competitive tender. This provides the Council with the opportunity to develop innovative practice, meet statutory duties and the opportunity to deliver efficiencies against current expenditure and budget.

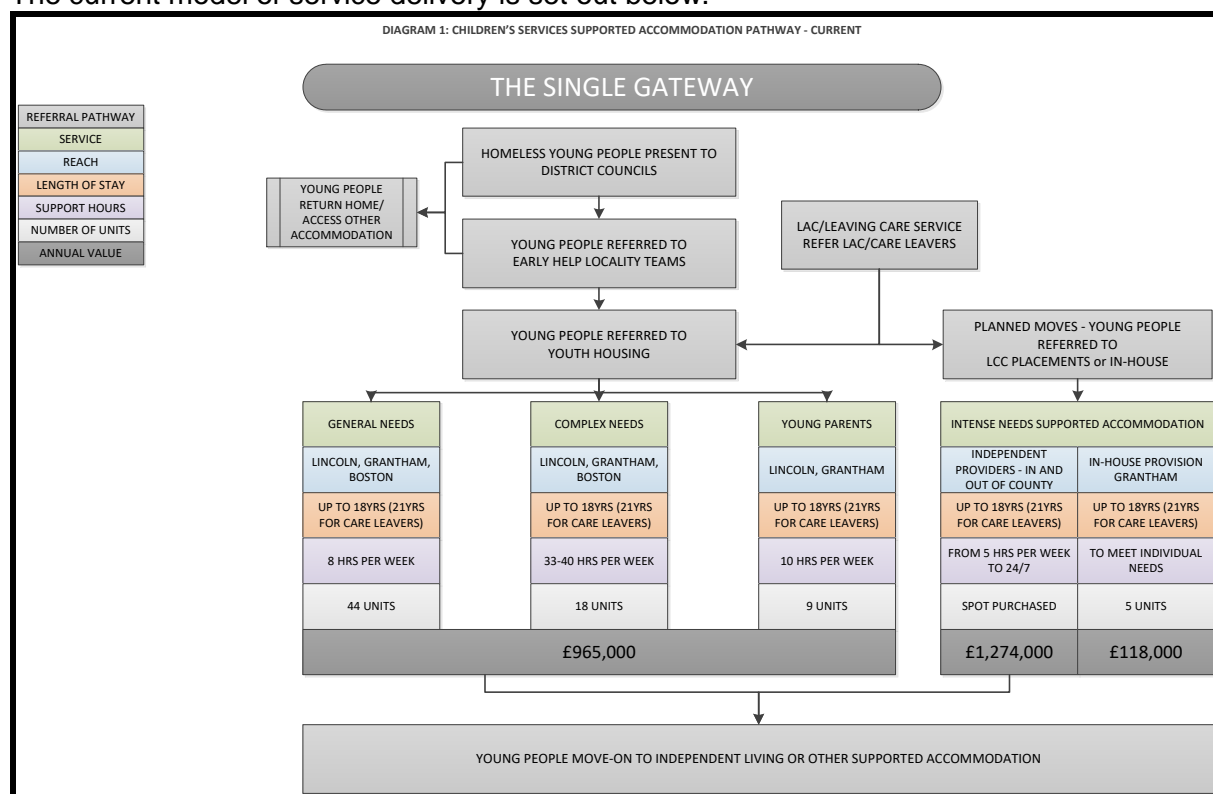
## 2. Background and Introduction

The Council has a statutory duty to ensure Looked After Children up to the age of 18 are accommodated appropriately; to support Care Leavers to access suitable accommodation up to the age of 21; and to assess the needs of homeless 16-17 year olds in their area and ensure they have access to suitable accommodation where applicable. A report on relevant statutory duties has been written and is available on request.

### Current Service Arrangements

The Youth Housing Service contract with the Lincolnshire Support Partnership ends on 30 June 2020 and cannot be extended. The contract is currently rated as 'Good' by Children's Strategic Commissioning.

The current model of service delivery is set out below.



- All 16-17 year olds who are homeless or at risk of homelessness present to District Councils through the Single Gateway.
- If the Districts are unable to assist the young person to return home (wherever safe and appropriate to do so), they will complete an Early Help Assessment and refer to the Youth Homelessness Duty Desk.
- Early Help Locality Teams also support the young person to explore other options including returning home to family or to friends; if the young person remains at risk of homelessness they are then referred to the Youth Housing Desk to source a placement, invariably for the same day.

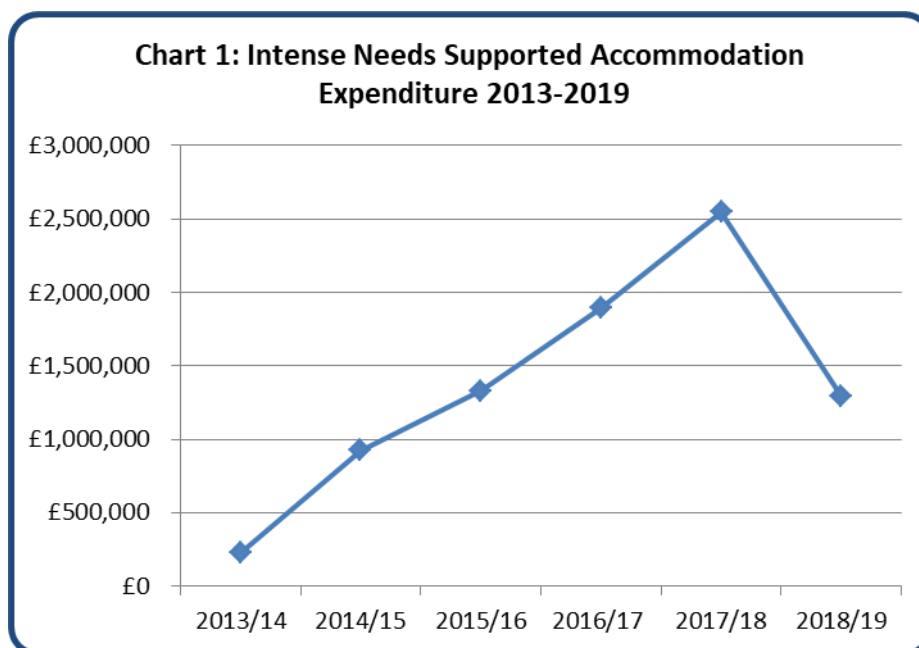
- Looked After Children and Care Leavers can also go through this route or, alternatively, may be referred by Social Workers or Leaving Care Workers direct to Youth Housing.
- Where young people's needs fall outside of the scope of Youth Housing, they may be referred to LCC Placements Desk to commission an Intense Needs Supported Accommodation placement within an independent sector unregulated service, often out-of-county, or be referred to the in-house unregulated service.
- Planned moves for Looked After Children and Care Leavers may also go directly through this route, including scenarios where the young person may wish to reside out-of-county to maintain familial connections or networks of support as a result of relocation or placement history.

Diagram 1 illustrates the nature of any such supported accommodation placement in terms of level of need, potential location, age range, allocated hours of support per week and the number of units available, together with costs for 2018/19. In total, £2.36m was spent in the last financial year. It should also be noted that in 2017/18 the corresponding total was £3.5m.

### Strategic Needs Analysis

A detailed strategic needs analysis is included at Appendix 1. Key findings include:

- In line with statutory duties, Children's Services need to ensure that young people, including Looked After Children and Care Leavers, have **access to suitable and appropriate accommodation**. Given the circumstances i.e. that such young people are likely to be homeless or at risk of homelessness, this means that such suitable **accommodation needs to be accessible quickly** and, more often than not, on a same-day basis.
- Accommodation needs to be **available in areas which offer good transportation links** across the county, promise **opportunities for education, employment and training**, and are close to where homeless young people may present. Service delivery is currently focused on three main 'hubs' – Lincoln, Grantham and Boston – with the overwhelming majority of accommodation units (50) provided in Lincoln. The locations were determined as part of the interim review of Youth Housing that took place in 2017, ahead of the extension of the contract for the permitted two additional years to June 2020, which recommended these areas.
- Services should be geared towards encouraging young people to **return home** (wherever it is safe to do so) by maintaining links with family and, where this is not possible, ensuring an appropriate length of stay by developing and **improving independent living skills** so young people are equipped to 'move-on' at the right time, in a planned manner.
- Since the introduction of the Youth Housing service in July 2015, Children's Services has seen an exponential growth (see Chart 1), until recently, in spot-purchase arrangements for placements for those Looked After Children and Care Leavers whose needs could not be met within the parameters of the Youth Housing contract. These placements are defined as Intense Needs Supported Accommodation and tend to be more expensive due to the complex needs of the young people and of county. Any re-commissioning of Youth Housing services therefore needs to deliver a more integrated set of accommodation options that meets **more complex needs** and can offer step-up, step-down possibilities **within Lincolnshire** to young people accessing such accommodation and complement the in-house offer at Denton Avenue (Grantham) and Rowston Close (Gainsborough).



### Benchmarking

A full benchmarking report is available upon request. Key findings for consideration include:

- Lincolnshire can demonstrate a strong evidence base of both in-house and externally commissioned provision, supported by robust partnership working arrangements, that meets the 'Positive Pathway'<sup>2</sup> framework, developed by St. Basil's and Barnardo's and recognised as Best Practice for the commissioning of and development of supported accommodation pathways, which is largely already in place for young people in Lincolnshire. This includes:
  - Access to information, advice and guidance through the Family Services Directory, Care Leaver Offer and District Council Housing Options teams;
  - Early help through specialist support from Futures4Me team and dedicated Supported Accommodation Officer within the Lincolnshire Leaving Care Service;
  - An integrated response and Single Gateway for access to services;
  - A range of commissioned accommodation and support options, available the same day.
- Comparator exercises are difficult across Local Authorities as definitions of what is included within the Supported Accommodation offer can vary e.g. some are low-level only, others incorporate supported lodgings and many Invitations to Tender include regulated as well as unregulated accommodation.
- Most successful authorities operate a single point of contact or 'one-stop shop' as the gateway for access to supported accommodation services, normally in conjunction with local housing authorities.
- Access to services is generally quick with access to crisis or emergency same-day provision.

### Stakeholder Engagement

Following initial confirmation of the proposed model, some engagement with relevant stakeholders has taken place:

- The main area of feedback from District Councils was around the Single Gateway. This approach was highlighted as working exceptionally well across the county, and provided District Councils and Children's Services with the opportunity to work

<sup>2</sup> See [https://stbasils.org.uk/files/2015-08-35/10\\_FINAL\\_Diagram\\_pathwaysA4\\_booklet\\_98812.pdf](https://stbasils.org.uk/files/2015-08-35/10_FINAL_Diagram_pathwaysA4_booklet_98812.pdf)

collaboratively to address youth homelessness issues and ensure young people could access the right accommodation and support – where necessary - in a timely manner.

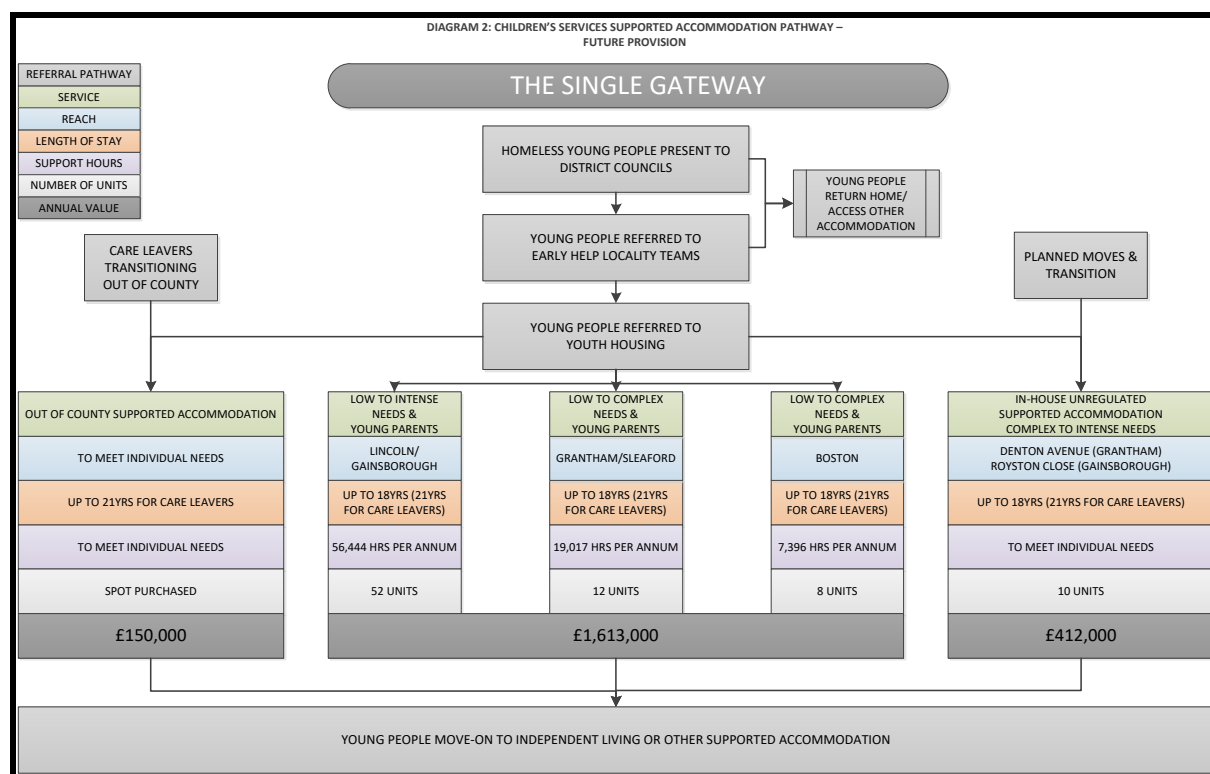
- Feedback from existing providers – Nacro and LEAP - within the Lincolnshire Support Partnership consortium focused on the following:
  - Meeting the needs of a more complex cohort of young people would require more staff and support hours in any new service model;
  - Support hours should be commissioned across projects as a whole, rather than attached to types of accommodation units to allow more flexible support;
  - The reconfiguration of provision - delivered from 3 main hub areas (i.e. Lincoln, Grantham and Boston) - had worked well and allowed for the contract, operationally, to be managed more effectively.

Feedback from young people on the current service is:

- All of the young people spoken to within the current Youth Housing contract stated that they were satisfied with the service and the support they received. They placed particular importance on 'having a place to live', their own physical health, being financially independent and making sure they had a plan for the future.
- They placed a real value on friendships and relationships made in the projects with their peers, and the relationships they had developed with the staff at the projects.
- Choice of where to live was important to a number of service users and, where it had been possible to choose between projects, young people found this significant and said it made them feel in control of their own lives. However, they indicated that transition between projects, where necessary, should be more seamless.

### 3. Proposed New Service Model

Diagram 2 shows the proposed future pathway for supported accommodation.



- The Single Gateway referral mechanism will remain.
- Additional funding is added to the Youth Housing Service contract to increase intense needs support.
- The in-house accommodation has doubled its capacity as a result of the impending opening of the 5-bedded unit at Rowston Close, Gainsborough.
- The changes will, in effect, largely eliminate spot-purchase of Intense Needs Supported Accommodation placements.
- There is a reduced budget proposed to support care leavers looking to retain links to family or networks of support through out-of-county supported accommodation placements, the majority of which, from past experience, tend to be low-level in terms of needs and expenditure.

The total forecasted spend in the first full financial year of the new arrangements is c. £2.175m, this would be a saving of c. £0.182m against 18/19 spend with the added benefits of reducing out-of-county provision (except where positively requested) and associated travel time, and costs thereof, for social workers or leaving care workers. It also retains the young person's connection to Lincolnshire and eliminates complications with delivery of other wrap-around services e.g. CAMHS etc. if they were to move across county borders.

Other financial benefits include the continued expected savings from the in-house unregulated supported accommodation<sup>3</sup> which specialises in accommodating young people in transition from out-of-county residential and/or foster care placements and reintegrating them into Lincolnshire, reconnecting with family and networks of support. The first eight months of operation at Denton Avenue, Grantham, have seen c. £350,000 of savings/ cost avoidance. For example, 'Child A' moved to Denton Avenue in August 2018 from a £3,150 per week out-of-county residential placement, saving a total of £55,787 on that individual placement per annum after allowing for the cost of the Denton Avenue provision.

