

Meeting: Cabinet
Date: 13th January 2025
Classification: Part 1
Key Decision: Yes
Title of Report: **Extension of the Transitional Supported Housing contract**
Executive Director: Michael Marks Executive Director Children & Public Health
Report Author: CJ Reed, Lead Commissioner
Executive Councillor: Councillor Laurie Burton, Portfolio holder for children, young people and SEND.

1. Executive Summary

- 1.1. The current contract for Transitional Supported Housing for Young People in Southend is due to expire on 30th June 2025 and is costed at £393,967 per annum at a fixed price rate.
- 1.2. There are currently two providers delivering this service: YMCA and Sanctuary.
- 1.3. The commissioning team have undertaken a review of these services and recommend that the service contract is extended for a period of seven months to enable adequate time to effectively co-produce a new service specification.

2. Recommendations

It is recommended that Cabinet:

- 2.1. Agree to extend the current Transitional Supported Housing contract for 7 months until 31st January 2026 subject to all necessary steps being undertaken to negotiate and finalise the extension of these contracts.

3. Background

- 3.1. Following a procurement exercise in 2022, YMCA and Sanctuary were awarded the contract for Transitional Supported Housing.
- 3.2. The Transitional Supported Housing service is split over three contracts across the two providers. The services support children and young people aged 16-25 that have a need for accommodation, are young parents, or facing homelessness.

- 3.3. The current contracts were initially put in place for two years (01/7/22 - 30/6/24) Terms and conditions allow the contracts to be extended up to 30 June 2025, the contracts were extended by four months to 31 October 2024, and then by a further extension until 30 June 2025. A tender exemption will be needed for the additional requested period.

Client group	Support hours/ week	No. of placements	Annual contract cost	Average annual cost / placement
16-25 and young parents	396	80	£393,967	£4,924.59

4. Reasons for Decisions

- 4.1. Following review of service performance and feedback, the commissioning team are satisfied with delivery against the service objectives. The providers have also suitably engaged with the Council with contract meetings and reviews throughout the entirety of the contract to date. There have been no concerns raised regarding the provision they are offering.
- 4.2. This extension will align the expiration date of the contract with future commissioning ambitions for improving children's placements, which could then award any following contract via a suitably coproduced competitive procurement exercise.
- 4.3. The council would be unlikely to complete a full procurement in line with the current contract end date without this extension. Extending the Transitional Support Housing contract would allow time to fully co-produce and plan future service specification and contracts.
- 4.4. Extending the contract by a period of seven months will also allow full review of service specifications and contracts to review changes requested by children's services.

5. Other Options

- 5.1. **Decommission or do not extend the current contract-** This is not recommended. Southend City Council has a statutory duty to support all children currently residing in the current commissioned service. The absence of service will affect the outcomes of young people currently supported significantly.
- 5.2. **Go out to tender for a new service specification by 30th June 2025** - This is not recommended as the current provider is performing well and going out to tender at this time risks destabilising service delivery. This would not allow time to fully co-produce and plan future service specification and contracts.

6. Financial Implications

- 6.1. The service is currently funded at £393,967 per annum due to expire 30th June 2025. The service is currently contracted at a fixed rate. This annual sum is contained within the existing budget of the Children's Service.

7. Legal Implications

- 7.1. The Council has a legal duty to meet the needs of vulnerable children and young people across Southend.
- 7.2. The Council has a legal duty to subject contracts it procures to competition. However, a break in service provision would breach the Council's statutory duty and leave vulnerable people at risk. Therefore, the most expedient measure is to extend the existing contract in order to provide the time to deliver an appropriate tender exercise.
- 7.3. A tender exemption will be utilised for the additional time period of seven months in order to align this contract with long-term commissioning ambitions. The exemption must meet the requirements of Reg. 72 of the Public Contract Regulations 2015 or the equivalent provisions in the Procurement Act 2023.

8. Policy Context

- 8.1. Relevant legislation, statutory guidance, and case law to inform commissioning of housing related support for young people 16+:
- The Children Act 1989 & statutory guidance volume 3: planning transitions to adulthood for care leavers (revised January 2015).
 - Children and Social Work Act 2018.
 - Prevention of homelessness and provision of accommodation for 16 and 17 year old young people who may be homeless and/or require accommodation
 - The Housing Act 1996
 - Homelessness Reduction Act 2017
 - Homelessness Code of Guidance
 - Southwark Judgement 2009
 - Sufficiency Duty, Section 22G of the Children's Act 1989
 - Care Leavers Local Offer (signed up to by Council)
 - Corporate Parenting Pledges (signed up to by all executive directors)
- 8.2. Duties under these legislations:
- Former relevant child (somebody aged 18 to 25 that was in care for more than 13 weeks after their 14th birthday, and was still in care on their 16th birthday): support and assistance from local authority with accommodation, education, employment, and training
 - Child in need 16-17 meeting criteria under S20 of Children Act 1989: Children's social services must accommodate
 - Homeless or risk of homelessness 16 and 17 year old young people who are not in care and not under S20 duty: accommodation priority, support
 - Pregnant or living with children: emergency housing

9. Carbon Impact

9.1. No changes are being proposed to the current contract so there will be no implications in relation to carbon impact.

10. Equalities

10.1. An equalities impact assessment will be undertaken during contract extension activities.

11. Consultation

11.1. A full consultation with Southend-on-Sea City Children in Care council and Care Experience Council will be undertaken in the design of future specifications and contracts.

11.2. Commissioning has discussed the possibility of extension with children's service colleagues to ensure communication channels are open and any concerns about current service providers are addressed. Children's service colleagues will also be part of a full service specification review for retender of the service after the proposed contract extension period.

12. Appendices

N/A

13. Report Authorisation

This report has been approved for publication by:		
	Name:	Date:
Executive Director(s)	Michael Marks	26/11/24
S151 Officer	Joe Chesterton	6/12/24
Monitoring Officer	Suzanne Zeis	6/12/24
Relevant Cabinet Member(s)	Cllr Burton	26/11/24