

Report To: Cabinet

Date of Meeting: 15 November 2016

Lead Member / Officer: Councillor Bobby Feeley, Lead Member for Social Care & Children's Services / Katie Newe, Supporting People Team Manager

Report Author: Liana Duffy, Commissioning & Tendering Officer

Title: Y Dyfodol Contract Variation (Extension)

1. **What is the report about?**

The extension of the Denbighshire Supporting People (SP) funded Y Dyfodol project contract with Clwyd Alyn Housing Association

2. **What is the reason for making this report?**

In accordance with Contract Procedure Rules, given the level of spend implications this extension would bring about (a revised contract value of £2,627,698.10), Cabinet approval of this contract extension is required.

3. **What are the Recommendations?**

To approve the extension of Clwyd Alyn's Y Dyfodol contract to 30th September 2018.

To approve the proposal to investigate further, the option of developing a partnership agreement with Clwyd Alyn for the delivery of the service after September 2018.

4. **Report details**

4.1. This contract variation would extend a 4 year, 8 months contract (following three previous extensions*) by a further 18 months (ending 30th September 2018).

*The initial contract term was 01.08.2012 – 31.07.2015 (3 years); Addendum issued extending to 29.02.2016 (3 years, 7 months); Addendum issued extending to 31.03.2016 (3 years, 8 months); Addendum issued extending to 31.03.2017 (4 years 8 months)

4.2. The SP funded young people (16-24) provision in Denbighshire provides 65 units of supported housing spaces and 26 units of floating support, at a cost of £771,657 per annum - 46% (£358,207) of this provision is delivered under the Clwyd Alyn Y Dyfodol project, which provides 33 units of supported housing. The current contract ends on 31st March 2017.

4.3. A Service Review of the Y Dyfodol project was completed on 11th August 2015, which made a recommendation to remodel; detail of which was reported to SP Planning Group in September and November 2015 (additionally as a result of this review, immediate savings of £103,435 were identified against the annual contract value). An initial meeting was held in October 2015, where an outline model was agreed between SP, Children's Services, and Housing Solutions.

4.4. In the meantime, Welsh Government commissioned consultant Anna Whalen to look at ways to improve housing and support options for young people. Anna visited DCC in April this year, and identified the need for SP to be more strategically aligned with Children's Social Services' commissioning. Anna felt the position could improve relatively quickly, but required concerted activity, led by senior officers with responsibility for the Housing Solutions Service, SP commissioning, and Children's Social Services.

4.5. SP put forward a proposal to develop a multi-agency Young Person's pathway (Supporting People Planning Group 23.05.16), and on the 17th June 2016, met with Children's Services, Housing Solutions, and representatives from Health, Community Safety, CAMHS, and Education, to outline the proposal to remodel Y Dyfodol, as part of the development of a broader YP Pathway approach. An action plan has since been set out, and regular multi-agency meetings have been scheduled. These plans have also been set out as a priority for service development in the 2017-18 SP Local Commissioning Plan (currently in draft).

4.6. Following the aforementioned 2015 Service Review, Y Dyfodol's contract was extended by 13 months to allow time to remodel; the contract term ends on 31st March 2017, therefore any tender process would realistically need to have commenced by September 2016. It is however, not feasible that the YP Pathway approach will be fully implemented within this time frame. Additionally, SP have secured funding to commission consultation work with young people (to be undertaken by TAPE Community Music and Film), which will be key in the development of the remodelling proposals, and broader Pathway – this proposed extension would allow for more adequate time in which to consult with young people. The overall timeline (summary in Appendix 1) and approach has been agreed by the multi-agency group.

4.7. The multi-agency group have agreed a broad outline of what the new service should look like. SP have also held initial discussions with Clwyd Alyn. The remodel proposals include provision to fund a Coordinator post within Y Dyfodol, they will project manage the development and transition to the new service and these hours will then be allocated to the delivery of the service, once implemented. This post will be funded from April 2017 and will increase the annual contract value by £35,000, this would still see an annual saving of £68,435 against the original contract.

4.8. The decision to extend the existing Y Dyfodol contract to allow for the development of the YP Pathway was put to SP Planning Group on 5th July 2016 – where it was agreed that Cabinet approval to extend would be sought. To ensure that momentum is maintained and progress is robustly monitored, it was also agreed that the young people's pathway project plan be added to the Council's project management tool, Verto. Progress of this work will be reported to senior management via Verto, and also through regular updates to SP Planning Group.

4.9. It is SP's intention that we investigate the option of entering into a partnership agreement with Clwyd Alyn to deliver the remodelled service, come the end of the existing Y Dyfodol contract (post 2018), instead of running a competitive tender process or seeking an exemption from tender.