### **Geographical location**

Feedback from the existing provider (see above) is that concentrating resources in three specific locations helps the service in terms of overall management capacity and recruitment and retention of staff, as well as developing relationships with colleges, other stakeholders e.g. Police and local businesses etc. The current **three main hubs in Lincoln, Boston and Grantham are recommended to continue:**

- Nearly half of all young people referred to the service since July 2015 are from Lincoln and West Lindsey locality where it is proposed nearly 70% of the available units will be situated. Capacity is increased in Lincoln to support young people currently in intense needs provision as this is where the majority prefer to be located. In addition, there is an additional in-house unregulated provision opening soon in Gainsborough (Rowston Close) that will require opportunities for move-on for young people in that locality.
- Over a quarter of referrals (rising to nearly a third over the last 18 months) are for young people from North and South Kesteven where over 20% of the proposed units will be located.
- The other 10% of supported accommodation will be situated in Boston to serve the one-quarter of referrals (down to one in five over the last 18 months) of young people from Boston and South Holland and East Lindsey localities.
- Skegness accommodation was previously decommissioned as it was difficult to staff and, hence, manage leading to conflict with local communities and businesses. Referrals from East Lindsey have reduced significantly. Spalding accommodation was also decommissioned in June 2018. Young people will benefit from good

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<sup>3</sup> See **Appendix 1: Strategic Needs Analysis, Section 3**



transport links, education, employment and training, and recreation opportunities in Boston.

### Age and Status

There is **no change to the age of the eligible cohort**. The focus of the supported accommodation model will continue to be on homeless (or at risk of homelessness) 16-17 year olds, Looked After Children, and Care Leavers (up to the age of 21-years).

- Overall, around 45-50% of young people placed in Youth Housing were either Looked After Children (or became Looked After Children) or Care Leavers. With regards to historical Intense Needs Supported Accommodation provision, the percentage is 100% given the needs of that cohort and average length of stay<sup>4</sup>.
- The Care Leaver cohort is supported up to the age of 21 to continue to access suitable accommodation.
- All 16-17 year olds who are not Looked After Children but are placed in Youth Housing will subsequently be subject to a Social Care Assessment to explore their entitlements and verify their status.
- For those young people who are not Looked After Children, the provision will support them from day one of their tenure to maintain familial links and work towards reconciliation; where a return to family is not possible, they will help them identify and work towards move-on opportunities. It is important therefore that any successful bidder has a robust understanding of the housing market and numerous available move-on options to support young people to transition to (semi-)independent living.

### Number of units

Currently, there are 71 units of supported accommodation commissioned within Youth Housing, with a further five available through the in-house provision at Denton Avenue and five more due to commence at Rowston Close. The **new model proposes to commission 72 units of supported accommodation** in the new Youth Housing contract with **10 units of in-house** unregulated provision available:

- There is a reduced demand for intense needs supported accommodation. This is a result of in-house accommodation supporting young people who are Looked After Children who may have historically accessed intense needs support. The Youth Housing Service was reconfigured to provide more complex needs support hours, again reducing the number of young people needing intense support.
- The average occupancy across all supported accommodation over the last 12 months is 82 units.
- Reducing numbers of young people aged 16-17 have presented as homeless and needing accommodation over the past four years.
- Looked After Children and Care Leavers are choosing to 'Stay Put' within their foster care placement which is reducing demand for supported accommodation.
- Numbers of 15 and 16 year old Looked After Children is reducing and these young people will be likely to transition to supported accommodation in 1-3 years. There is a steady rise of 13-14 year old Looked After Children who are also likely to transition to supported accommodation. Predicting service demand is difficult but indications are that demand is likely to be similar to current requirements.

### Hours of support and meeting needs

Any **spot-purchased arrangements for Care Leavers who require supported accommodation outside of Lincolnshire**, due to familial connections and/or support networks, will be commissioned to meet the young person's needs with the hours of support

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<sup>4</sup> See Appendix 1: Strategic Needs Analysis, Section 2

being tailored accordingly. Based on expenditure in 2018/19 the budget required for this will be c. £150k per annum.

With regards to the rest of the supported accommodation options:

- The available *support* hours for the in-house unregulated supported accommodation at Denton Avenue are c. 5,840 hours per annum with an additional sleep-in every night accounting for a further 2,920 hours per annum<sup>5</sup>. This suggests, based on five residents at any one time, an average of 1,752 hours of support per person per annum. However, according to the needs of the individual(s), additional hours may be drafted in as and when required. It is expected that Rowston Close will replicate this model and mostly focus on a similar cohort of young people i.e. Looked After Children in transition from residential and foster care, often from out-of-county provision.
- The number of hours of provision per annum that go into the existing Youth Housing Service is 62,335 to cater for up to 71 young people at a time or 878 hours per person per annum (average number of young people in situ at any one time over last 12 months is 66 giving an average of 945 hours per person). This is made up of 58,685 hours within the contract extension and an additional night-time support worker (3,650 hours) to ensure two staff members are available at all times at one of the three main projects in Lincoln to help meet the complex needs of the residents.
- Within intense needs supported accommodation, support is often 1:1 and the needs of these young people are very complex. Hours of *support* for 2018/19 totalled 38,100 hours with an additional 22,540 hours provided via sleep-ins (60,640 hours). Over the last 12 months there was an average of 13 young people receiving support, meaning an average of 4,664 hours per person per annum. This contrasts with the in-house un-regulated supported accommodation where support is shared and hours per person per annum are less than half of those within the independent sector solo placements.
- The monies used for eight intense needs placements would need to transfer to the Youth Housing budget to enable Children's Services to operate the new model which would virtually eliminate the spot purchase of intense needs supported accommodation for young people who wish to remain in Lincolnshire. The equivalent of 37,312 hours of support could be commissioned as part of the Youth Housing Service. However, given the shared delivery model it is likely this could be reduced by 45%. It is recommended **an additional 20,522 hours of provision should be commissioned as part of the Youth Housing contract.**
- In total, it is proposed there will be **82,857 hours allocated across the county's 72 commissioned supported accommodation units.**
- Eight units will be for intense needs and 64 units will be for low to complex needs and include flexibility of provision for Young Parents supported accommodation to ensure a geographical spread so that different types of provision can be delivered, as and when required, across all localities.
- Each locality will be allocated a set number of hours for the successful provider to manage amongst the residents according to need. Hours will be allocated based on the current proven model:
  - Boston & South Holland and East Lindsey – 7,396 hours (8 units)
  - North & South Kesteven – 19,017 hours (12 units)
  - Lincoln & West Lindsey – 35,922 hours (44 units) + 20,522 (Intense Needs) i.e. 56,444 hours

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<sup>5</sup> Based on 1:5 support (1 worker:5 residents) 24/7.

## **4. Options Analysis**

### **4.1. Options Overview, Criteria and Approach**

Commissioning options below assume agreement with the proposed new model of service delivery. Commissioning by influence or in partnership with other agencies has not been considered given the clear duties the Council has for the service. Equally, insourcing is theoretically an option but would require a significant reconfiguration of use of any suitable existing Council properties and/or large-scale purchase and/or lease of suitable accommodation. This is viewed as cost prohibitive and for this reason this commissioning option has also been discounted.

The options considered include:

#### **1. Do Nothing**

The contracts have already been fully extended under the terms and conditions, and to continue with existing services would risk legal challenge if not opened up to competition. This option has been discounted.

#### **2. Decommission**

Given the statutory duties upon Children's Services, this option has been discounted.

#### **3. Procurement**

Procure the new service model through an open competitive tender. It is recommended that a contract be awarded for 5 years (3+ a maximum of 2 years extension). The new contract would commence on 1<sup>st</sup> July 2020. This option is recommended.

### **4.2. Options Appraisal**

#### **1. Do Nothing**

The current contracts end on 30 June 2020 and cannot be extended further without an exception to the Council's Contract and Procurement Procedure Rules.

##### **Advantages**

- If the Exception was agreed, the service could continue without disruption.
- No TUPE implications and subsequent impact on future delivery of services.
- No interruption to services for people accessing supported accommodation.
- Removes the cost of the procurement exercise.
- Current service is rated as 'Good' and delivers value for money.
- An extension may help align the contract period with any future Adult Services procurement for Housing Related Support.

##### **Disadvantages**

- Exception could be open to Legal challenge by other suppliers.
- Offers no opportunity for innovation or change within service delivery.

#### **2. Decommission**

This would necessitate stopping the services altogether.

##### **Advantages**

- Considerable upfront savings.

### **Disadvantages**

- The Council will not be able to discharge its' statutory duties in a strategic manner.
- Possible Legal challenge from young people accessing the service now or who may be homeless in the future.
- Safeguarding implications for young people who are homeless or at risk of homelessness.
- Potential higher costs of making placements on an ad-hoc basis.

### **3. Procurement**

#### **Advantages**

- Allows the current provider market to be tested and for most economically advantageous tender to be selected.
- Integrated model offers potential for step-up, step-down provision.
- Promises efficiencies against current spot-purchase methodology for Intense Needs Supported Accommodation.
- Enables vast majority of supported accommodation to be delivered in county.
- Single contract to manage.
- Supports Children's Services workforce by reducing the requirement for them to travel out of county to carry out reviews.

#### **Disadvantages**

- Possible issues around 'matching' residents may inhibit ability to make some intense needs supported accommodation placements necessary via spot-purchase.

### **5. Recommended Option(s)**

The recommended option is re-procurement by means of a competitive tender to account for all supported accommodation services required by Children's Services. This provides the Authority with the opportunity to develop innovative practice, meet statutory duties and the opportunity to deliver efficiencies against current expenditure and budget. See Annexe A for scoring matrix.

#### **5.1. Detailed Costs, Funding and Benefits (i)**

##### **Costs**

- The Youth Housing budget is £990,000 p.a. and expenditure in 2018/19 was £965,000. The average weekly cost of provision was £279 per person<sup>6</sup> (average 66 young people).
- Expenditure in 2018/19 for intense needs support accommodation was £1.28m. The average weekly cost of a placement was £1,900 (average 13 young people).
- The average hourly rate of the Youth Housing contract is c. £15.40<sup>7</sup>. Undertaking a similar exercise of Intense Needs Supported Accommodation provision suggests an hourly rate of £29.90 (including accommodation) or £24.96 (excluding accommodation). If Intense Needs Supported Accommodation provision can be moved to Youth Housing, utilising resources on a shared provision rather than 1:1 basis, significant savings can be achieved given the respective hourly rates.
- The budget for Denton Avenue, which Rowston Close is expected to replicate, is c. £181,000 p.a.<sup>8</sup>. The average weekly cost per person is c. £694<sup>9</sup> assuming full capacity.

<sup>6</sup> NB: this does not include rental payments for Looked After Children whom make up as much as one-quarter of residents. Rental charges are c. £250/week

<sup>7</sup> This 'crude' hourly rate can be established by dividing total expenditure by hours of support delivered.

<sup>8</sup> Corporate overheads have not been included with budget focusing on actual costs of provision

- Overall, expenditure on supported accommodation in 2018/19 was c. £2.357m, at an average weekly cost per person of c. £556. It should be noted that this is around £1m less than 2017/18.
- However, it is unlikely that the hourly rate associated with the Youth Housing contract will replicate the hourly rate above given bid submissions were made nearly five years ago when, for instance, the national minimum wage was more than 20% lower (£6.50/hour) than the current rate of £8.21/hour and bidders may have to consider a further 20% rise over the duration of any new contract, which will run to 2025<sup>10</sup>.
- Table 2 below highlights that the average wage of support workers of the existing provider is £21,934 per annum, based on 39 hours per week. Taking those necessary additional elements into account that will form part of any bid submission e.g. on-costs, sick pay, overheads etc., the supposition is that bids are likely to be submitted with hourly rates akin to c. £19.46 per hour.

TABLE 2		
DIRECT PAYROLL COST		
Basic Salary		£21,934
Employer NI Employer Pension cost		£3,290
Holiday Pay Estimated Sick Pay Cost		£3,290
<b>Basic Payroll cost (weekdays)</b>	<b>Sub Total 1</b>	<b>£28,514</b>
<b>Extra pay for weekends and antisocial hours</b>	<b>Sub Total 2</b>	<b>N/A</b>
<b>Direct Payroll Cost</b>	<b>Sub Totals 1 &amp; 2:</b>	<b>£28,514</b>
OVERHEADS		
Standby Staff Cost		£1,425.7
Training		£219.35
Travel cost & mobile		£1,244
Recruitment cost		£219.35
Management and admin costs and on costs for management/office staff		£3,421
Establishment cost. Rent, Utility, Communication, insurance, fixtures and fittings.		£2,281
<b>Total Overheads</b>	<b>Sub Total 3</b>	<b>£8,810.40</b>
TOTAL COSTS		
<b>Total Cost (Payroll + overheads)</b>	<b>Sub Totals 1,2 &amp; 3</b>	<b>£37,324.40</b>
OPERATING MARGIN		
Operating Margin %		6.00%
Operating Margin £	<b>Sub Total 4</b>	<b>£2,239.50</b>

<sup>9</sup> However, this is based on maintaining a 1:5 staffing ratio; if one allowed for a 1.25:5 staffing ratio to allow for occasions where more complex needs children are being accommodated, the budget would be £226,250 p.a. with an average weekly cost of £868 per person.

<sup>10</sup> NB: it is expected that a similar occurrence will be seen with INSA provision – in 2015 the standard hourly rate for support from the main provider was £20/hour; it is now £25/hour

<b>TOTAL CHARGEABLE TO COUNCIL</b>	<b>£39,563.90</b>
HOURLY RATE EQUIVALENT (39 HOURS)	£19.46

## Funding

- Given the number of hours to be delivered has been identified as 82,857, the indicative budget required for the new Youth Housing contract will be £1,613,000. This is £623,000 above existing budget. In order to cover voids and unforeseen payments which a corporate parent may need to meet<sup>11</sup> a further c. £37k will be required, bringing the budget to around £1,650,000. This will necessitate a transfer of £660,000 to the Youth Housing budget.

## Benefits

- Section 3 in Appendix 1 (Strategic Needs Analysis) highlights the comparative costs of spot purchase provision against block provision by independent provision<sup>12</sup>. Charts 24-26<sup>13</sup> show savings through block purchase, based on 3-bedded and 5-bedded units, against spot-purchased arrangements. The charts demonstrate the importance of full capacity in any block purchased arrangement to maximise savings, with cost reductions generally only being realised once four (or more) beds are filled.
- By including the Intense Needs hours of provision alongside the rest of the support hours required in any tender submission, and locating them in the same locality as the bulk of those support hours, the intention is to overcome such issues highlighted above by allowing any successful bidder to use resources flexibly and help young people step-up or step-down within provision as needs change. Bid submissions will be scrutinised to ensure that providers have a clear and precise methodology to maximise the use of funding and ensure accommodation units and hours of provision are fully utilised.
- It is envisaged moving Intense Needs Supported Accommodation provision into the Youth Housing contract using the pathway illustrated in Diagram 2 and the model outlined above will save c £0.182m (see Table 1) against current expenditure in the first full financial year of the new Youth Housing contract.

TABLE 1: Supported Accommodation Services – costs and savings				
Service	18/19	19/20 Forecast	20/21 Forecast	21/22 Forecast
Youth Housing	£965,000	£990,000	£1,458,000	£1,613,000
Spot Purchase	£1,274,000	£934,000	£355,000	£150,000
In-House	£118,000	£317,000	£412,000*	£412,000*
Totals	£2,357,000	£2,241,000	£2,225,000	£2,175,000
Efficiencies		£-116,000	£-132,000	£-182,000

- However, the model itself, with judicious use of the in-house unregulated supported accommodation, has the ability to save (and ensure cost-avoidance of) far more. Evidence from the nine months of the Denton Avenue project to date, shows savings of c. £300k (against the cost of previous provision) and cost avoidance of c. £200k (against the hypothesised cost of alternative provision), totalling c. £350k after allowing for expenditure associated with the project itself.

<sup>11</sup> Funding model is based on beds being filled. If insufficient referrals are made, this impacts on the funding model and voids are covered after one month of continuous non-use. Corporate parenting payments may include rent arrears; significant damages etc. to avoid eviction and/or homelessness.

<sup>12</sup> Independent sector estimation undertaken via engagement in 2016 with existing supported accommodation marketplace.

<sup>13</sup> See **Appendix 1: Strategic Needs Analysis, Section 2.3**

- In addition, Chart 27<sup>14</sup> demonstrates the savings to be made through full capacity use of all ten units of the in-house unregulated supported accommodation against independent sector residential care over 12 months, ranging from £1.2m to £1.5m depending on staffing levels that need to be deployed.
- This ability to be able to more readily plan the transition of Looked After Children and Care Leavers from foster care and, in particular, residential care (including more expensive independent sector placements) from age 16, promise c. £1m of savings/ cost avoidance per annum if full capacity can be maintained. The shift of Intense Needs Supported Accommodation provision into the Youth Housing contract, and the enhanced hours of complex needs provision therein, will also offer a ready-made step-down option from the in-house unregulated supported accommodation as Looked After Children and Care Leavers make their journey towards independent living.

## 5.2. Risks and Dependencies

First and foremost, the level of interest within the marketplace for Youth Housing services is somewhat limited. Recent market engagement surveys suggest that some of those providers delivering the Adult Housing Related Support Service do not wish to accommodate young people under the age of 18 years. Where they do retain an interest, such as the existing provider of Youth Housing services, there are elements of cross-subsidy with contracts in Adults Housing Related Support that may see costs increase if multiple contracts are not secured or not available to be secured.

Moreover, many of those engaged in the provision of intense needs supported accommodation services prefer to operate a model predicated on solo placements as opposed to large-scale delivery projects that may include foyer-style accommodation. However, it is believed that the indicative budget above is within current operating costs and the specification will allow flexibility for providers to combine contracts and make best use of resources to ensure viability and sustainability.

The availability of move-on accommodation and other supported accommodation services remains a concern and this may be exacerbated by any decision to reduce or remove accommodation based support within the Adults contracts. It is imperative therefore that any successful bidder is able to call upon significant resources in such respects.

There are other ongoing risks linked to costs and legislation, namely the impact of increases in the National Minimum Wage during the lifetime of the contract in an employee-intensive service and/or (potential) changes to regulations regarding Housing Benefit etc.

The funding model is predicated on securing intensive housing management payments via District Councils (to fund the rental element of the accommodation-based service) that poses a risk to the Council in terms of covering the cost of voids given the volatility in terms of numbers of young people requiring a placement.

That volatility is another significant factor in the success, or otherwise, of the recommended model given it is based around stable numbers coming through the care system and Single Gateway who require supported accommodation services, particularly at the higher end of the needs scale. This will require close working with staff managing the in-house unregulated supported accommodation schemes to ensure that, together with the successful supplier of the Youth Housing tender, intense needs placements can be co-ordinated and managed effectively.

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<sup>14</sup> See **Appendix 1: Strategic Needs Analysis, Section 3**

### 5.3. Impact Assessment

Work upon the Impact Assessment has been started but is not yet sufficiently developed to provide any meaningful indication of positive or negative impacts due to the requirement for further substantial engagement to be undertaken with key stakeholders, particularly with regard to discussion around the proposed model.

## 6. Key Milestones

Activity/Milestone	Start Date	End Date	Output/Deliverable
Report to Commissioning & Commercial Board	29/01/19	29/01/19	Strategic steer
Service user engagement	March 19	August 19	Feedback from service users
Stakeholder Workshops	April 19	August 19	Feedback from providers/ partners
Report to Commissioning & Commercial Board	20/05/19	20/05/19	Confirmed methodology
Report to Children's Services DMT	04/06/19	04/06/19	Recommendations to DMT
Report to CYPSC	06/09/19	06/09/19	Feedback from Scrutiny Committee on recommended Option
Executive or Executive Councillor	01/10/19	01/10/19	Agreement to progress
Publish Invitation To Tender (ITT)	07/10/19	07/10/19	Bids submitted
Provider Briefing Session	Oct 19	Oct 19	Deal with ITT queries
Tender Award	Jan 20	Jan 20	Award Tender
Implementation Period	Jan 20	Jun 20	Work with new Supplier
New service commences	Jul 20	Jun 25	New service in place

## 7. Appendices (i)

### Appendix 1: Strategic Needs Analysis



ANNEXE A: Scoring Matrix of Options	Strategic fit		Ease of implementation		Risks to delivery*		Quality of service		Cost		Total	
	Unweighted	Weighted	Unweighted	Weighted	Unweighted	Weighted	Unweighted	Weighted	Unweighted	Weighted	Unweighted	Weighted
<b>Weighting:</b>		2		3		3		2		4		
<i>Do Nothing</i>		1		9		1		7		6		70
<i>Decommission</i>		1		1		1		1		9		46
<i>All supported accommodation</i>		8		7		6		7		8		101

**Scoring Key:** Low 1-3, Medium 4-6, High 7-9

**Note:** The higher the score, the better the option. \* When scoring 'Risks to Delivery' – a high score = low risk; low score = high risk. (Figures provided as **examples**, amend accordingly).

#### Criteria Descriptions

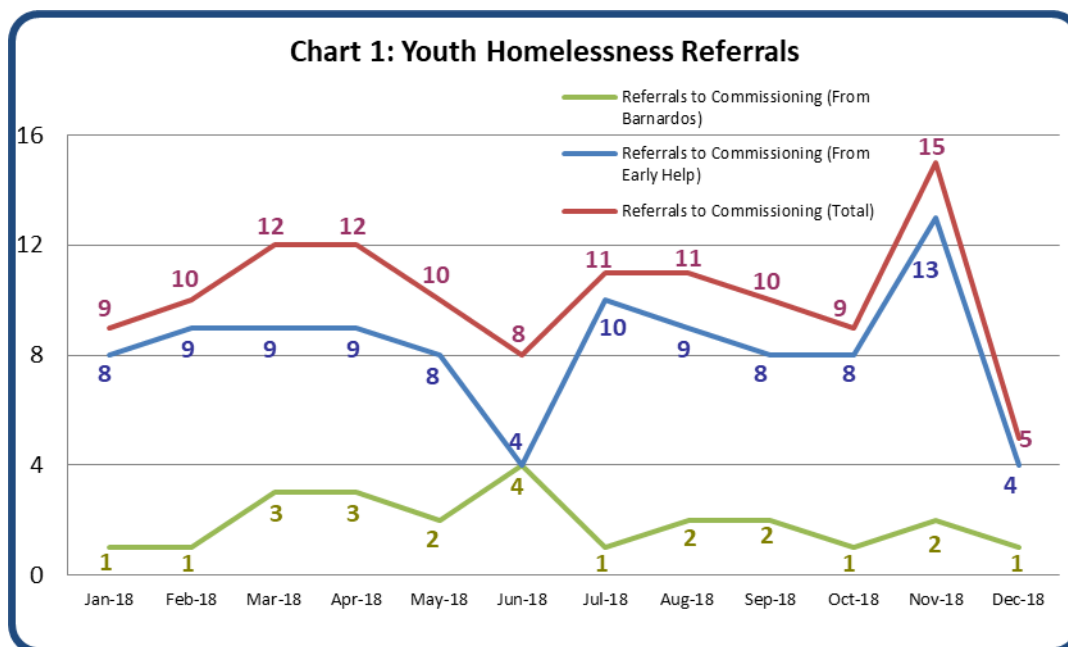
- **Strategic fit** - This includes the design and scope of the proposed solution and the accountability and governance arrangements. This assessment also takes in to account any partnership arrangements and the amount of supportive or negative impact.
- **Ease of implementation** - This includes the impact of any procurement (if relevant) as well as the organisational arrangements. It also takes in how well a new service could run, taking account of factors such as TUPE.

- **Risks to delivery** - This looks at service delivery and the risks posed by the option. It considers risk in its widest sense and covers for example, reputational risk, stakeholder engagement risk, management capability, potential conflict of interests etc.  
\* When scoring 'Risks to Delivery' – a high score = low risk; low score = high risk.
- **Quality of service** - This takes a holistic approach and considers service quality in its widest sense.
- **Cost** - This takes account of all costs including: potential for added value or savings, cost of putting options in place, (including any procurement costs), opportunity costs, staff costs e.g. TUPE.

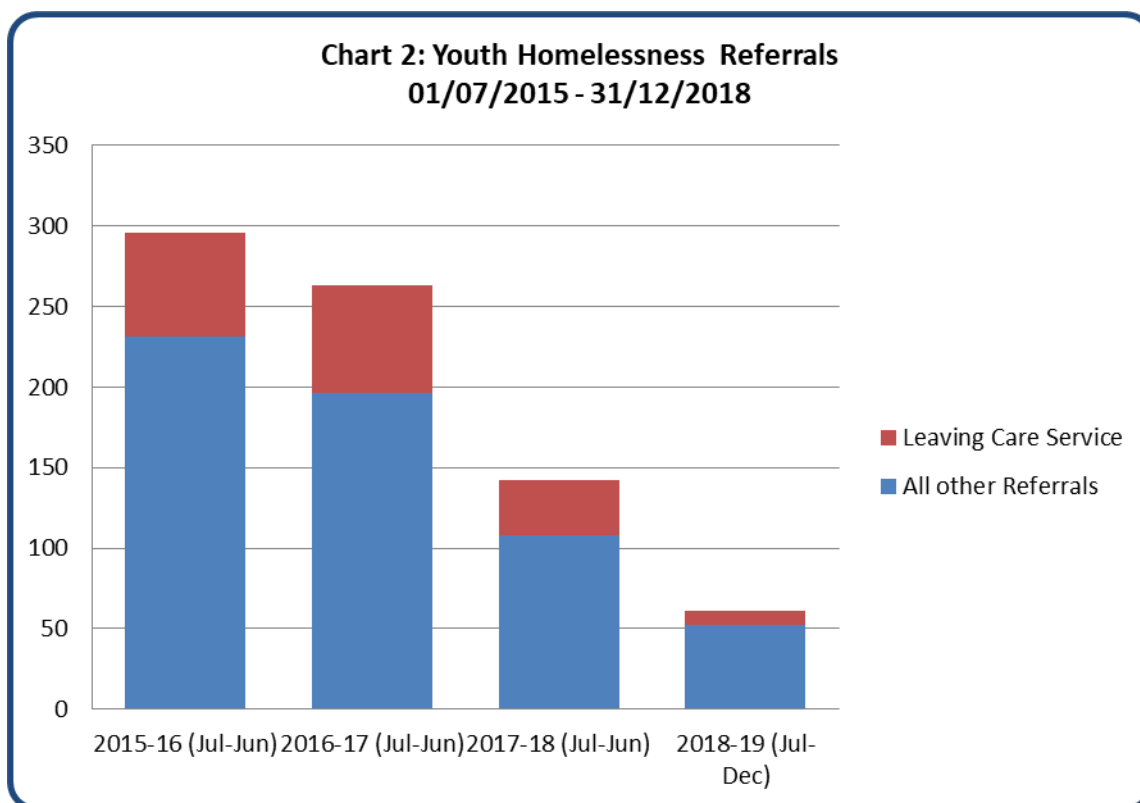
## Appendix 1: Strategic Needs Analysis

### 1. Youth Housing Contract Data & Performance

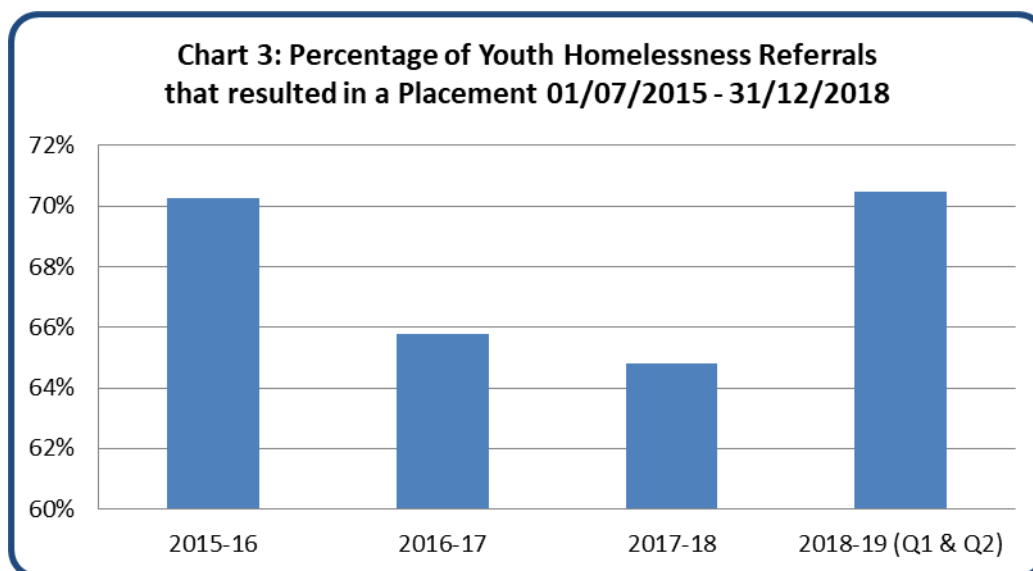
#### 1.1 Referrals



- 1.1.1 Chart 1 shows the situation from 1st January 2018 to 31st December 2018 in which a total of 122 referrals were received by the Youth Housing Desk, situated within Children's Commissioning and, of these, 23 were care leavers referred directly by Barnardo's. Although this suggests less than 20% of referrals are care leavers, the number of Looked After Children (Looked After Children) and care leavers, as a proportion of those that are actually placed, tends to be towards half of the cohort in residence at any one time.
- 1.1.2 The chart above shows a fairly even spread of referrals throughout the year with a peak in November and trough in December. Referrals from the Leaving Care service peaked in June, in contrast to those from Early Help.
- 1.1.3 Chart 2 below shows the number of referrals from the start of the contract to December 2018 (NB: 2018-19 only relates to Quarter 1 and Quarter 2 data). This shows that the number of referrals has reduced year on year, but particularly from year 3 onwards of the contract.
- 1.1.4 The premise is that as Early Help has become embedded into the locality teams, enhanced their understanding of the housing needs of young people and become better informed about what type of needs the contracted provision caters for, the referrals have become both more informed and appropriate, and hence less numerous with young people deemed as not appropriate being supported back to the family home.



- 1.1.5 District Councils have also had a part to play, becoming more accustomed to operating the Single Gateway and helping young people to return home, wherever safe and appropriate to do so.



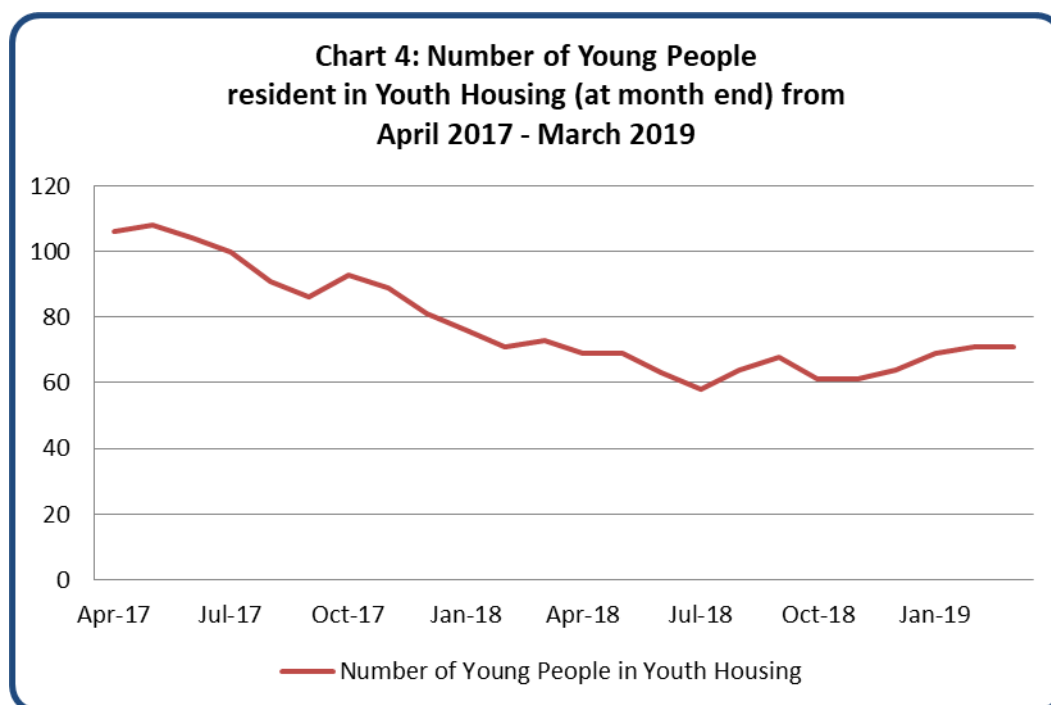
- 1.1.6 To an extent the above supposition is reflected in Chart 3 which shows the actual percentage of referrals that resulted in a placement. In total, across the 3½ years of the contract's operation to December 2018, two-thirds of 784 Youth Housing referrals have resulted in a placement. There can be a number of reasons for a referral not resulting in a placement e.g. alternative accommodation was found, the young person returned home, the young person refused the offer, or the provider, the

Lincolnshire Support Partnership (Lincolnshire Support Partnership), refused the referral, as they could not meet the young person's needs.