4.10. As this is a new and developing approach to delivering wrap around integrated young services for young people, it is felt that a partnership agreement would allow for more flexibility and a different relationship with the provider than is afforded within a traditional contracting agreement. This approach has proven to be very successful in the development of the SP funded Ty Golau service.

5. **How does the decision contribute to the Corporate Priorities?**

The projects and proposed actions within the LCP will contribute to supporting Denbighshire's Corporate Plan 2012-17 in the following areas:

- Developing the local economy
- People with support needs are protected and are able to live as independently as possible
- Ensuring access to good quality housing
- Modernising the Council to deliver efficiencies and improve services for our customers

6. **What will it cost and how will it affect other services?**

6.1. Extending the contract by 18 months would add £589,809.89 to the overall contract value (including £35,000 for the Coordinator post). The overall revised contract value will therefore total £2,627,698.10.

6.2. The annual cost of £393,206.60 has already been budgeted for in the Denbighshire SP Grant from 2017-18 onwards.

7. **What are the main conclusions of the Wellbeing Impact Assessment?**

7.1. The development of the young person's pathway (including the remodel of Y Dyfodol) is a key priority captured in Denbighshire Supporting People's Local Commissioning Plan 2017-18; therefore, details here relate to the overall plan.

7.2. A Wellbeing Impact Assessment (WIA) was completed 5th October 2016 (this was the first one undertaken for the LCP). This identified that the Plan had a positive impact on five out of the seven wellbeing goals; the remaining two being neutral. In terms of sustainability, the Plan scored 15/24 – this may in part be influenced by the uncertainty surrounding SP Grant funding; however, the WIA will be revisited following any revisions made from Partnership Scrutiny members / SPPG / Cabinet feedback.

7.3. Service reviews/contract management throughout the year additionally ensure that any negative impacts can be identified and addressed.

7.4. An Equality Impact Assessment had also already been completed for the LCP in July 2016. This confirmed that SP services are accessed by all protected characteristic group; that every reasonable effort has been made to eliminate or reduce any potential disproportionate negative impact on those with protected characteristics, and that SP will continue to monitor the impact of any changes made. The EqIA did not identify any detrimental impact brought about by the Plan on any protected characteristics.

8. **What consultations have been carried out with Scrutiny and others?**

8.1. During the development of the young people's pathway (and the broader LCP, in which this development is captured), the SP Planning Group has been kept updated and involved in plans. Regular multi-agency meetings have also been held to develop action plans, proposals etc. with a structure including an over-arching young people's pathway group, and the Y Dyfodol remodel sub-group. Additionally, as mentioned, SP have secured funding to commission TAPE Community Music and Film to consult with young people on these development and remodelling plans.

8.2. The remodel of Y Dyfodol and the overall development of the pathway have also been fed back on as part of the LCP consultation – for which an eight week consultation process was held from the beginning of August to the end of September; during which time the draft LCP has been published on the DCC Consultations web page, and circulated to service providers and numerous stakeholders operating in Denbighshire and wider North Wales. A Supporting People information day was also held in Rhyl Town Hall on 12th September, where a summary of the LCP was presented to provider staff, service users and other stakeholders, and a specific workshop exercise undertaken on the development of the young people's pathway. A number of stakeholder meetings have also been attended as part of this process, including the Children, Young People, and Families Partnership.

9. **Chief Finance Officer Statement**

The extension sought is justified in this case. The cost of the contract is an existing commitment.

10. **What risks are there and is there anything we can do to reduce them?**

10.1. Should this extension not be granted, there will be insufficient time to agree and implement a remodelled project with all stakeholders – therefore, the project would be put out to tender in its present form. This would cause significant disruption to support, and presents a higher level of risk due to the number of 16-17 year olds accessing the project, alongside young people up to the age of 25.

10.2. At this time we are unable to evaluate the risk to the provision of the existing accommodation if the project were to go out to competitive tender in its current form; however, should there be any risk to the provision of the accommodation, it would be incredibly challenging to secure up to 33 units of accommodation by March 2017, and we would not be able to assess the suitability of any accommodation in line with the Denbighshire Supported Housing Protocol.

10.3. There is also a risk that the current provider may not wish to deliver this service past 2018. A decision on commissioning will need to be made by Jan 2017, in order to give maximum time to make alternative arrangements.

11. **Power to make the Decision**

To determine the content of any plan, strategy or other policy document requires approval by the Lead Cabinet Member, in accordance with Statutory Instrument 2001 No. 2291 (W,179) Regulation 4 (3)(c) + (d)