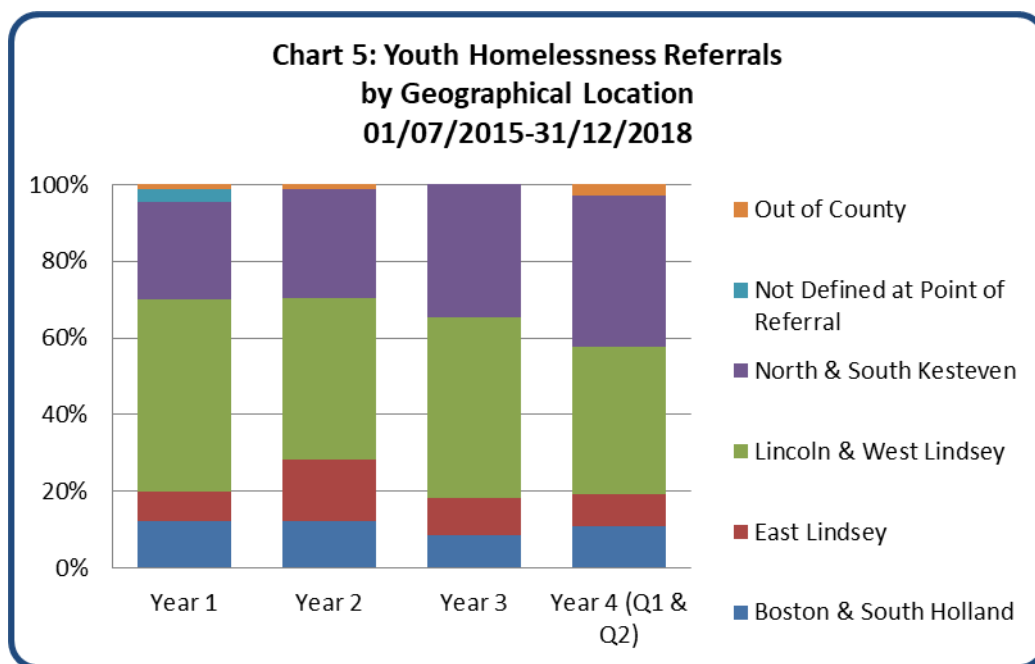
- 1.1.7 Of the 516 referrals that resulted in a placement around 11% (56 young people) left, then were re-referred at a later date and placed again (some more than once), resulting in a total of around 450 young people having used the service over the life of the contract to December 2018.

## 1.2 Placements

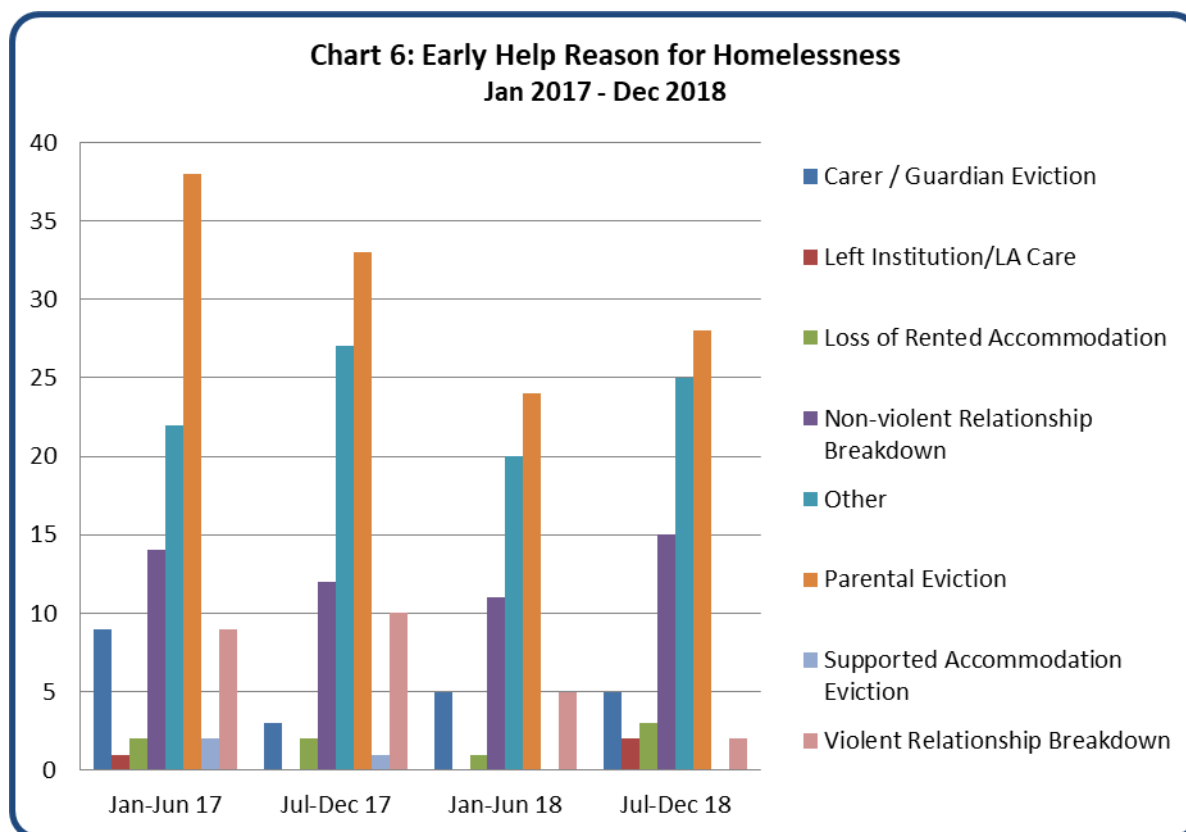
- 1.2.1 Chart 4 shows the number of Youth Housing placements in situ at the end of each month over the past two years to give a picture of occupancy per month. Although there appears to be a significant drop in numbers, the Youth Housing contract was reduced from 122 units in July 2015 to 111 in April 2017 and then to 71 units in July 2018, showing that the provision has reached full capacity in recent months.



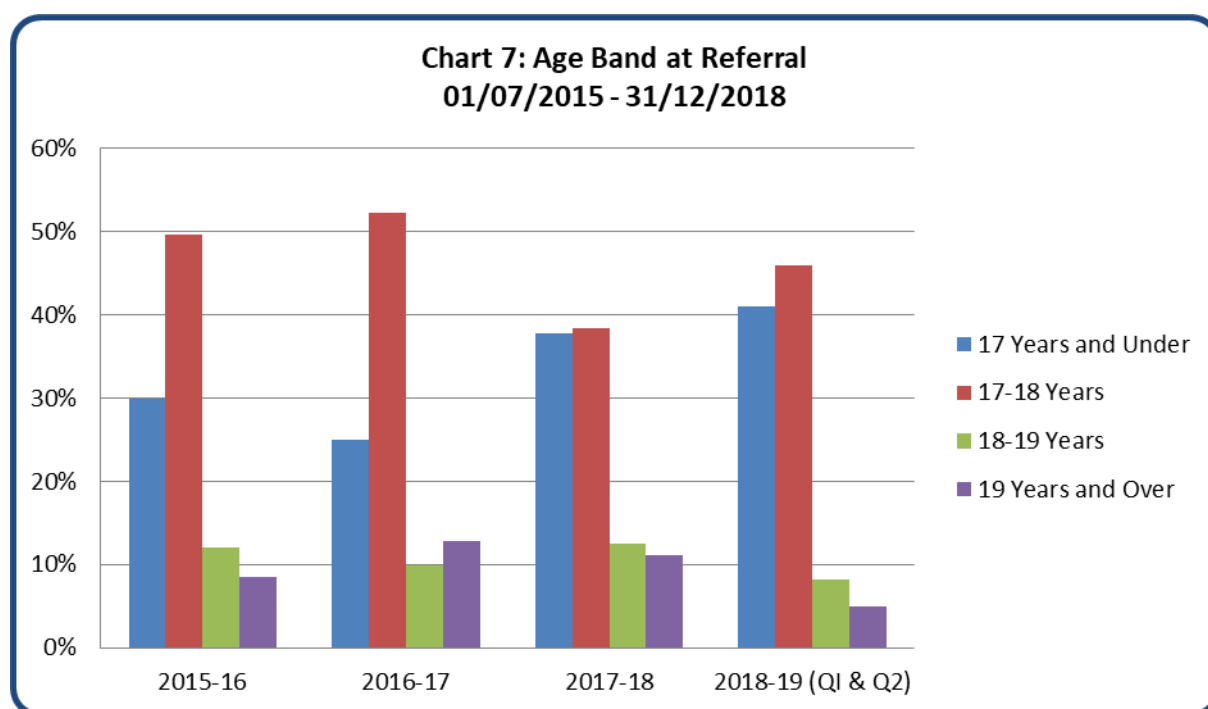
- 1.2.2 Chart 5 shows the origin of the young people referred to the service by locality area or out-of-county if a Looked After Children or care leaver from another Local Authority. The highest number of referrals (between 40 and 50 percent each year, 46% overall) relate to Lincoln & West Lindsey followed by North & South Kesteven (25 to 30 percent). Around three-quarters of referrals therefore come from areas that are close to where 90% of the accommodation units are based (Lincoln and Grantham).



1.2.3 The data for Chart 6 covers the period 01/01/2017 to 31/12/2018. The chart shows that the main reason for homelessness is Parental Eviction (with Carer/Guardian eviction in effect adding to eviction from family home), followed by Other Reasons (essentially, any reason that is not covered by any of the other designations and may include, for example, 'left home', 'requires accommodation with support', 'safeguarding' etc.), and then Non-violent Relationship Breakdowns.



### 1.3 Residents

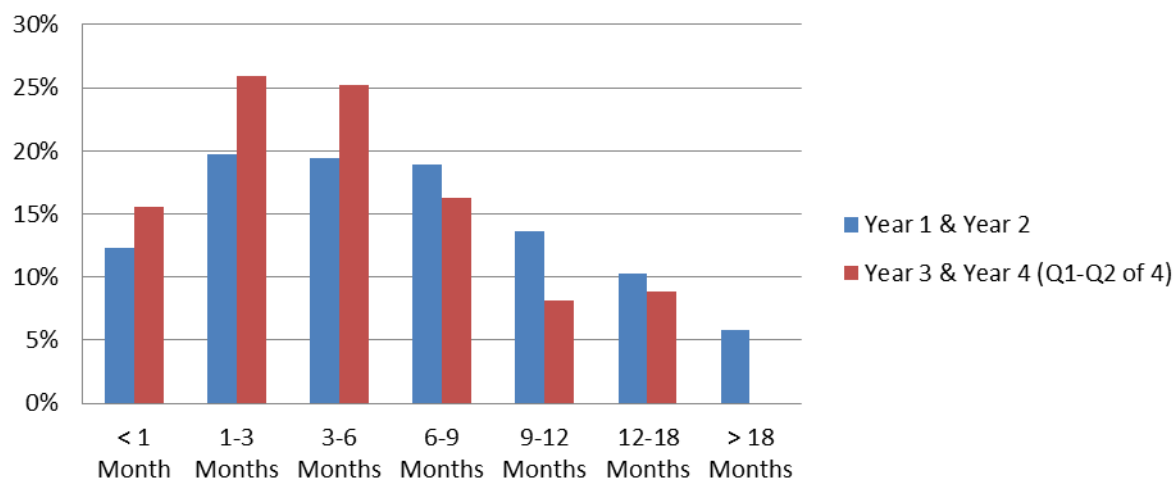


- 1.3.1 Year on year, as shown in Chart 7, there is a higher percentage of referrals in the 17 to 18 year old category; however, this is more pronounced in the first two years of the contract, with referrals in the 18 months to December 2018 for 17 to 18 year olds being only marginally higher than that for 16 to 17 year olds.
- 1.3.2 Referrals for those aged 18yrs plus (care leavers) have remained steady over the first three years of the contract at around 20-25% of all those referred. The data for the first six months of year four of the contract shows a reduction of around half in terms of the overall percentage referred, suggesting other more appropriate, longer-term options have been identified through the leaving care service.
- 1.3.3 Overall, between 45-50% of young people placed in Youth Housing were either Looked After Children (Looked After Children) at the point of placement (or subsequently became Looked After Children during the placement) or were Care Leavers.
- 1.3.4 Chart 8 shows the percentage of young people that stayed in the provision for certain defined periods of time, comparing those placed during the first 2 years of the contract with those placements commencing in year three and the first two quarters of year four<sup>15</sup>.
- 1.3.5 The data suggests that the service and associated support from Children's Services is becoming better at supporting young people to achieve outcomes more quickly and

<sup>15</sup> NB: the information for year four cannot be fully represented as, clearly, some young people will not have had the chance to stay for longer than 12 months, depending on their placement start date.

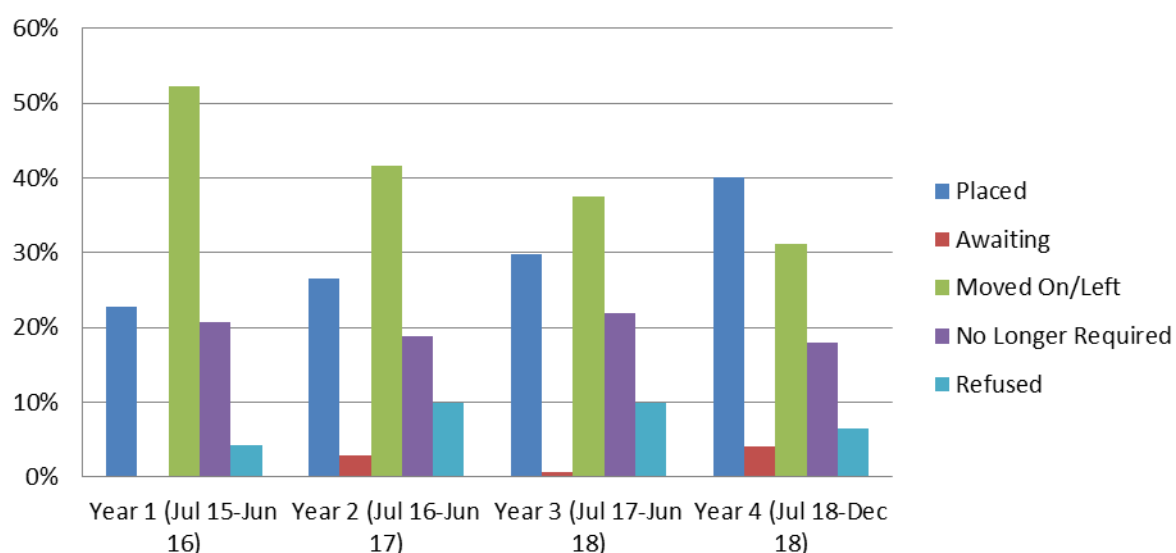
effectively than in the past with the proportion of young people being supported to return to family and friends, for instance, being particularly high (see Chart 10).

**Chart 8: Length of Stay for Placements Commencing in Year 1 & 2 (01/07/15 - 30/06/17) and Year 3 & 4 (01/07/2017 - 31/12/2018)**



#### 1.4 Outcomes for Young People

**Chart 9: Outcomes from Referrals - Snapshot at the end of each Contract Year (or to end of Q2 for Year 4)**



- 1.4.1 Chart 9 takes data from the end-of-year (end of Q2 for year four) 'snapshot' of existing placements at that specific point in time to assess the numbers who, for example, are still in placement or have moved on or left etc. This helps to demonstrate the throughput of the service and that the cohort of residents is highly transient, with at least a third of those placements having moved-on within a 12-month or 6-month (as applicable) period. Comparison over time suggests the cohort

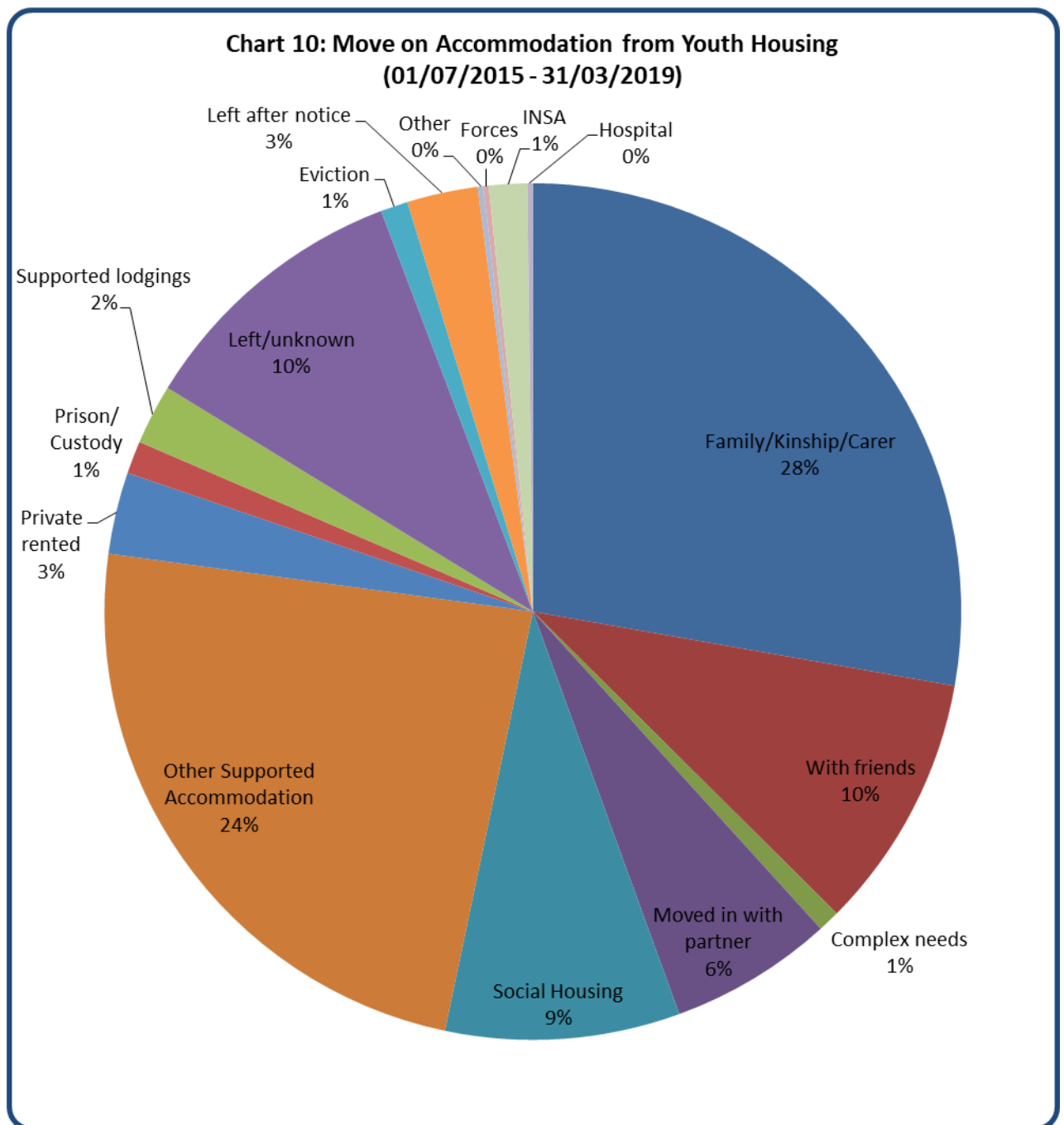


have become increasingly stable with the percentage 'placed' rising whilst the percentage having 'moved-on or left' decreasing.

- 1.4.2 Chart 10 looks to show the nature of move-on from the Lincolnshire Support Partnership within the four years of the contract's operation<sup>16</sup>. Close to half (44%) of young people have moved back home to family or friends, or set up home with their partner. Close to 30% have moved-on to other supported accommodation options (including Supported Lodgings and Intense Needs Supported Accommodation [Intense Needs Supported Accommodation], or step-up to complex needs provision) and more than 10% have moved into more independent accommodation options (private rented or social housing).

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<sup>16</sup> NB: this information only relates to Nacro and LEAP and does not include Axiom (involved in contract July 2015 to June 2018) and NCHA (involved in contract July 2015 to June 2017), as they are no longer part of the consortium and the relevant data is not accessible.



1.4.3 The vast majority (70%) of move-on to 'other supported accommodation' is through the Lincolnshire Support Partnership's own move-on stock with 15% to supported accommodation offered by providers outside of the Lincolnshire Support Partnership (Table 1). Over the first four years of the contract, the data suggests that only 5% have moved into the Adults contract, though undoubtedly many more young people, particularly care leavers, will have directly accessed such accommodation without coming through Youth Housing.

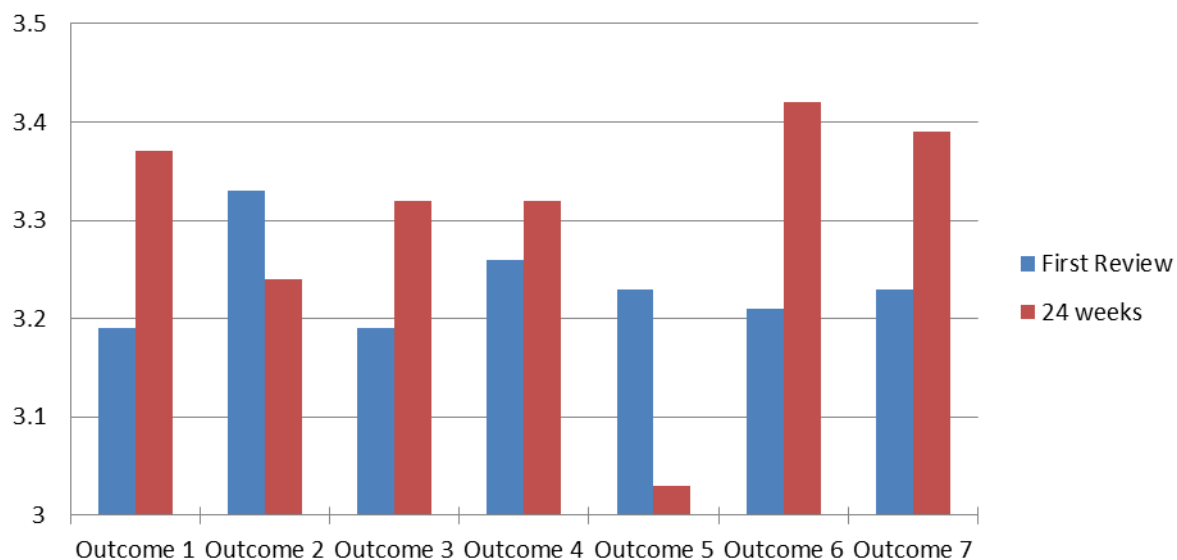
<b>TABLE 1: Move-on to Other Supported Accommodation (Jul 15-Mar 19)</b>					
Other Supported Accommodation Categories	Year 1 Jul 15 – Jun 16	Year 2 Jul 16 – Jun 17	Year 3 Jul 17 – Jun 18	Year 4 Jul 18 – Mar 19	Total
Lincolnshire Support Partnership Move on	14	23	30	11	78
Non-Lincolnshire Support Partnership Move on	4	3	5	4	16
Outside of Lincolnshire Supported Accommodation	1	1	1	2	5
Unknown	6	0	1	0	7
Adult's Housing Related Support Contract	0	1	4	1	6
Secure Accommodation	0	0	0	1	1

- 1.4.4 Average scores for Outcomes Data for young people resident within the Youth Housing Service for 6 months or more are provided in Charts 11-13. Lincolnshire Support Partnership score each individual outcome on a scale of between 1 and 5, with 1 being 'Stuck' and 5 being 'Independent'. The seven Outcomes are categorised as follows:

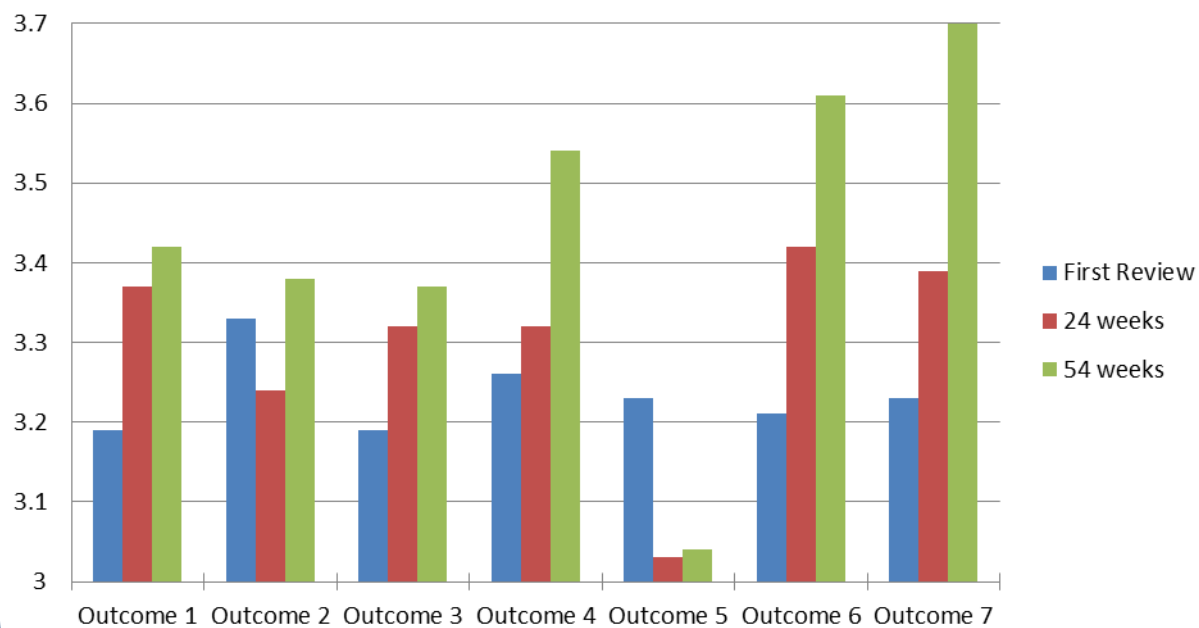
<b>TABLE 2: Outcome Themes for Young People</b>	
<b>Outcome 1</b>	Improved independent living skills through: Practical skills, Financial literacy and financial management skills, Social skills.
<b>Outcome 2</b>	Improvement in a young person's social behaviour.
<b>Outcome 3</b>	Improvement in a young person's physical, emotional wellbeing and mental health.
<b>Outcome 4</b>	Improvement in a young person feeling safe in their accommodation.
<b>Outcome 5</b>	Young people achieving through participation in Education, training and employment and developing skills in tenancy management.
<b>Outcome 6</b>	Improvement in a young person's relationships with family and friends.
<b>Outcome 7</b>	Improvement in a young person's networks with their local community.

- 1.4.5 As Charts 11-13 show, outcomes within Lincolnshire Support Partnership for young people improved between their first and final review, for the majority of outcome themes. In particular, Outcome 6 (Improvement in a young person's relationship with friends and family) and Outcome 7 (Improvement in a young person's networks with their local community) showed significant improvements. Overall, young people who stayed in the project for longer (i.e. 54 weeks minimum) had bigger improvements in outcomes.
- 1.4.6 For example, young people that remained with Lincolnshire Support Partnership for at least 54 weeks had a higher average score for Outcome 6 than those that stayed for at least 24 weeks. This shows the gradual success of the Lincolnshire Support Partnership in helping young people to work on and improve their relationships with friends and family. Improvements with regard to these important relationships are vital in assuring young people will have the right support upon leaving the project.

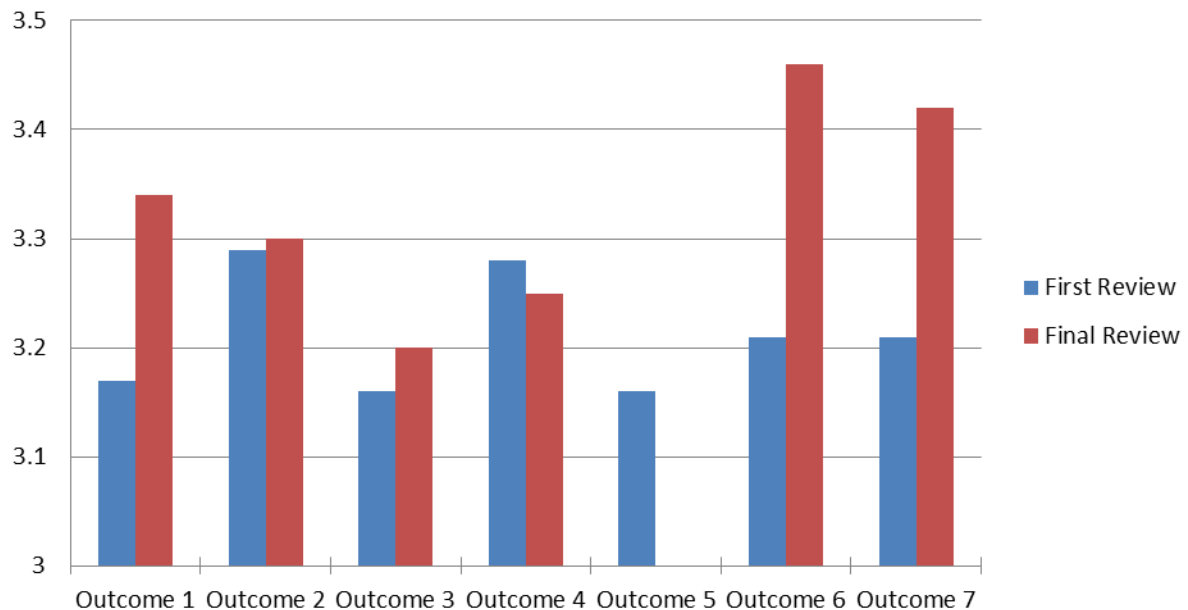
**Chart 11: Average Scores for 200 Young People in service for at least 24 weeks (July 2015 - March 2019)**



**Chart 12: Average Scores for 71 Young People in service for at least 54 weeks (July 2015 - March 2019)**



**Chart 13: Average Scores for the 506 Young People who have left Lincolnshire Support Partnership between July 2015 - March 2019**

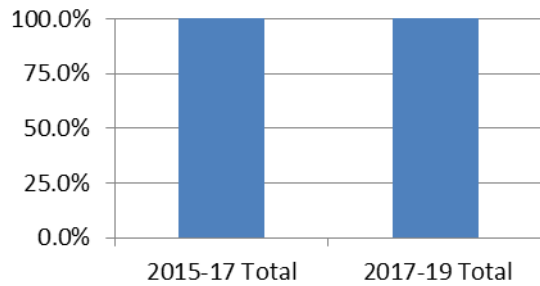


1.4.7 However, it is clear from the above information that Outcome 5 (Young people achieving through participation in Education, training and employment and developing skills in tenancy management) yielded significantly lower results than other outcomes. This will include exceptional cases where young people have ceased to engage due to substance misuse, mental health issues and poor behaviour but also illustrate the young person's qualitative self-perception of where they are with regards to that outcome at that specific time. Notwithstanding the above, over the last 12 months of the contract, management information data (see below) has shown towards 70% of residents are engaged in education, employment and training.

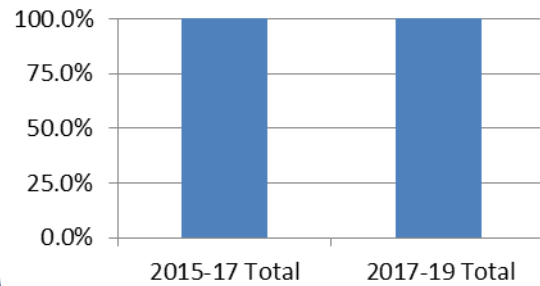
## 1.5 Key Performance Indicators

1.5.1 Charts 14-18 provide a comparison of the Key Performance Indicators data for the first two years (2015-17) and year 3 and 4 (2017-19). For the Initial Welcome and Introduction within 24 hours, Assessment and Support Planning within 1 week, and the Assessment and Support Planning within 6 weeks and 6 weekly thereafter, the Lincolnshire Support Partnership has achieved its 100% target in both time periods. Regarding Education, Training and Employment, Chart 18 indicates a clear improvement from the first two years of the contract to the last two years with the percentage increasing from 57.8 to 67.8%. Contrastingly, Positive Departure as Percentage of Total Departures has declined from 88.3% to 84.7%. Despite the overall decline, the KPI is still meeting the 80% target for Complex Needs Beds.

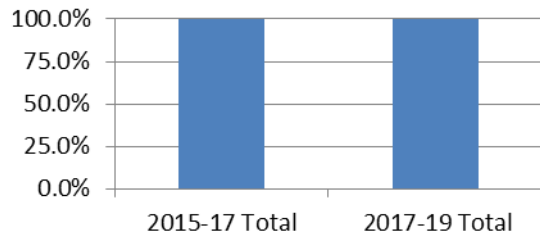
**Chart 14: Initial Welcome and Introduction within 24 hours  
(Target 100%)**



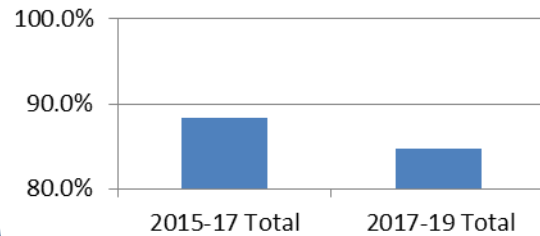
**Chart 15: Assessment and Support Planning within 1 week  
(Target 100%)**



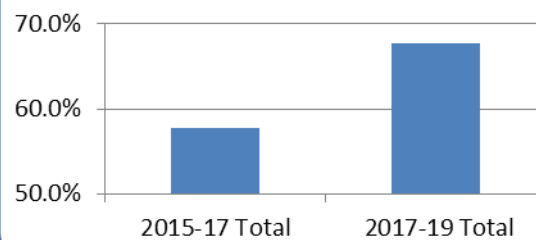
**Chart 16: Assessment and Support Planning within 6 weeks and 6 weekly thereafter  
(Target 100%)**



**Chart 17: Positive Departure as Percentage of Total Departures  
(Target 90% General Needs / 80% Complex Needs)**



**Chart 18: Young Person in Education, Training and & Employment YTD  
(Target 70%)**

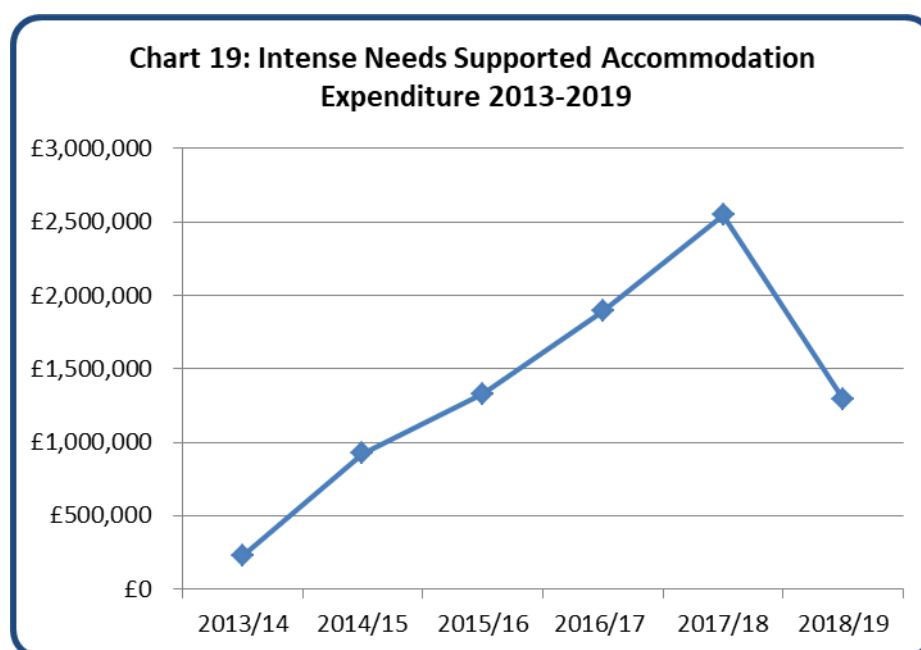


## 2. Intense Needs Supported Accommodation (Intense Needs Supported Accommodation)

### 2.1. Overview and Background

2.1.1. Intense Needs Supported Accommodation (Intense Needs Supported Accommodation) is a relatively new type of service that started to appear around six years ago in response to the increasing numbers of very complex young people aged 16 and over for whom lower level supported accommodation options, including supported lodgings, or foster care or residential care placements might not be appropriate; essentially, it is *unregulated* supported accommodation that delivers high support hours, including supervision of young people, to help keep them and others safe, whilst offering a bridge towards independence.

2.1.2. The client group tend to have issues such as substance misuse and/or extremely challenging behaviours, including physical/verbal abuse and fire starting. They may have been previously evicted from other types of accommodation or placement, or their application may have been refused due to their high needs and risks, or they may be young people who have outgrown residential care and require transitional support into independence. This provision tends to be solo placements with 1:1 support, on a gradually reducing basis, or 2-3 bed units with staff on site 24/7 and shared support.



2.1.3. Due to the intensive support needs, often required on an emergency basis, and the mainly solo placement aspect of this provision, it has grown more expensive year on year, as demand has increased in this sector (Chart 19) until 2018/19; 1:1 support costs are around £3,300 per week, almost on a par with some residential provision, yet it is not regulated, and therefore quality can vary immensely.

2.1.4. Over the last 6 years Children's Services has spent c. £8.2m pounds on Intense Needs Supported Accommodation, for a total of 70 Young People, of which c. £5.7m

has been in the last 3 years. This was steadily climbing year on year, peaking in 2017/18 at £2.5m. By comparison, the cost of youth housing provision is c. £3m for 450 young people over 3½ years.

- 2.1.5. The introduction of the Youth Housing contract in July 2015 coincided with the change of use of Homer House<sup>17</sup> - run by LEAP, one of the providers in the consortium that forms the Lincolnshire Support Partnership - from catering for young people with complex needs to general needs Youth Housing provision; this almost certainly had an impact on the need for Intense Needs Supported Accommodation placements in the initial years of the contract, until more recently where expenditure has been reconfigured within Youth Housing more towards those with complex needs making it the main supported accommodation option for young people with complex needs, reducing the need for as many Intense Needs Supported Accommodation placements in 2018/19.
- 2.1.6. However, the reduction in spend from 2017/18 to 2018/19 can also be attributed to a number of other factors, including the tighter scrutiny of Intense Needs Supported Accommodation placements with regular meetings to discuss the potential for reducing support hours and looking at move-on plans at an early stage.
- 2.1.7. There has also developed a better working relationship with the Lincolnshire Support Partnership resulting in more creative ways of using their provision where possible to accommodate young people with complex or intense needs. Multi-agency meetings take place when a referral has initially been rejected to discuss how the support needs of such complex young people can be met within that provision and has had an impact in reducing the numbers entering Intense Needs Supported Accommodation. Equally, the creation of the in-house semi-independent living accommodation provision (see below) at Denton Avenue, Grantham in July 2018 has been able to provide a bridge to independence for some young people who may have otherwise ended up in Intense Needs Supported Accommodation provision.
- 2.1.8. With the need for more intensive support growing in recent years, this lead to some providers investing in provision within Lincolnshire. However, as referrals have reduced over the last year this is starting to be less prevalent as it becomes less cost-effective, as a result of not being utilised so readily, resulting in much of the available Intense Needs Supported Accommodation provision being outside of Lincolnshire. This is a concern in that it could mean that those young people do not have access to other types of wrap around services available in Lincolnshire, or there can be a delay in transferring to another Local Authority area provision such as Mental Health services for example.
- 2.1.9. There are also additional costs associated with social workers and leaving care workers travelling to support young people placed some distance away. Another issue is that if young people remain in the placement for a while they often then do not want to move back to Lincolnshire, yet do not have a local connection in the area in which they are placed to obtain social housing, so finding move-on accommodation

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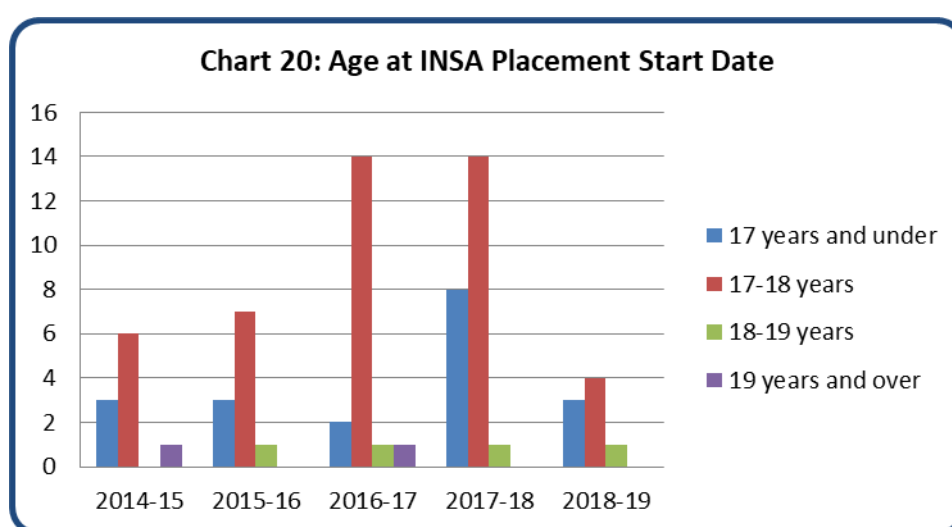
<sup>17</sup> In the 2 years prior to the implementation of the Youth Housing contract, LCC spent a total of £400k on complex placements at Homer House.



for them is very difficult, extending their stay within Intense Needs Supported Accommodation provision unnecessarily.

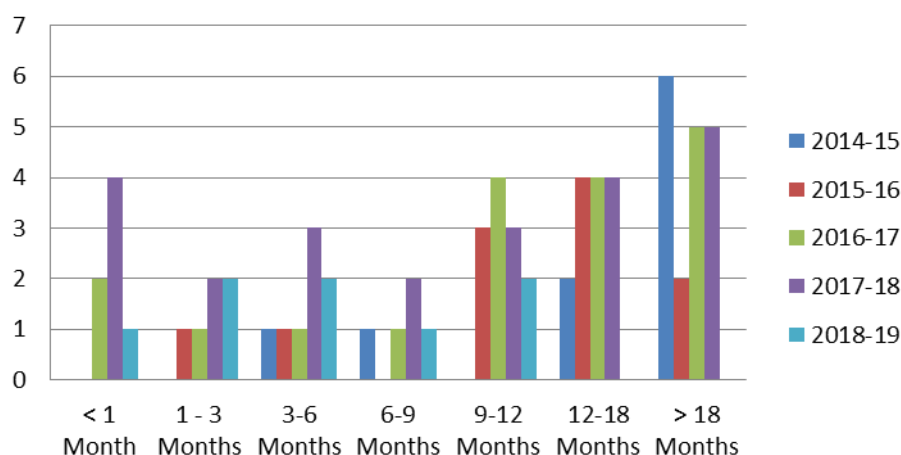
2.1.10. It therefore makes sense to utilise monies that would otherwise be used to spot-purchase Intense Needs Supported Accommodation provision and add to the Youth Housing budget when it is re-provisioned, to purchase a more flexible model that would allow the Youth Housing provision to be able to accommodate more intensive needs young people that would have previously gone into Intense Needs Supported Accommodation. The added benefit would be that young people would be accommodated in Lincolnshire with access to local services and would be able to step up or down into more or less intensive provision determined by their changing needs and risks.

## 2.2. Residents & Placements



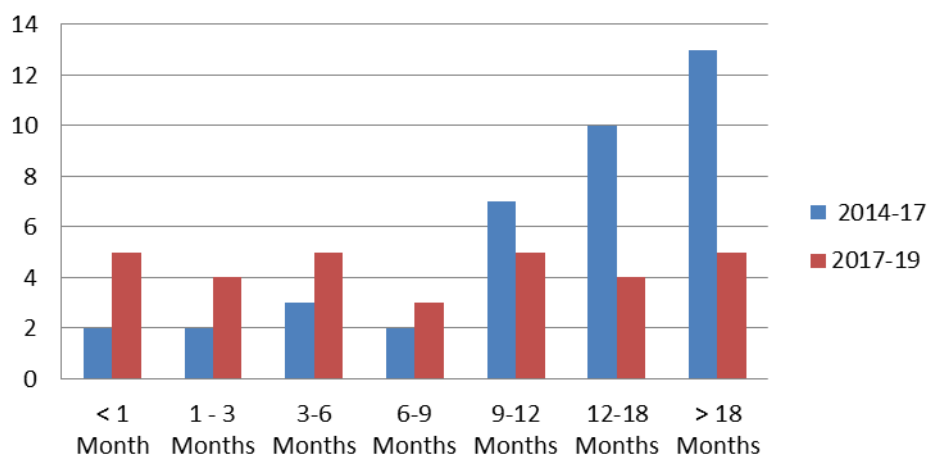
2.2.1. As Chart 20 illustrates, there are a higher number of placements in Intense Needs Supported Accommodation provision within the 17-18 year old category, particularly from April 2016 - March 2018. Post-18 placements tend to be Care Leavers who have no other accommodation options due to their intense needs, therefore an Intense Needs Supported Accommodation placement was often identified as being the most suitable option to meet the young person's needs.

**Chart 21: Length of stay for INSA Placements from April 2014 - March 2019**



2.2.2. Char 21 shows the number of young people that stayed in an Intense Needs Supported Accommodation provision for the defined periods of time, categorised by financial year, whilst Chart 22 shows a comparison between the length of stay for April 2014 to March 2017 and April 2017 to March 2019<sup>18</sup>.

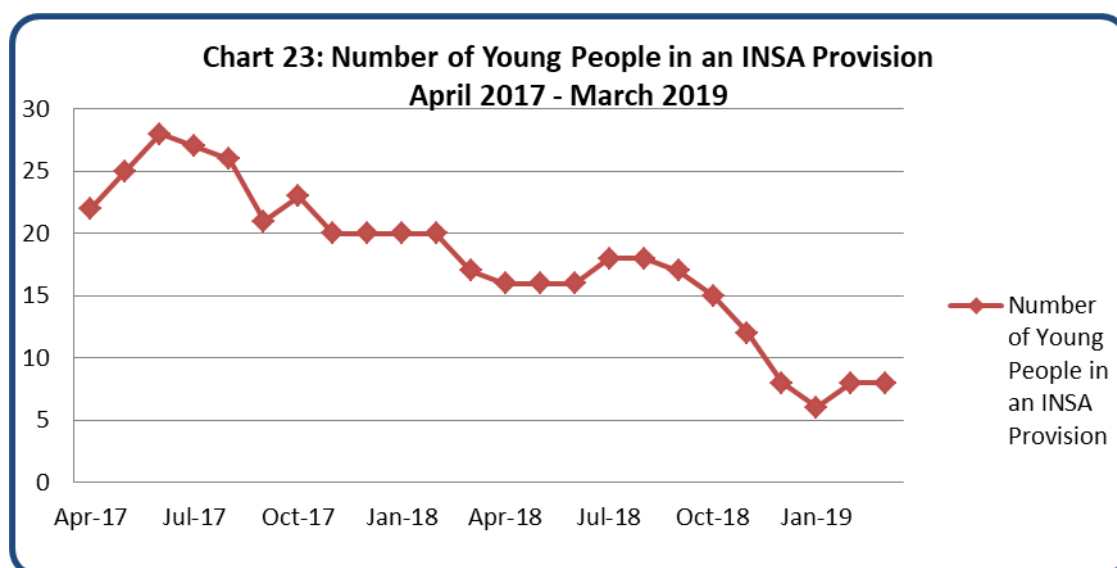
**Chart 22: Length of stay for Placements from 2014-17 and 2017-19**



2.2.3. The data tends to suggest that, historically, young people have tended to stay for longer periods in Intense Needs Supported Accommodation than within Youth Housing; however, more recently the picture is a little more balanced across the differing time periods indicating length of stay is shortening for the reasons explored above, including the ability of youth housing provision to accommodate young people stepping down from Intense Needs Supported Accommodation provision.

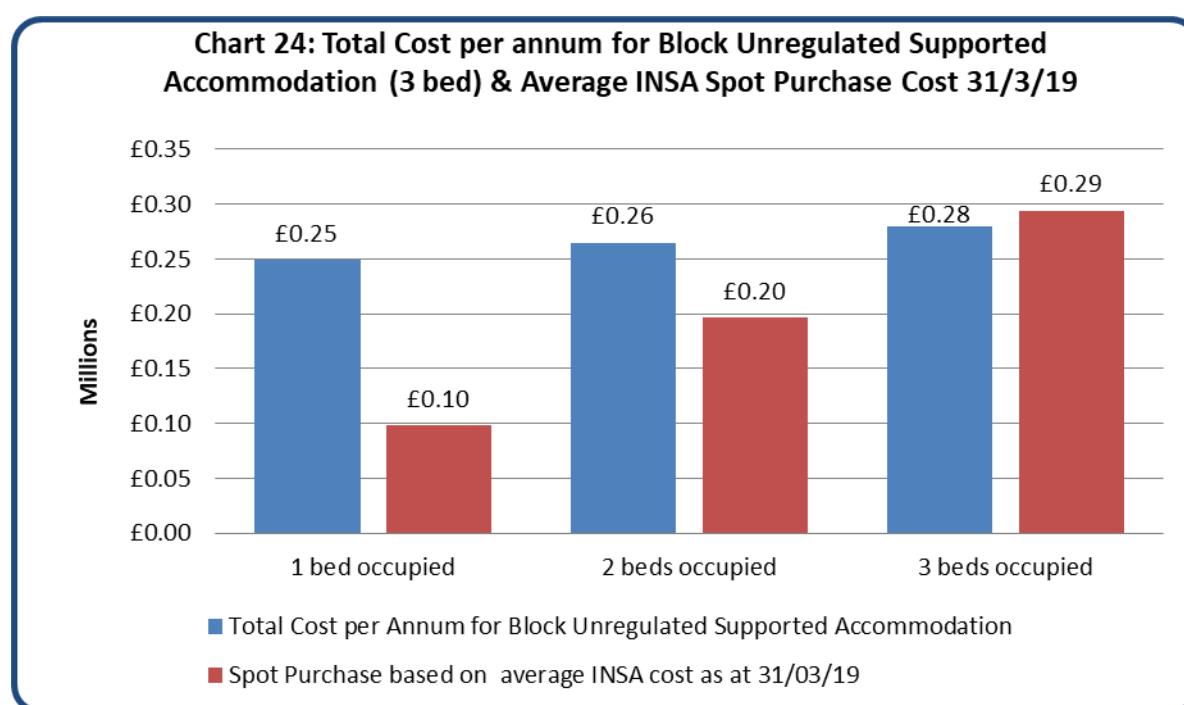
<sup>18</sup> NB: the latter category cannot be truly represented from 12 months onwards, as young people will not have had the chance to stay for longer than 12 months, depending on their start date.

2.2.4. Chart 23 shows the number of young people in an Intense Needs Supported Accommodation provision at the end of each month from April 2017 – March 2019. The graph reinforces the narrative above regarding the decline in the number of Intense Needs Supported Accommodation placements over the previous year.

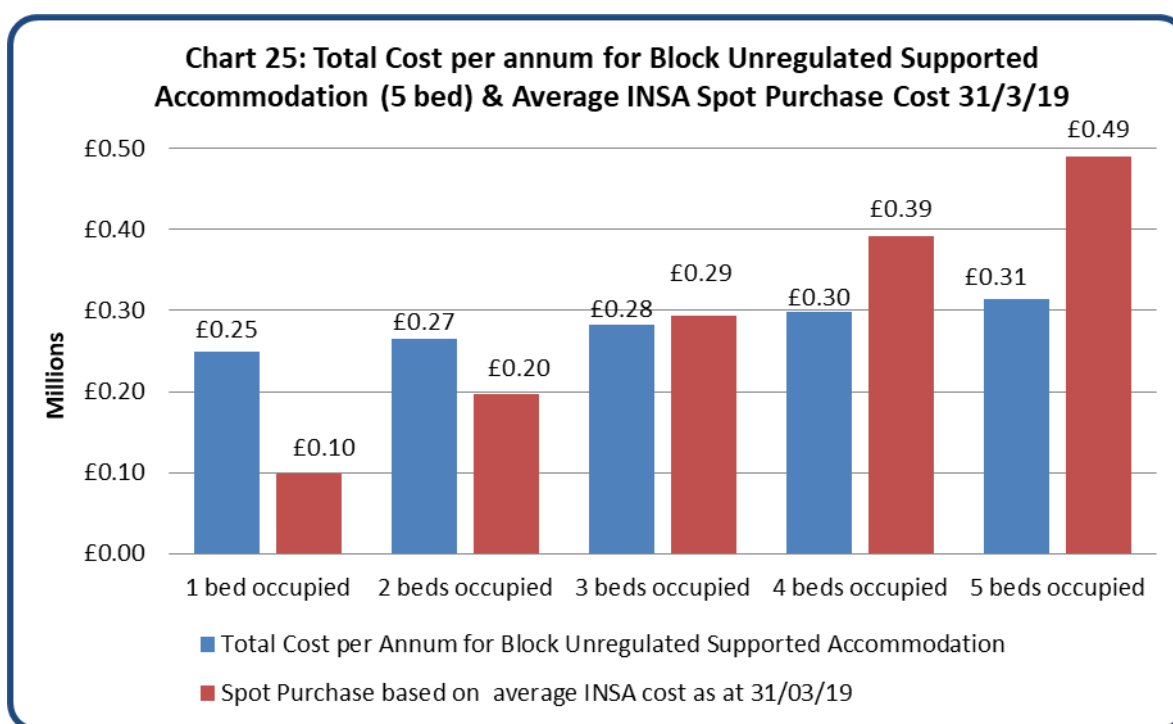


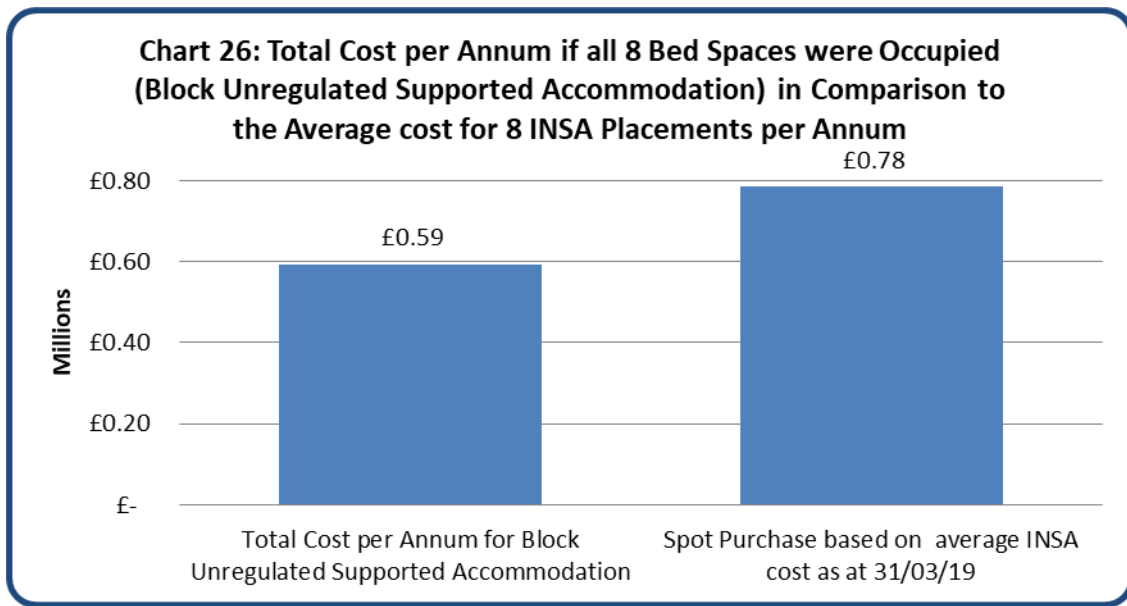
### 2.3. Block and Spot Purchase Comparison

2.3.1. In order to establish the benefits of block purchasing Intense Needs Supported Accommodation provisions, a price comparison between the average cost of an Intense Needs Supported Accommodation spot purchase placement and 3-bed (Chart 24) and 5-bed (Chart 25) block contract arrangements have been estimated through market engagement research undertaken with existing providers of unregulated supported accommodation in 2016.



- 2.3.2. The costs of the latter are based on 1:2 staffing ratios and compared against the average cost of an Intense Needs Supported Accommodation 'spot purchase' placement of £1,885.78 per week. For the purposes of the market engagement exercise, the block purchase looks at both a three-bedded and five bedded block purchase arrangement, with the comparison accounting for the possibility not all beds may be full at any one time.
- 2.3.3. Charts 24-25 show that spot purchasing Intense Needs Supported Accommodation placements is more cost effective for a lower bed occupancy (1-2 beds); however, the cost of a Block Contracted unregulated supported accommodation provision becomes more viable and cost-effective as the bed occupancy increases. Given the small discrepancy between block and spot-purchase arrangements within the 3-bedded unit, it is clear that 4-bedded units and upwards would be preferable.
- 2.3.4. As Chart 26 depicts, the overall saving for eight beds through a block purchase, as opposed to spot purchasing, is c. £190k per annum. It is important to bear in mind though that key elements that make-up the estimated cost e.g. the national minimum wage have increased since 2016 and therefore it is evident that there will be some increase in cost if a similar block purchase provision was to be provided in the present financial climate and projected five years hence.



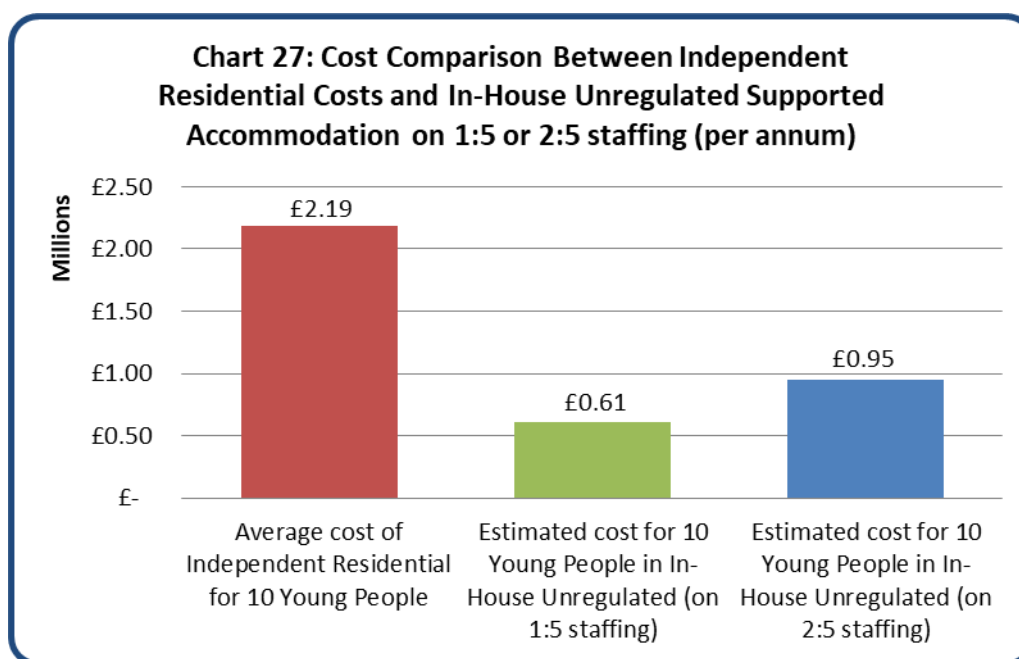


### 3. In-House Unregulated Supported Accommodation

#### 3.1. Overview and Background

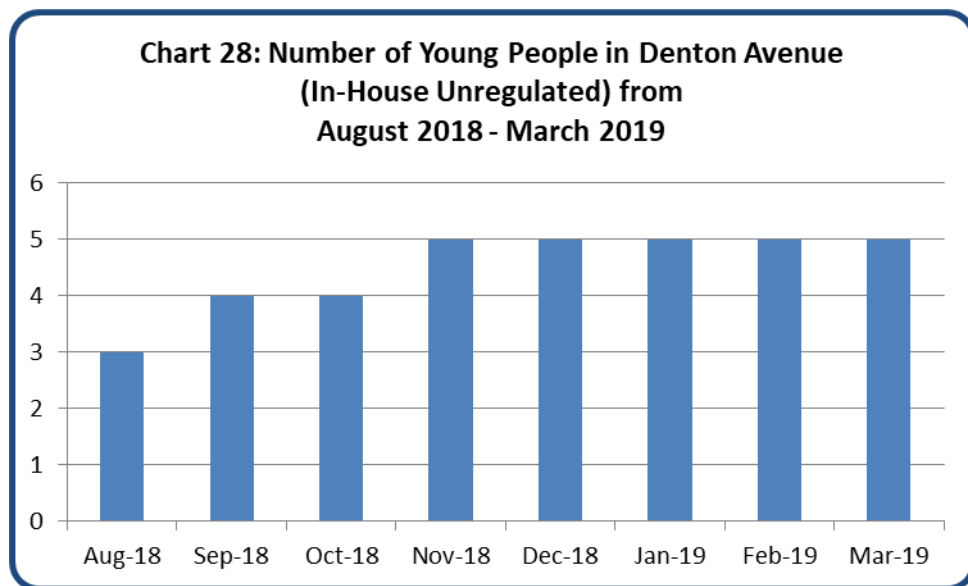
- 3.1.1. There is an in-house unregulated supported accommodation set-up in Grantham (Denton Avenue), offering five beds - made up of a 2 and 3 bed property - with a 1:5 staffing ratio 24/7 (sleep in only, not waking nights), which opened in July 2018. It is currently being used for short term placements of up to six months to stabilise Looked After Children in transition and prepare them for independence.
- 3.1.2. The majority of the client group during 2018-19 were from residential care, occasionally from foster care, and figures from colleagues in Finance indicate that savings/cost avoidance of c. £515,182<sup>19</sup> have been realised during the nine months it has been open. For example, 'Child A' moved to Denton Avenue in August 2018 from a £3,150 per week out-of-county residential placement, saving a total of £55,787 on that individual placement per annum after allowing for the cost of the Denton Avenue provision.
- 3.1.3. An example of the savings that can be made through the use of Denton Avenue, in comparison to Independent sector Residential provision, is shown in Chart 27. The cost for ten young people in Independent Residential is calculated using the average Independent Residential placement cost of £4,212 per week x 10 young people x 52 weeks.

<sup>19</sup> NB: c. £350k after allowing for expenditure on Denton Avenue

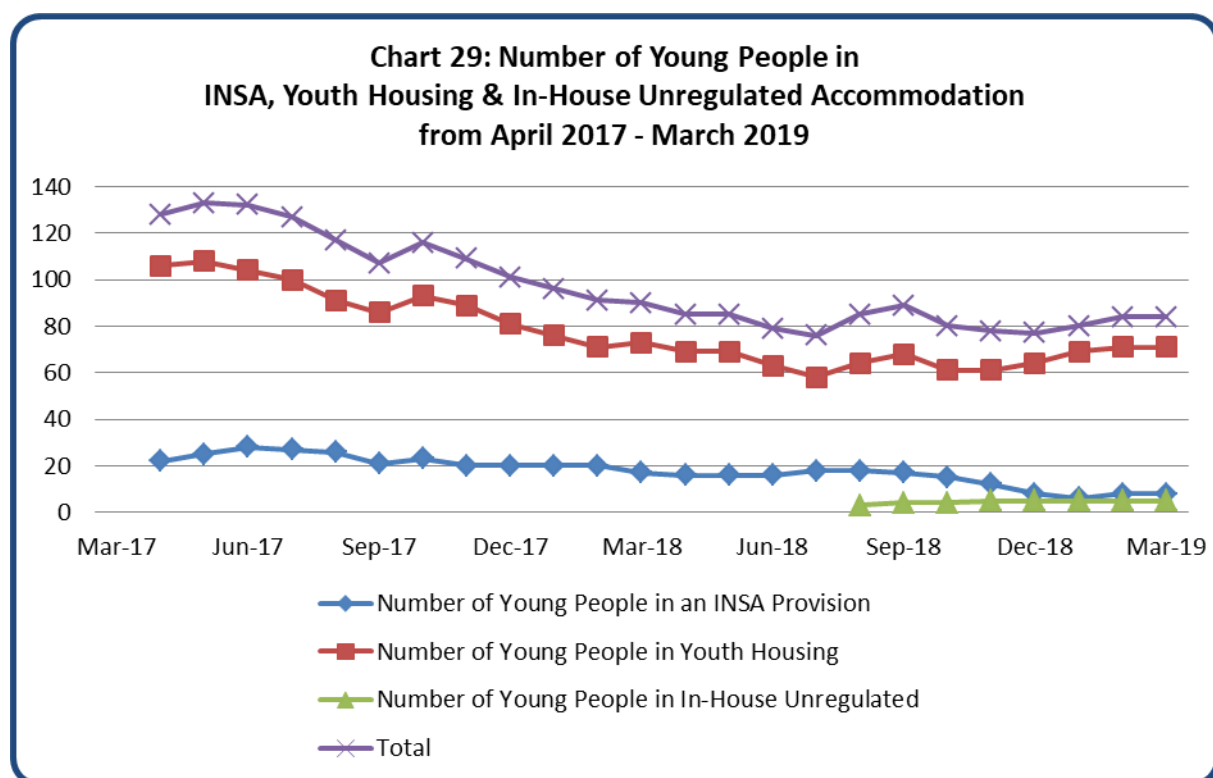


- 3.1.4. This shows that it is more financially viable to use an in-house unregulated provision, such as Denton Avenue, than it is to continue to utilise Independent Residential placements until a young person reaches the age of 18 years. The cost of ten young people on a 2:5 staff ratio at Denton Avenue is equivalent to 44% of the cost for ten young people in an Independent Residential sector placement (28% for 1:5 ratio), which would save a total of £1.24m if extrapolated across a full year<sup>20</sup>.
- 3.1.5. The majority of the young people who were placed at Denton Avenue and have subsequently left have successfully transitioned through step-down into Youth Housing provision in Grantham.
- 3.1.6. A similar in-house unregulated supported accommodation offer with five beds is being prepared at Rowston Close in Gainsborough and the new contract will need to consider the availability of local provision for young people to step-down into, as and where appropriate. It is predicted that no more than two move-on units may be needed at any given time, but the profile of young people at Rowston will need to be considered.
- 3.1.7. Chart 28 shows the number of young people in Denton Avenue at the end of each month. Although the provision was opened in late July 2018, the figures start as of August 2018 to account for the time for young people to move into the provision. Denton Avenue was soon at full capacity (5 beds) after only 3-4 months. It is expected that Denton will largely remain at full capacity for the foreseeable future and beds will continue to be re-filled on a quick turnaround as and when they become vacant.

<sup>20</sup> NB: Length of stay in in-house unregulated supported accommodation is normally restricted to a maximum of six months.



**4. Holistic Overview of Youth Housing, Intense Needs Supported Accommodation and In-House Unregulated Supported Accommodation**



4.1.1. Chart 29 shows the number of young people in each of the aforementioned provisions from April 2017 – March 2019. Denton Avenue (In-House Unregulated) opened in July 2018, therefore the figures from this provision can only be counted from this point.

- 4.1.2. Currently, LCC commission 71 units through the Youth Housing contract. For the coming years, it is important to ensure that LCC are equipped to deal with the number of young people potentially coming into the system, requiring some form of supported accommodation and, more often than not, on that same day.
- 4.1.3. The average number of young people across all three provisions over the last 12 months is 82, as deduced from the 'total' trend line in Chart 29. With another 5-bedded In-House unregulated provision (Rowston Close, Gainsborough) due to open in the summer of 2019 to go alongside Denton Avenue, we can deduce around 72 units will need to be recommissioned as part of the Youth Housing contract if the intention is to include the remaining numbers of Intense Needs Supported Accommodation spot-purchase placements into a block purchased arrangement.
- 4.1.4. The average number of Intense Needs Supported Accommodation placements is twelve over the last eight months; this decrease reflects the opening of Denton Avenue in July 2018 and the fact it quickly grew to full capacity by November 2018. This means that a further seven-to-eight block-purchased Intense Needs Supported Accommodation placements may be necessary to help retain young people in Lincolnshire and deliver the savings envisaged above.

## **5. Looked After Children (Looked After Children) and Care Leavers**

### **5.1. Looked After Children aged 13 – 17 years from 2015 – 2019**

<b>TABLE 3: Looked After Children Aged 13-17 years (March 2019)</b>						
<b>Type of Placement</b>	<b>Age</b>					<b>Total</b>
	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	
<b>Foster Care</b>	37	25	21	24	34	<b>141</b>
<b>In- House Residential</b>	1	2	3	3		<b>9</b>
<b>In- House Residential CWD</b>			3	2	1	<b>6</b>
<b>Independent/Supported Accommodation</b>				6	19	<b>25</b>
<b>Independent/Supported Accommodation (UASC)</b>				7	21	<b>28</b>
<b>Kinship Care</b>	4	3	6	8	7	<b>28</b>
<b>NHS Establishment</b>					2	<b>2</b>
<b>Independent Sector Residential</b>	4	7	4	2		<b>17</b>
<b>Placed with Parents/Parental Responsibility</b>		3	3		1	<b>7</b>
<b>Independent Sector Residential School</b>		1	2	1	1	<b>5</b>
<b>Secure Unit or YOI</b>		1			2	<b>3</b>
<b>Other – Not Identified</b>						
<b>TOTAL</b>	<b>46</b>	<b>42</b>	<b>42</b>	<b>53</b>	<b>88</b>	<b>271</b>



TABLE 4: Looked After Children Aged 13-17 years (March 2018)						
Type of Placement	Age					Total
	13	14	15	16	17	
Foster Care	30	23	31	44	36	164
In- House Residential	1	3	4	1	4	13
In- House Residential CWD						
Independent/Supported Accommodation				6	11	17
Independent/Supported Accommodation (UASC)				6	11	17
Kinship Care	5	4	7	11	7	34
NHS Establishment				1		1
Independent Sector Residential	1	1	3	4	12	21
Placed with Parents/Parental Responsibility	3	3	2	1	3	12
Independent Sector Residential School		2	1	1	4	8
Secure Unit or YOI				1	1	2
Other - Not Identified				1	1	2
<b>TOTAL</b>	<b>40</b>	<b>36</b>	<b>48</b>	<b>77</b>	<b>90</b>	<b>291</b>

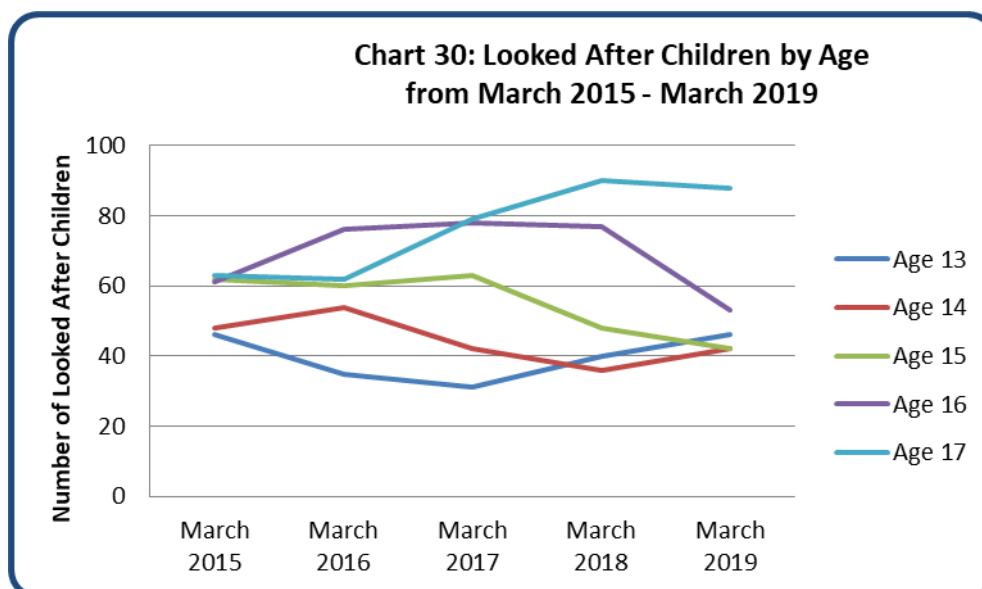
TABLE 5: Looked After Children Aged 13-17 years (March 2017)						
Type of Placement	Age					Total
	13	14	15	16	17	
Foster Care	21	29	44	39	34	167
In- House Residential	2	4		9	8	23
In- House Residential CWD				1		1
Independent/Supported Accommodation				1	7	8
Independent/Supported Accommodation (UASC)				3	8	11
Kinship Care	3	6	7	7	5	28
NHS Establishment			1		1	2
Independent Sector Residential	1	1	4	8	8	22
Placed with Parents/Parental Responsibility	2	1	3	2	2	10
Independent Sector Residential School	2	1	1	4	2	10
Secure Unit or YOI			1	2	2	5
Other - Not Identified			2	2	2	6
<b>Total</b>	<b>31</b>	<b>42</b>	<b>63</b>	<b>78</b>	<b>79</b>	<b>293</b>

TABLE 6: Looked After Children Aged 13-17 years (March 2016)						
Type of Placement	Age					Total
	13	14	15	16	17	
Foster Care	26	38	36	37	27	164
In- House Residential	1	1	7	6	8	23
In- House Residential CWD			1			1
Independent/Supported Accommodation			1	5	1	7
Independent/Supported Accommodation (UASC)				6	8	14
Kinship Care	6	6	3	7	5	27
NHS Establishment						0
Independent Sector Residential		4	4	9	7	24
Placed with Parents/Parental Responsibility	2	2	2		3	9
Independent Sector Residential School		1	2	4		7
Secure Unit or YOI			4	2		6
Other - Not Identified		2			3	5
<b>Total</b>	<b>35</b>	<b>54</b>	<b>60</b>	<b>76</b>	<b>62</b>	<b>287</b>

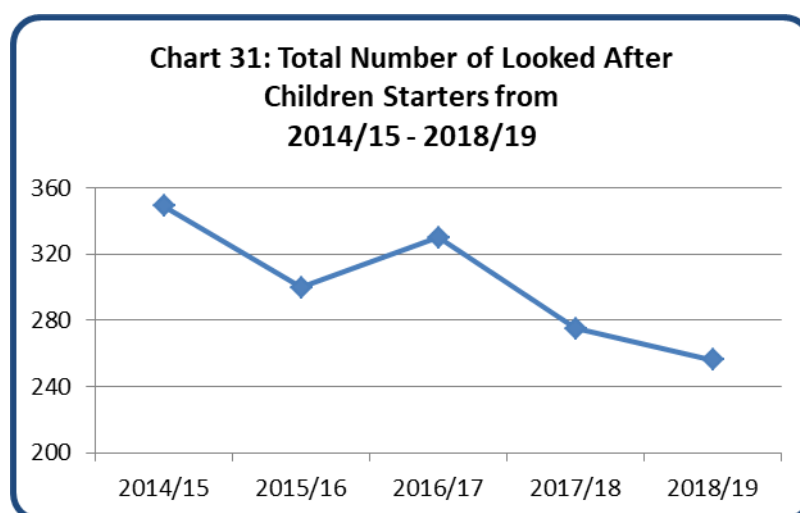
TABLE 7: Looked After Children Aged 13-17 years (March 2015)						
Type of Placement	Age					Total
	13	14	15	16	17	
Foster Care	34	33	40	32	28	167
In- House Residential	2	4	7	10	4	27
In- House Residential CWD						
Independent/Supported Accommodation					8	8
Independent/Supported Accommodation (UASC)				3	5	8
Kinship Care	3	5	7	5	5	25
NHS Establishment			1			1
Independent Sector Residential	2	3	4	3	7	19
Placed with Parents/Parental Responsibility	2	1		3		6
Independent Sector Residential School	1	2	3		2	8
Secure Unit or YOI				1	1	2
Other - Not Identified	2			4	3	9
<b>Total</b>	<b>46</b>	<b>48</b>	<b>62</b>	<b>61</b>	<b>63</b>	<b>280</b>

5.1.1. Chart 30 takes the data from Tables 3-7 illustrating the difference in the overall number of 13 – 17 year olds at the end of each year. Recent trends indicate a growth in the number of Looked After Children 13 and 14 year olds, increasing from 40 x 13 year olds in 2018 to 46 in 2019, and from 36 x 14 year olds in 2018 to 42 in 2019. These cohorts will be looking to move towards independence in 2022-24, at which time the newly commissioned contract will be in its second – fourth years. Contrastingly, the number of Looked After Children 15 and 16 year olds has

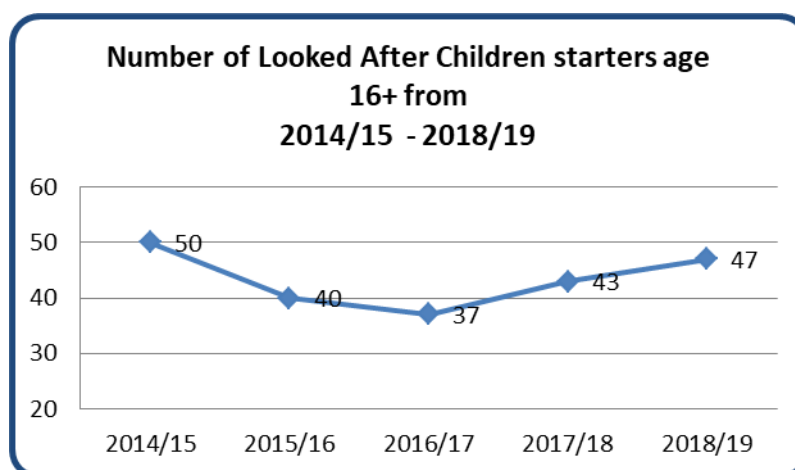
decreased in recent years, with 15 year olds dropping from 48 in 2018 to 42 in 2019, and 16 year olds dropping significantly from 77 in 2018 to 53 in 2019, the impact of which will likely be seen from 2019-21, effecting the fifth year of the current contract and the first year of the new contract. The chart also shows a stagnant number of 17 year olds currently seeking independence.



- 5.1.2. This seeming decline in Looked After Children numbers is reflected in Chart 31 which depicts the total number of Lincolnshire Looked After Children starters from 2014/15 – 2018/19 as per the 'SSDA903 Children Looked After Return' used by the Department for Education in their published statistics.



- 5.1.3. However, Chart 32 shows how many of the above Looked After Children starters were 16+ and therefore meeting the age criteria for Youth Housing or Intense Needs Supported Accommodation. This illustrates an increase in numbers related to the fact that many Looked After Children are entering care at a much older age than before. Here, an increase of greater than 25% is shown over the last two years.

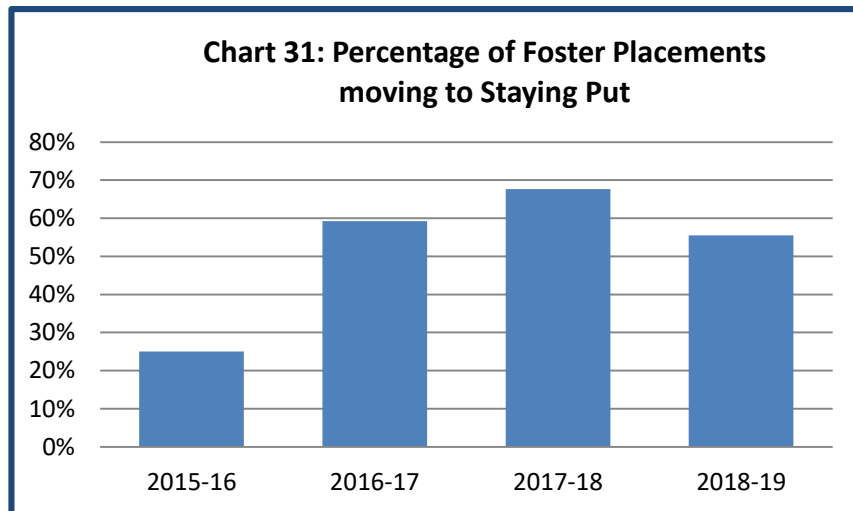


## 5.2. Foster Care Transition

- 5.2.1. The highest percentage of Looked After Children in each age group from 2015 – 2019 is currently in Foster Care, therefore an analysis of the numbers likely to take part in the 'Staying Put'<sup>21</sup> scheme is essential to better understand the potential numbers that may have housing requirements over the next few years.
- 5.2.2. As Table 8 and Chart 31 show, a total of 66 young people have moved to Staying Put since 2015 (53% of cohort). In recent years (2017-2019) more young people proportionately have moved to the Staying Put provision than in 2015/16. Of the 36 x 17 year old Looked After Children identified in Foster Care as of 26th March 2018, 56% moved on to Staying Put between April 2018 and March 2019. Thus, there is a potential for the remaining 44% to require some form of transition accommodation, such as Youth Housing or Intense Needs Supported Accommodation.

TABLE 8: Transition to Staying Put - 2016-2019					
	2015-16	2016-17	2017-18	2018-19	Total
Number of Foster Placements that moved to Staying Put	7	16	23	20	66 (53% of Foster Care Placements from 2015-2019)

<sup>21</sup> A 'Staying Put' arrangement refers to when a young person in Foster Care reaches the age of 18 and both the young person and the family agree for the young person to remain living with their foster family.



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